

COMPLETING A NEW
APPRENTICESHIP

A BEST PRACTICE GUIDE
AND IDEAS FOR THE FUTURE

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INTRODUCTION

This guide is for staff working in State and Territory Training Authorities administering New Apprenticeships and for their partners in New Apprenticeships Centres and Group Training Organisations. This guide has one goal in mind - making the New Apprenticeships good news story even better for individuals and collectively for Australia's skilled workforce.

BACKGROUND

In a study prepared for the Australian Government, the Australian Council for Educational Research (ACER)¹ has tracked the fortunes of nearly 6000 Australians born in 1975. The research indicates that while a Year 12 qualification provides some protection from unemployment, the strongest protection comes from having a good start in the workplace and continuity of that experience.

A common experience of a good start in the workplace in Australia comes through an apprenticeship or a traineeship. These have been a major source of skilled labour for enterprises, particularly those in the trade areas, for many generations. This apprenticeship and traineeship system, now known as the New Apprenticeships system, has been greatly expanded and reshaped over the last decade. New Apprenticeships are now one of the key features of the vocational education and training (VET) system.

If getting a start as a New Apprentice is a good start, then finishing that apprenticeship or traineeship is even better. However, some do not complete and it is known that there are often complex reasons for this occurring both for individuals and within the system.

WHAT DOES THE DATA TELL US?

Recent sampling from the National Centre for Vocational Education Research (NCVER) on non-completions based on data from Apprenticeship/Traineeship Training Contracts paints a complicated picture about non-completions. Completion rates, even taking account of change of employers, have fallen for apprentices and trainees commencing over the period 1995-1998. And whilst it is likely that they will continue to fall for the cohort which commenced in 1999 a range of strategies have been put in place more recently which are expected to arrest this trend.

The fall in average completion rates is due in part to a strong growth in non-traditional apprenticeships and traineeships which have historically recorded lower completion rates than 'traditional'

¹ Marks, G N, Hillman, K and Beavis, A (2003) Dynamics of the Australian Youth Labour Market: The 1975 Cohort, 1996-2000, ACER, Camberwell

apprenticeships. The lowest completion rates are recorded for non-traditional apprenticeships of two to three years duration, particularly when they are undertaken on a part-time basis; however, in some instances, completion rates for some non-trades occupations and some shorter trades Training Contracts have actually risen. Completion rates for the traditional trades has generally been higher, though there is some evidence of a fall in completion rates for some areas within the traditional trades group ie. contracts of training for trades and related occupations which entail a qualification at AQF Level III or above and a duration of more than two years full-time or eight years part-time.

Analysis of non-completion trends over time is somewhat problematic because of the changing nature of the system, technical issues associated with recording that prevents definitive research on this issue and the fact that concurrently the system has been recording very high levels of growth. And of course some fundamental concerns about what a completion represents remain.

All that aside, there can be little doubt that it is in Australia's interests both in terms of economic well-being and an individual's life chances that we make the most of the employment and training opportunities that are part and parcel of New Apprenticeships. While not finishing a contract of training may be a perfectly reasonable choice, particularly for young people exploring learning in the workplace and who move on to other employment, education and/or training, there are concerns when increased levels of non-completion are identified. The concern is about the missed opportunities for individuals and the less than optimal use of government and industry resources that these non-completions might represent.

WHAT IS A COMPLETION?

It is important to realise that the definition of non-completion is complex. While the terms non-completion and completion are used to describe different situations by different players, the "official" completion of a New Apprenticeship has three quite distinct and administratively complex steps:

1. Completion of the formal off-the-job requirements for the particular New Apprenticeship qualification under the Australian Qualifications Training Framework and usually at the Certificate II, III or IV level
2. Completion of the indenture period of the New Apprenticeship shown in the Training Contract. This means continuing to be in the New Apprenticeship and meeting the on-the-job

requirements for the particular New Apprenticeships qualification.

3. Notification to the State or Territory Training Authority with evidence that steps 1 and 2 have been satisfied. If this notification is not made or not made correctly, there is technically and statistically no completion to record in the national database.²

IS THERE A PROBLEM?

