Review of group training arrangements in Queensland

A Report to the
Minister for Employment and Small Business and
Minister for Training and Skills Development
and the
Director-General, Department of Employment,
Small Business and Training

Office of the Queensland Training Ombudsman January 2018

Contents

Purpose of the Review	1
Scope of the Review	
Terms of Reference	1
Background	1
Group Training Arrangements in Queensland	2
Previous Reviews of Group Training Arrangements	7
Group Training Arrangements in Other Jurisdictions	8
Consultation	9
Consultation Results	10
Options for Future Funding Under the Queensland Group Training Program	17
Conclusions	19
Recommendations	22
Attachments	24

Purpose of the Review

The purpose of this review is to identify the quality and breadth of training available to apprentices and trainees through Group Training Organisations (GTOs).

The development of clear indicators by which to measure the success and quality of group training arrangements should provide direction for future funding arrangements managed by the Queensland Department of Education and Training (DET).

Scope of the Review

The scope of this review includes:

- · consideration of the variables that shape current policy and funding arrangements for group training arrangements in Queensland
- consideration of the likely future drivers of policy and funding arrangements for group training arrangements in Queensland;
- identification of likely future labour market trends impacting on GTOs in Queensland
- analysis of the strengths and weaknesses of group training arrangements and identification of key differences, if any between GTOs and generalised labour hire firms should they exist
- development of the key tenets of a preferred future funding framework for group training, with a clear rationale and defined outcomes
- advice on the range and nature of the outcomes relating to group training services which governments might consider purchasing in the future
- advice on future monitoring, review and continuous improvement processes.

Implications arising from the current appeal to the Federal Court regarding the implementation of modern awards relevant to apprenticeship wages in Queensland are not within the scope of this review.

Terms of Reference

The Terms of Reference for the review, together with membership of the Review Steering Committee are at Attachment 1.

The review has been completed in partnership with DET and has included consultation with GTOs, other stakeholders and a survey of apprentices.

Background

The Queensland Government provides subsidised training opportunities to assist eligible Queenslanders at different stages of their working life to access vocational education and training (VET) and complete formal qualifications. Funding is also provided to eligible GTOs to assist them to deliver quality outcomes for apprenticeships critical to the success of the Queensland economy.

While Queensland has a world class VET system, no system is perfect and it is prudent to continue to look for ways to enhance better practice. In September 2015, the Queensland Government created the position of Queensland Training Ombudsman to provide a free confidential independent service to review and resolve enquiries and complaints from apprentices, trainees, students, employers and other parties to the VET system.

Quality in VET remains a high priority for the Queensland Government, and the role of the Queensland Training Ombudsman includes providing advice on issues that will enhance the quality provision of VET in Queensland.

Over recent times, the Queensland Training Ombudsman received complaints, formal enquiries, and informal enquiries regarding activities of GTOs, including

apprentices not being provided with the full range of work

- apprentices undertaking significant off the job training that is not being matched with appropriate placements with host employers
- excessive use of part-time arrangements as a recruitment practice
- apprentices being provided with additional training that does not align with their progression through an apprenticeship
- apprentices being engaged but not being allocated to host employers
- inappropriate cancellation of apprenticeships
- inappropriate stand down of apprentices, including apprentices being forced to resign or take leave without pay.

Given the ever changing policy and funding landscape of the VET system, and a range of issues currently raised relating to group training arrangements, it is timely that this review is undertaken to address quality issues.

Group Training Arrangements in Queensland

History

Group training was established by industry leaders in the automotive and construction sectors with support from government agencies. The concept was a response to the needs of many small businesses in an unpredictable market who found it challenging to commit to employ apprentices for the full duration of their apprenticeship, and to address concerns regarding skills shortages and missed opportunities for youth employment.

A model was established where a separate legal entity (GTO) was set up as the employer and arranged hosting arrangements for employers to participate.

In the early 1980s, the Australian and State/Territory Governments agreed to jointly fund the administrative costs of not-for-profit GTOs and to provide support and encouragement for their establishment. This availability of funding encouraged growth and was known as the Joint Group Training Program (JGTP), with a requirement for matching contributions from the Australian Government and each State or Territory.

