MEDIA RELEASE

21 February 2011

Reforming the Australian Apprenticeships system

The Australian apprenticeship system must be simplified, streamlined and better targeted to meet the critical skills needs of the Australian economy, the Minister for Skills and Jobs, Senator Chris Evans said today.

Releasing A Shared responsibility – Apprenticeships for the 21st Century, an independent report on reform options for the national apprenticeships system, Senator Evans said the growing demand for skilled workers required a decisive response.

“The economy needs skilled workers now and the apprenticeships system must be flexible enough to deliver,” he said.

“The Government’s investment in training has produced outstanding results in recent years and we now have record numbers of Australians in traineeships and apprenticeships.

“But the current system is too complex and the Government wants to work in partnership with industry, training providers and the states and territories toward a more simplified and nationally consistent system which provides relevant, quality training on and off the job.”

The report, produced by an expert panel chaired by Mr Jim McDowell, made 14 recommendations, many of which require consideration by the Council of Australian Governments.

“The Government welcomes the report and is particularly supportive of recommendations for improving targeted incentive payments, work-based training initiatives and allowing competency-based progression,” Senator Evans said.

“Recent figures show 42 per cent of those starting apprenticeships are now aged 25 or above and the system must be able to recognise previous experience or qualifications held by these older apprentices and trainees and allow them to complete their training when they are competent.

“There are many workers already in the workforce who have skills which should be recognised as an incentive to undertake further training.

“However, we will not consider introducing an employer contribution scheme. The Government believes industry is keen to co-operate voluntarily in a genuine partnership to improve the apprenticeships system.”
Senator Evans said the Gillard Government believed Australians should be given priority to receive the training they need to fill skilled job vacancies.

“As the economy strengthens and we create even more jobs, we want Australians workers to come first,” he said.

“This report marks an opportunity to fundamentally rethink our apprenticeship system and focus on delivering skills that are in critical demand now and into the future.”

Having ruled out an employer contribution scheme, Senator Evans said he was broadly supportive of the panel’s recommendations but would be reluctant to adopt measures which resulted in the imposition of additional or unwarranted bureaucracy.

He said record numbers of apprentices were now in training across Australia as a result of the Government’s investment in training initiatives like Apprentice Kickstart. A report by the National Centre for Vocational Education Research revealed a record number of 57,200 people commenced traineeships in the December quarter.

The $200 million Critical Skills Investment Fund and the successful Enterprise Based Productivity Places Program enable the Government to support industry groups training people in areas of skills shortages.

“It’s vital that we maintain the momentum from our investment in apprenticeships because working smarter, through a more skilled and adaptable workforce is critical to Australia’s long-term economic success,” he said.

As an immediate response to the expert panel report, the Government will seek to extend contracts for Australian Apprenticeship Centres until 30 June 2012 for wider consultation on the future of the support services

“Australian Apprenticeship Centres provide important support for apprentices, trainees and their employers,” Senator Evans said.

Key stakeholders including unions, employers and training providers will be invited to provide feedback at a number of round table meetings with members of the panel. The public are able to provide feedback on at apprenticeshipreform@deewr.gov.au

Information and feedback gathered from stakeholders through this consultation process will assist in informing the Government response to the panel’s recommendations in coming months.

The Panel’s report and supporting NCVER research will be published on the Australian Apprenticeships website http://www.australianapprenticeships.gov.au/experts/default.asp

Media Contacts: Karen Brown 0413 080 956
                        Rhys Davies 0411 138 572

DEEWR Media: media@deewr.gov.au
Non-media enquiries: 1300 363 079