Understanding completions is further complicated by the variety of ways by which an individual can and does complete a New Apprenticeship. There can be stops and starts, one or more employers in the equation and different Training Contracts in new work situations. Changes in personal circumstances, career aspirations, maturity levels and a host of intertwined work and personal factors will influence a person to complete or to go another way.

There is evidence to support the view that non-completions are not necessarily a negative outcome or “failure” on behalf of the parties or the system³. The experiences associated with learning and working under a Training Contract are valuable in their own right regardless of whether or not formal completion occurs. As well, the research⁴ shows that employment outcomes for non-completers is better than for graduates of institutional pathways such as TAFE or universities. As might be expected, the employment outcomes for completers is better than for those who do not. But the gap is not wide.

Non-completion rates for traineeships are viewed as high and are considerably higher than for an apprenticeship over the same period. While not dissimilar to the rate of separation from permanent jobs generally, the fact that around 40% are neither receiving the full benefits of participation nor gaining a recognised qualification requires some attention. In addition, the enterprise providing the opportunity for the traineeship may not be getting the return on their investment. Finally, high non-completion rates imply that the costs of achieving a cohort of qualified trainees is higher than it might otherwise be.⁵ This can give an inaccurate impression of the cost to governments and industry which could discourage consideration by some of the New Apprenticeships pathway.

²NCVER (2002), Outcomes and completions of New Apprenticeships – at a glance

³ NCVER (2002), Outcomes and completions of New Apprenticeships – at a glance

⁴ NCVER (2002), Outcomes and completions of New Apprenticeships – at a glance

⁵ Grey K, Beswick, W, O'Brien, C and Ray, D (1999) Traineeship non-completion, Commonwealth of Australia

TOWARDS MORE COMPLETIONS

The Australian Government as well as State and Territory Governments are strong supporters of the New Apprenticeships system. It makes economic and social sense for governments to maximise the return on investment in training. Interventions along the way are a likely scenario for governments working with industry to maintain and expand the stock of skills of the workforce.

In November 2003 Ministers for Vocational Education and Training across Australia approved a national strategy for VET for the next seven years⁶. The twelve broad strategies are designed to achieve objectives for industry to have a highly skilled workforce to support strong performance in the global economy, and for employers and individuals to be at the centre of VET. New Apprentices are an important segment of the workforce and account for nearly a third of publicly funded VET annual hours.

In recent years the Australian Government financial incentives payable to employers of New Apprentices have been reviewed and varied. While a proportion of incentives are still paid at the commencement of a New Apprenticeship, an increased proportion is now payable on completion. It is a little early to assess the impact of the changes to incentives on completions/levels.

Another policy area attracting the interest of governments is reviewing what a completion really means and finding a more straight forward and consistent way of describing one and recording it. The definition is open to interpretation and information quoted often utilises different definitions and methodology making comparisons questionable and confusing. There is a strong sense that nothing more than getting the parties to go the whole way through the administrative process would improve completion rate records. Attention to all of this is required to provide a framework for data that is accurate and useful. This is not a task for the faint-hearted for as well as complex statistical and modeling dilemmas, there are a multitude of workplace arrangements, legislation, industrial awards, custom and practice that are interwoven into the tapestry that is the New Apprenticeships system.

In States and Territories there are sets of arrangements for the New Apprenticeships system that are similar across the country and there are others that differ. These arrangements alter as governments deal with changes in their labour market and the expansion and contraction of local economies. Whilst well informed consumers ask tough questions about the rationale for differences and about

⁶ Australian National Training Authority (2003) Shaping our Future, Australia's National Strategy for VET 2004-2010, ANTA, Brisbane

funding support that sometimes seems uneven it is unknown to what degree these issues affect completion rates.

MOVING ON – THIS GUIDE

Despite complexity and tensions, there are high levels of support by employers, employees and governments for the New Apprenticeships system, especially as a career and learning pathway for young people. There is support for collaborating to fix the data, developing models suited to our changing workplaces, supporting and growing a quality New Apprenticeships system and in particular for improving completions.

An example of this collaboration and the desire to improve completions is this guide, *A Best Practice Guide and Ideas for the Future*. State and Territory VET representatives contributed to the material used in its development for the benefit of other State and Territory staff administering the New Apprenticeships system and their partners.