Over time, this funding arrangement was extended to include for-profit GTOs as part of increased contestability in the market place.

GTOs were always aware that funding allocated under the JGTP was not recurrent funding and was distributed through a contestable process with annual funding arrangements.

In responding to the changing market and business and policy environments, GTOs have adopted a range of approaches and/or business models, as outlined in the Looking Forward report, including:

- a community model (reflecting the origins of group training)
- a regional model (regionally-based enterprises)
- an industry model (generally focussed on one industry)
- a corporate model (national, multi-region, multi-product).

In May 2014, a review of the JGTP was commissioned by the Australian Government to provide advice and recommendations to determine the best approach to supporting ongoing group training arrangements.

The review was completed in late August 2014 and identified that outcomes were not being maximised through group training arrangements and identified opportunities for the Australian and State/Territory Governments to review funding. Subsequently, the Australian Government advised that:

- JGTP funding would be discontinued from 2015–16
- the Australian Government's contribution to JGTP for 2014-15 be reduced by 20% based on 2013-14 funding levels.

The Queensland Government remained committed to support GTOs through the continuation of the State based funding allocation (based on 2013-14 year levels to offset the Australian Government reduction of 20% in 2014-15) on an ongoing basis through the Queensland Group Training Program (QGTP).

The QGTP assists eligible providers of group training services to:

- create additional employment opportunities for apprentices and trainees that otherwise might not have existed
- provide for continuity of employment of apprentices and trainees through to the completion of their Apprenticeship/Traineeship Training Contract
- improve the quality and range of training available to apprentices and trainees
- increase the participation rate of apprentices and trainees in targeted priority areas.

To be eligible to receive funding under QGTP, GTOs must meet the following requirements:

- be recognised as a GTO under the Further Education and Training Act 2014 (FET Act)
- be compliant with the National Standards for GTOs
- be a current financial member of GTA (Qld and NT), or achieve ISO 90012008 certification
- demonstrate capacity to deliver GTO services
- have an appropriately staffed registered business office in Queensland
- have a demonstrated record of achievement as a GTO in Queensland for a period of no less than12 months
- meet a range of requirements relating to the employment and training of apprentices and trainees.

National Standards for Group Training Organisations

National Standards were introduced as the quality framework for GTOs from 1 January 2003, and were later amended with effect from 1 January 2006. The eight Standards were:

- systems for group training services including management of hosting
- compliance with Australian, State/Territory legislation and regulatory requirements
- effective financial management procedures
- effective administrative and records management procedures
- · effective corporate governance
- · access and equity
- · the skills of GTO staff
- ethical practice.

To demonstrate compliance with these standards, GTOs in Queensland were required to complete an annual self-assessment and undergo an independent audit every three years.

Revised National Standards for Group Training Organisations were implemented from 1 January 2017, replacing the previous standards. These revised standards require GTOs to enhance the reputation of group training as a model of employment and focus on the elements of:

- recruitment, employment and induction
- monitoring and supporting apprentices and trainees to completion
- maintaining a sustainable GTO which is well governed and administered.

To demonstrate compliance with the revised standards, GTOs are still required to undertake an annual self-assessment and undergo an independent audit every five years. A copy of the 2017 National Standards for Group Training Organisations is at Attachment 2.

Funding Levels

JGTP funding reduced over a number of years with a peak of \$8.2M in 2009-10 to a low of \$5.065M in 2014-15. Following the cessation of the JGTP, the State has maintained a funding allocation of over \$3M per annum since 2015-16. Details of annual funding levels since 2013-14 are outlined below:

Year	Budget
2013-14	\$6,331,576
2014-15	\$5,065,260
2015-16	\$3,165,000
2016-17	\$3,165,000
2017-18	\$3,250,000

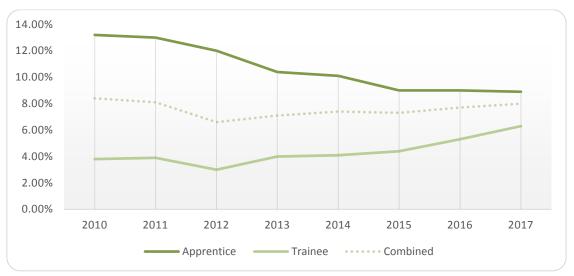
Attachment 3 outlines details of funding provided to each eligible GTO in 2015-16, 2016-17 and the proposed level of funding for 2017-18.