This guide is based on the seven areas identified by ANTA, as the critical areas where government intervention may make a difference to completion rates:

- Improving the three A's: access, accuracy and appeal of promotional information.
- Making things clearer at contract sign-up time.
- Getting a good start with a view to having a good finish.
- Finding out more on the facts and impact of non-completions.
- Supporting the parties – employers, New Apprentices, trainers and brokers.
- Improving workplace training arrangements.
- Lifting the bar on quality.

The focus within each of the seven areas in the following sections of this guide is firstly on *Today's good practice*, the good practice happening every day in one or more of the States and Territories to support higher completion rates. These examples have made a difference to completions, to the system, and to individuals' life chances and the efficiency of workplaces.

This is followed by *Ideas for the future*, a set of ideas for consideration. It may be that through the collaborative effort of the parties across Australia a number of these ideas can be turned into actions that will in the near future result in better completion rates for New Apprenticeships across the board.

The reader is encouraged to consider the material under the seven headings that follow and where it adds value, to adopt or customise the practice locally.

IMPROVING THE THREE A'S: ACCESS, ACCURACY AND APPEAL OF PROMOTIONAL INFORMATION

Today's good practice

- Monitoring and evaluating career education provision.
- Distributing promotional brochures modified to target different segments of the market – potential full- and part-time New Apprentices, employers, particularly small businesses, industry associations, careers advisers, counsellors, VET and school teachers, workplace trainers.
- Agreeing a promotional strategy between partners: employers, community organisations, schools, TAFE institutes and other Registered Training Organisations (RTOs).
- Making presentation opportunities at Worldskills, career expos, shows, schools (especially for parents) and colleges profiling high achievers and offering scholarships, and maximising the value of these presentations.
- Strengthening links between relevant web sites, eg *myfuture.edu.au*, *training.com.au*, and those of State or Territory Training Authorities.
- Improving internal departmental structures and establishing career centres to give one-stop-shop services to potential New Apprenticeships parties.
- Developing television features and multimedia resources highlighting New Apprenticeships as a career and training pathway in targeted industries and customising national promotional material where useful.
- Promoting New Apprenticeships as a career and as a credible alternative to higher education based on successful VET in Schools experiences.
- Building the image of New Apprenticeships by recognition of VET in Schools high achievers at State Training Authority awards.
- Enlisting the assistance of community networks locally and regionally to raise the level of public awareness, particularly with parents.

Ideas for the future

- Consider a professional development campaign customised for careers advisers, New Apprenticeships Centres and Group Training Organisations targeted at reducing non-completions in industry areas with less satisfactory completion rates.
- Have every senior student/school leaver develop an individual school to work plan which entails amongst other things an investigation of post-school New Apprenticeships as a first choice option for interested students.
- Pilot a work education course for years 9 and 10 which includes research activities relating to traineeships and apprenticeships.
- Identify champions in the ranks of the State and Territory and National Industry Advisory arrangements and award winners to enhance the awareness and worth of a career in the trades, especially through a New Apprenticeships pathway.
- Develop industry-specific handy hints for successful recruitment of New Apprentices which includes a pre-engagement personal capability assessment and close attention to matching individual employers with individual potential New Apprentices.

MAKING THINGS CLEARER AT CONTRACT SIGN-UP TIME

Today's good practice

- Requiring all the parties or their agents to be at the table, wherever that table is, to provide information and training options at the time of sign-up.
- Promoting sign-up time as an opportunity for all the parties, including parents of under-18 year old New Apprentices, to exchange views, ideas and information.
- Promoting access to ongoing advice and assistance to the parties to reduce the need for future interventions.
- Maintaining open dialogue with New Apprenticeships Centres and clear communication about Australian government and State or Territory requirements.
- Providing accurate information on the training system, obligations of the parties and commitment required.
- Conducting information and training sessions with New Apprenticeships Centres on issues around Training Contracts such as regulatory matters, incentives and subsidies, industrial relations changes and improvements to the administration of Training Contracts.
- Hosting regular forums involving the State Training Authorities with New Apprenticeships Centres and the Department of Education, Science and Training to address issues of mutual concern.
- Requiring the submission of a training plan outline from the RTO to accompany the lodgment of a Training Contract.
- Improving web-based and print information used at sign-ups, especially that on User Choice arrangements
- Targeting new and not so experienced employers to raise awareness of obligations and responsibilities.
- Encouraging employers to be clearer in their specification of requirements prior to drawing up training plans.