The Queensland GTO Market

There are currently 33 GTOs recognised in Queensland, of which 10 predominately deliver services in regional and remote areas. However, as DET does not collect details regarding hosting arrangements the full extent of this is unknown.

GTO market share of combined apprentices and trainees in training has remained above 7% since 2014. However, the market share of apprentices in training has reduced from 13.2% in 2010 to 8.9% as at 30 June 2017. The market share of trainees in training has grown from 3.8% in 2010 to 6.3% in 2017.

Graph 1 - Queensland GTO Market Share



Data provided by DET – as at 30/6/17

Industry trends of apprentices in training with GTOs have changed over time. Across the five industries outlined in graphs 2 and 3, it is evident that GTO numbers in automotive, engineering and utilities are consistent with trends across the industry as a whole. In regards to construction apprentices, it appears the GTOs did not benefit from the growth in numbers in 2014 and have grown at a slower rate than the rest of the industry since that time. Whilst the initial dip in hospitality numbers in 2011 may be attributed to the closure of a GTO that focussed on the hospitality industry, the graph highlights an ongoing decline since that time despite there being a consistent number of apprentices in training for that industry.

Graph 2 - Industry Trend - GTOs only - apprentices in training



Data provided by DET - as at 30/6/17

Graph 3 - Industry Trend – apprentices in training



Data provided by DET - as at 30/6/17

An analysis of GTO market share in their top five industries in 2010 indicates that market share as a percentage has dropped in all five industries. The significant drop in market share for the hospitality industry highlights a potential mismatch between the requirements of the hospitality sector and the services offered by GTOs. This analysis also highlights that the market share of construction apprentices has not kept pace with the overall numbers of apprentices in training. For example, in 2010 there were 12.286 construction apprentices in training and the GTO market share was 17% (2090 apprentices). As at 30 June 2017, there were 11,654 construction apprentices in training and the GTO market share was 10.8% (1255 apprentices).

Graph 4 - GTO Apprenticeship Market Share - top 5 Industries in 2010



Data provided by DET – as at 30/6/17

Despite changes in market share, collectively, GTOs are still the largest employer of apprentices and trainees in Queensland. GTOs:

- employed 8.9% of apprentices in training in Queensland as at 30 June 2017
- employed 6.3% of trainees in training in Queensland as at 30 June 2017
- employed 1683 new apprenticeship commencements in 2016-17
- employed 1357 new traineeship commencements in 2016-17
- employed 398 recommencing apprentices in 2016-17
- engaged over 200 apprentices through the GTO managed model.

Current Funding Model

In 2017–18, payments will be made to GTOs under the QGTP through a Performance and Funding Agreement. The payment made for employment outcomes is calculated using the following weighting model:

- a payment derived from the GTO's 2016–17 financial year's performance i.e. apprenticeship new commencements (that successfully passed probation) and completions
- · re-commencements achieved from the Out-of-Trade Register
- a weighting for regional and remote commencements and completions, based on the residential address of the apprentices.

Payments are made for apprentices only, with no payments made for trainees.

GTO payments									
Weighting									
Commencements		1							
	Re-Commencement	0.5							
	Regional	0.25							
	Remote	0.4							
Completions		0.5							
	Regional	0.2							
	Remote	0.3							

An instalment of 70% is to be paid in November 2017, with the second instalment paid in April 2018. The QGTP 2017-18 funding guidelines are at **Attachment 4**.

Previous Reviews of Group Training Arrangements

A number of reviews have been undertaken in relation to group training arrangements since their establishment in the early 1980s. A summary of a number of the reviews undertaken to date is below.

Group Training Arrangements (Australian Government)

Group training arrangements were reviewed nationally in 2002 leading to the development of the National Standards for Group Training Organisations and revisions to the policy and practice of government financial support for group training services. Australian and State/Territory Government Ministers of Vocational Education and Training agreed in May 2002 that the Australian National Training Authority (ANTA) Ministerial Council (MINCO) policy statements of 1995, 1997 and 1998 on funding for group training be replaced with the arrangements for a new JGTP, which included:

- a set of seven national principles
- National Standards for GTOs
- recognition and registration of GTOs
- procurement by government of group training outcomes
- evaluation of National Standards and audit protocols
- national consistency
- branding of group training (including a national register and logo).

Review of the Role and Performance of Group Training (Queensland Government)

In 2006 as part of the response to the Queensland Skills Plan, an independent review was commissioned to ensure GTOs were well placed to contribute to addressing skills shortages in Queensland. The review recommended a suite of changes, implemented in July 2007, to funding arrangements and legislation including:

- all GTOs, both profit and not-for-profit, that employ 25 or more apprentices and trainees in hosting arrangements were required to be approved by the Training and Employment Recognition Council
- profit and not-for-profit GTOs were to be eligible for JGTP funding
- JGTP funding was closely aligned to State priorities
- the new purchasing arrangements to be phased in to minimise the impact on GTOs and allow them time to realign their business.

Joint Group Training Program Review (Australian Government)

The JGTP was reviewed in 2007, with one of the recommendations advising that the funding cycle be increased from one year to possibly three, to ensure continuity and give GTOs more certainty.

The review identified that the JGTP funding model had contributed to enhancing the general level of capacity of the group training sector. This enhanced capacity enabled GTOs to extend their scope of services into new markets/areas, particularly in relation to adult apprentices and certain equity groups.

National Standards Review (Australian Government)

In 2009, the National Standards for Group Training Organisations were reviewed, with recommendations advising a move to a more outcomes-focussed set of standards. A draft set of standards were developed but were never approved due to jurisdictional differences. A number of State and Territory Governments then commissioned reviews of group training in their own iurisdictions.

Looking Ahead Report (Group Training Australia)

In 2010, Group Training Australia commissioned, through the National Institute of Economic and Industry Research, a report into the future direction of the group training network. The report, "Looking Ahead: the future for group training - an economic and industry analysis", investigated industry and business strategies that could enhance individual GTOs and the network in an ever-changing environment.

Joint Group Training Program Review 2010 (GTO Consortium)

In 2010, a number of individual GTOs in Queensland sought to review the current arrangements for the JGTP. Their collective intent was to determine if there were improvements that could be made to increase the contribution of group training to State priorities.

The review identified that GTOs would like to engage more individually, on a one on one basis, in contract negotiations so that their community interests are better represented and industry better served. It was also identified that JGTP funding is an essential element of their budgets and any changes would need to consider transitional arrangements.

Other key themes included:

- State priorities need to be more clearly defined
- an annual increase in funding is necessary
- consideration be given to a Strategic Intervention Fund
- changes to the existing contract establishment process.

Review of the Joint Group Training Program and the role of Group Training (Australian **Government)**

In 2014, ACIL Allen Consulting was engaged by the Australian Department of Industry to review the JGTP and the role of group training more broadly. The objective of this review was to provide advice and recommendations to assist Australian and State/Territory Governments to determine the best approach to supporting group training arrangements in achieving apprenticeship and traineeship outcomes.

Following this review, the Australian Government determined that JGTP funding would be discontinued from 2015-16. The Queensland Government decided to continue to provide the state based allocation of funding on an ongoing basis through the QGTP and has funded GTOs for the provision of group training services since 2015–16.

Group Training Arrangements in Other Jurisdictions

All jurisdictions were contacted and asked to identify the group training arrangements in their State or Territory. Their responses are summarised below, noting that not all jurisdictions replied to the request. As the GTO model is unique to Australia, international comparisons were not possible.

New South Wales (NSW)

To increase apprenticeship completions in NSW, an outcome driven Apprenticeship Completion Incentive payment of \$1,000 is available to GTOs for targeted apprenticeship completions.