Ideas for the future

- Ensure check lists and information kits to streamline sign-ups can be customised for small business employers signing-up for the first time and ensure suitability for sign-ups in remote situations.
- Modify arrangements where needed to ensure that sign-up procedures are culturally inclusive.

- Make it highly desirable for State and Territory Training Authority apprenticeship liaison staff to complete conflict resolution training.

GETTING A GOOD START WITH A VIEW TO HAVING A GOOD FINISH

Today's good practice

- Hosting 'getting to know you' forums/roadshows in collaboration with employer and employee associations and networks for employers and New Apprentices early on in the life of the Training Contract.
- Monitoring that the *Code of Good Practice for New Apprenticeships* is distributed and responsibilities of the parties are actively promoted.
- Monitoring administrative arrangements to make sure that employer approvals, choice of RTO, signed training plans, and Training Contract approvals contribute to training getting underway efficiently.
- Updating web-site and printed information continuously to maintain plain English, currency and accuracy including User Choice arrangements, underpinning legislative requirements and incentives and subsidies available.
- Offering professional development for New Apprenticeships Centres in areas of strategic importance to the State or Territory.
- Conducting information sessions for the parties on the support services available to assist New Apprentices facing equity barriers to get a good start.
- Publishing a communication strategy for all the parties that is signed off by all the parties.
- Highlighting induction sessions that support officers conduct at each employment assessment visit.
- Publicising the benefits of the supervising RTO hosting induction programs for employers and New Apprentices.

Ideas for the future

- Review probationary arrangements to increase the confidence of the parties and to increase successful outcomes and debate the merits or otherwise of consistent probation periods across borders.
- Develop a no-frills publication to be customized for particular clients with tips on how to make a good start, with small businesses being an early target.

FINDING OUT MORE ON THE FACTS AND THE IMPACT OF NON-COMPLETIONS

Today's good practice

- Making sure the cancellation application process in New Apprenticeships Centres is smooth and reasons for cancellation are clear. This will lead to increased confidence in statistics and help to target the research effort.
- Issuing positive messages and case studies to illustrate the usefulness of partial completions as a step in people's transition to new work and training while concurrently issuing messages of the merits of completion.
- Investigating the extent and nature of 'churning' of New Apprenticeships.
- Exploring the reasons for non-completions of existing workers where non-completion rates are higher than for new entrants.
- Exploring the reasons for non-completion of clients facing particular barriers such as low literacy skills, having a disability, or having Indigenous or Non-English Speaking Backgrounds.
- Having purchasing arrangements with Group Training Organisations that encourage the parties to complete.
- Running campaigns on the benefits of remaining in a New Apprenticeship.
- Adding clauses in resource agreements to require attention to the reduction of attrition, where appropriate.
- Targeting research and interventions in industry areas of strategic importance.
- Monitoring RTOs under User Choice contracts.
- Linking payments to RTOs to delivery and completion.
- Monitoring the performance of Group Training Organisations in the area of completions through contract management.
- Liaising with industry to explore the impact of skill shortages and also with students in an effort to encourage completion.
- Recognising the positive impact on employer clients of quality standards for Group Training Organisations.

Ideas for the future

- Collaboration across States and Territories and with the Australian Government and industry to propose options to simplify the completion process.
- Conduct research so that only the “failure” segment of non-completion is targeted, so as to cleverly minimise approaches to survey-weary New Apprentices.
- Make a business case for setting up a New Apprenticeships support network “shop” in State or Territory Training Authority regions.

SUPPORTING THE PARTIES – EMPLOYERS, NEW APPRENTICES, TRAINERS AND BROKERS

Today's good practice

- Rewarding employers with completion bonuses for supporting the system by employing and completing three or more young apprentices at the one time.
- Investigating one-off strategic interventions with financial benefits to encourage completions in targeted areas and being vigilant in identifying and managing “incentive-shoppers”.
- Funding RTOs to support learner support modules and services for New Apprentices with learning difficulties to attain traineeship or apprenticeship outcomes.
- Ensuring that keeping practitioners up-to-date with their responsibilities is included in the priorities for professional development for RTOs.
- Increasing the focus of RTO audits on minimum standards for workplace learning and assessment.
- Publishing and promoting a workplace coaching guide.
- Offering a hotline service and/or a training consultancy service for employers and New Apprentices for just-in-time advice and troubleshooting assistance.
- Taking into account the additional support measures some older apprentices may require and ensure that interventions match the characteristics of the age cohort.
- Ensuring that field staff achieve the agreed minimum number of site visits/contacts per year and maximise the learning for departmental staff from these visits.
- Evaluating relocation for New Apprentices in unsatisfactory placements with a focus on early intervention.
- Showcasing innovation in partnerships and delivery through Workplace English, Language and Literacy projects in New Apprenticeships areas.
- Facilitating better linkages between brokers and the parties and better education for employers, especially small business operators.
- Establishing and keeping up-to-date user-friendly on-line business arrangements to support the contractual arrangements involving – New Apprenticeships Centres, RTOs, employers, Group Training Organisations and New Apprentices.

Ideas for the future

- Investigate the benefits and disadvantages of a New Apprenticeships Skills Passport or an ID card.
- Facilitate ways practitioners and State and Territory Training Authority New Apprenticeships consultants can influence policy changes designed to improve completion rates.
- Review legislation to ensure currency to support the parties and ensure confidence in operations by State and Territory Training Authorities.
- Develop fresh ways to engage and educate small business operators on how training can improve their bottom-line results.

IMPROVING WORKPLACE TRAINING ARRANGEMENTS

Today's good practice

- Adding value to workplace assessments by noting the mood and the workplace environment and responding suitably.
- Improving relationships and systems, particularly in IT, to support seamlessness for clients between off-the-job and on-the-job training.
- Improving the track record of risk management for workplace training and assessment, especially where there are variations in training effort, “bulk” sign ups, or hazardous workplaces.
- Reviewing the outcomes of appeals, review tribunals and remedial actions taken to address unfair treatment, harassment and dismissals to improve practice.
- Recognizing best practice workplaces through publicity and awards.
- Demonstrating preparedness to address less than satisfactory learning environments in workplaces.
- Supporting a level playing field across public and private providers of services.
- Improving consistency in operations of field staff.

Ideas for the future

- Develop a state or national database for RTOs to record and share their supervisory experiences with workplace training.
- Offer incentives to organisations that are able to innovate in partnerships to improve outcomes from workplace training.
- Identify and promote examples of good practice where high levels of successfully integrated off-the-job (either workplace or institution-based) and on-the-job training are leading to improved completion rates.

LIFTING THE BAR ON QUALITY

Today's good practice

- Recognizing past good performance as part of the assessment of User Choice applications process.
- Using quarterly analysis of outcomes under New Apprenticeships as a component of performance reviews with RTOs.
- Reviewing provision in remote areas to compare quality with metropolitan and regional provision.
- Specifying clearly the minimum requirements for training plans in purchasing arrangements and auditing this requirement.
- Checking that policy directions are in action on the ground to ensure the integrity and quality of the system.
- Taking a risk management approach and maintaining at all times a comprehensive risk management plan for New Apprenticeships services.
- Conducting strategic risk management audits.
- Recognising the employer role as a key partner in achieving quality outcomes.
- Feeding research, evaluations, good practice and resolutions to sticky issues into the policy review process.
- Using commonly read publications to give positive messages on quality improvement.
- Encouraging key staff to gain the Certificate IV in Training and Assessment.

Ideas for the future

- Include a segment on quality and completion issues as keynote items at State and Territory and National Industry and Government Forums.
- Develop a performance measurement framework for the jurisdiction's whole New Apprenticeships system with particular emphasis on completions.
- Contributing to frank and fearless discussions on initiatives to improve data quality and consistency for the benefit of the total New Apprenticeships system.