GTOs may also apply to participate in the pre-apprenticeship/pre-traineeship program receiving up to \$1,500 per approved Target Allocation place. This is provided in three instalments - as a start-up fee when the proposed program by the GTO is approved, when the learner completes the pre-apprenticeship training, and when the GTO places the learner in a training contract and it is approved.

NSW is also working with the ACT to have a dual registration process to reduce the administrative burden for GTOs who operate in both jurisdictions.

Tasmania

Tasmania does not have any specific funding programs aimed at GTOs, however there are some programs that GTOs can apply for or partner with Registered Training Organisations (RTOs).

Australian Capital Territory (ACT)

The ACT does not currently provide any funding to GTOs. Of the 23 GTOs with active apprentices and trainees, only six of them are registered in the ACT. However, the remaining 17 are all registered in other jurisdictions, primarily NSW. It is not mandatory for GTOs to be registered in the ACT. However, ACT is currently considering this position.

Northern Territory (NT)

GTOs whose primary registration is in the NT can access limited funding under the NT Group Training Program.

This funding is to provide a financial contribution to GTOs to:

- create additional employment opportunities for apprentices
- provide continuity of employment for apprentices (focussing on retention and completion)
- improve the quality and range of training opportunities
- support regional participation for apprentices.

Western Australia (WA)

Funding is available to eligible GTOs under the Western Australian Group Training Program (WAGTP). The objective of the WAGTP is to:

- improve outcomes of apprentices and trainees in State Priority Target Groups including completions
- increase school based arrangements, with emphasis on completions and outcomes
- achieve sustained employment outcomes, either before or after completion, in current role or new job, or transitioning from traineeship to apprenticeship.

The State Priority Target Groups of apprentices and trainees to be supported include:

- Aboriginal Australians
- people with disability
- school based apprentices and trainees
- people in remote and regional areas.

Under the WAGTP, incentives are paid to eligible GTOs based on commencement, attainment of mid-term of apprenticeship and completion. Completion payments under WAGT include situations where an apprentice or trainee cancels their training contract but then moves into further employment or training within specified time periods.

Consultation

At the commencement of this review, there were 33 GTOs recognised under the FET Act. During the course of the review, two GTOs ceased operating and two GTOs did not respond to requests to meet to discuss the review.

Consultation occurred through individual meetings with the remaining 29 GTOs, DET regions, industry associations, employers, unions and apprentices. Attachment 5 provides a list of those consulted.

Of the 29 GTOs interviewed:

- four were for-profit entities, 25 were not-for-profit entities
- four provided GTO services only
- 16 also operated a Registered Training Organisation
- eight provided the managed model, in addition to the traditional employment model

- 12 provided labour hire services in addition to their GTO operation
- three also operated Australian Apprenticeship Support Network (AASN) services
- one also operated a school, and another was in the process of seeking accreditation for a school
- · four were also industry associations
- one is a company owned by the Queensland Government (Aviation Australia)
- 26 received funding under QGTP, ranging from \$3,000 to \$925,000 in 2016-17.

Consultation Results

The Role of GTOs

During the consultation, there were wide ranging views of the role that GTOs play in the modern VET system and labour market.

During the consultation undertaken, GTOs were asked to outline the five key roles that they believed were the current roles of GTOs, effectively outlining the benefits that they believed were delivered by GTOs.

The responses were as follows, including information regarding the frequency with which the matter was raised during the consultation:

Identified Role	Frequency of Response
Individualised support/case management/pastoral care	29
Job rotation - where required	15
Mentoring in the workplace	13
Manage the employment risk	12
Provide opportunities that would not otherwise exist – eg scope of work	10
Provide flexibility for host employers to manage business cycles	10
Provide recruitment assistance	6
Match the right apprentice with the right host and the right trade	6
Simplifying and streamlining the system	6
Promoting a safety and appropriate IR culture	5
Provide for continuity of employment	4
Manage training requirements	4
Provide school to work transitions	3
Focus on the employment of apprentices	3
Completions leading to competent tradespeople	2
Solve problems	1
Point of contract for those out of trade	1
Conduit between generations	1
Meeting community skilling needs	1
Promoting apprenticeships and traineeships	1
Improved buying power	1

Other stakeholders consulted identified that they believed the role of a GTO should be to provide:

- a pathway for younger people in a structured employment setting linked to a qualification (noting that the driver should never be about making money)
- · coaching of apprentices (a renewed approach to what has been termed pastoral care and mentoring in the past, noting that the provision of pastoral care by GTOs is not an expectation of industry)
- effective job rotation which leads to well-rounded trade outcomes

• promotion of trade pathways through effective relationships with schools.

Apprentice Feedback

A telephone survey was also conducted with 86 apprentices who recently completed an apprenticeship through a GTO, or cancelled their apprenticeship whilst employed by a GTO. Outcomes of this survey revealed that:

- 48% of apprentices advised that they were without a host employer for some part of their apprenticeship
- 49% indicated that they were visited by their GTO "not very often", or not at all
- 57% thought that the purpose of the visit was for workplace mentoring
- 64% were satisfied with their experience
- 66% would recommend a GTO to others
- 69% believed that the skills they learned at their RTO were also used in the workplace
- 80% advised that the GTO found their host employer for them
- 87% of those that completed advised that they completed on time.

Comments provided by apprentices included:

- the value of the GTO relates to first and second years only and they believed that third and fourth year apprentices would be better off if they were employed direct
- apprentices were made to feel bad when field officers tried to convince them to stay with their host so that the field officer would get their bonus
- some apprentices were asked to perform labouring work that was not related to their trade
- all apprentices at one GTO were asked to find their own hosts, whilst other GTOs were described as 'slack" when it came to locating host employers
- apprentices were required to continually call their GTO seeking work placements
- on some occasions the apprentice did not know who their GTO was.

Overall, the results of the survey provide an indication to GTOs for areas of improvement. The area of most concern relates to the percentage of apprentices who advised that they were not allocated to a host employer for a period during their apprenticeship.

Other feedback

Stakeholders consulted also raised concerns regarding:

- limited rotation of apprentices (similar to responses from GTOs regarding their role)
- GTOs not encouraging or supporting competency based completion
- apprentices being "played off' between the RTO, GTO, AASN and host employer
- wide variation in charge out rates
- perceived weaknesses in the GTO model linked to very few GTOs only involved in GTO activity
- wide variations in the quality of service delivery
- inconsistent engagement with schools, particularly in relation to the signing up of school-based apprentices and trainees.
- GTOs being treated differently in relation to Employer Resource Assessment requirements
- poor approaches to stand down and/or suspension
- the system would be worse off without GTOs but they need to reinvigorate themselves
- GTOs are not valued and have failed to adapt to the changing labour market and changing levels of government intervention
- GTOs should actively build the capability of host employers
- GTOs need to invest in building the capability and capacity of their staff
- Some stakeholders consider GTOs to be an employer of last choice.

Apprenticeship Lifecycle

The lifecycle of an apprenticeship or traineeship can be broadly broken into recruitment and commencement, ongoing support, and finalisation. The strengths, weaknesses and role of GTOs in Queensland have been analysed in accordance with each of those components of the apprenticeship and traineeship lifecycle.

Recruitment and Commencement

Throughout the consultation process, GTOs outlined their approach to recruitment of apprentices and trainees. In general terms, the process comprises:

- expression of interest (in some cases)
- application
- aptitude and/or psychometric testing
- interview of potential apprentice/trainee with GTO
- interview of potential apprentice/trainee with host (in some cases)
- medical, drug and alcohol testing where required.

In many cases, GTOs believe one of their key functions is to connect the right apprentice or trainee, with the right host, in the right qualification.

Detailed information regarding apprenticeship and traineeship commencements through GTOs is at Attachment 6.

Most GTOs advised that they recruit for specific vacancies only, and believed that reports of GTOs signing up multiple apprentices for a small number of vacancies are incorrect.

GTOs charge the host employer a 'charge out rate'. This rate essentially covers all the costs that would be incurred by the host employer if they employed the apprentice directly, plus an administration fee. There are variations in the manner in which this fee is outlined to potential host employers with some GTOs providing it as an inclusive hourly rate and others stating that on top of all other costs a set administrative fee applies. Other than the applicable industrial instrument, the administration fee, irrespective of how it is presented, is the main point of difference between charge-out rates and reflects the different business models used by each GTO. As such, variations in the charge-out rate should be expected. GTOs must convince host employers of the benefits and value of the administration fee that is charged.

Data provided by DET indicates that one GTO utilised part-time arrangements for approximately 85% of commencements in 2016-17. Of those apprentices that commenced in 2016-17, only 53% remained in employment as at 24 October 2017. 33% of those apprentices withdrew during probation and a further 14% cancelled their training contract after the expiration of the probation period. This process creates confusion amongst apprentices, trainees and their parents. It is noted that the GTO involved advised that they are reviewing their processes.

A number of GTOs outlined their expertise in recruitment and advised that they also provided recruitment services for a number of employers (and not just for apprentices and trainees) on a fee for service basis.

Several other GTOs outlined that, as well as the traditional employment model, they also provide a managed service to a range of employers, providing a complete wrap around service including recruitment, training plan management and completion, but do not employ the apprentices. Whilst the number of apprentices supported by this model is not large, the numbers need to be considered in terms of the full service provided by GTOs. Information provided by GTOs during the review identified that GTOs were involved with approximately 200 apprentices under this managed model. GTOs who utilised that model provided advice that completion rates for apprentices under that model were approximately 70%, higher than completion rates for those engaged in the traditional model.

Of particular interest was the lack of any specific strategy targeting participation of Indigenous or school-based apprentices. In 2014-15, 7.6% of Indigenous apprentices were engaged by GTOs. In 2016-17, this figure reduced to 5.5%. Over the same period, school-based apprenticeship market share for GTOs dropped from 7.8% to 5.6%.

In most cases, GTOs advised that school-based apprentices were "too hard". In other cases, GTOs advised that places that were once used by school-based apprentices are now taken by work experience students through trade colleges and other schools with significant VET in Schools activity. Several GTOs cited that specific strategies for the engagement of Indigenous apprentices ceased when group training funding arrangements no longer targeted that cohort.

However, several GTOs target school-based trainees with 35% of all school-based trainees engaged through GTOs. 21% of all Indigenous trainees are engaged through GTOs. Trainees are not funded under the QGTP funding arrangements.

GTO engagement with schools is inconsistent. Whilst most GTOs believe that they have good relationships with schools, several schools and other stakeholders identified that the relationship between schools and GTOs needed to improve, especially the processes for early engagement with schools when recruiting school-based apprentices and trainees.

An analysis of data as at 4 August 2017 indicated that during 2016-17 the average age for the commencement of an apprentice with a GTO was 19.18 years compared to 23.51 with other employers. The average age of commencement for apprentices with each GTO varies from 17.7 years to 21.43 years. Whilst the reasons for the difference in the average age of commencement between GTOs and other employers are not readily identifiable, and could be simply linked to lower charge out rates for younger apprentices, it highlights that GTOs are providing an essential transition to employment for young Queenslanders.

This is also against the trend reported by the Fair Work Commission who identified that 78.3% of trade apprenticeship commencements in 1995 were 19 years and under compared to 47.7% in 2015.

A key strength of GTOs is their understanding of the apprenticeship and traineeship system linked to their recruitment processes. GTOs are also servicing a much younger cohort of apprentices than other employers. Current weaknesses relate to inconsistent relationships with some stakeholders, the lack of strategies targeting the recruitment of Indigenous and school-based apprentices, and, in some cases, confusing recruitment practices in relation to part time arrangements. There is also an absence of an overarching GTO led strategy to grow market share across relevant industry sectors. A collaborative approach to marketing the services offered by GTOs and their role in growing apprenticeship and traineeship employment opportunities may provide value for the network, noting that such a campaign should not replace promotional activities undertaken by individual GTOs.

Ongoing support

Across the network of GTOs, all indicated that their approach to pastoral care for apprentices and trainees was a key benefit offered by GTOs. Pastoral care is generally defined as "a unique service offering of Group Training Organisations and is a genuine commitment to the welfare and wellbeing of apprentices and trainees in our employ......it encompasses a holistic approach to the monitoring and mentoring of apprentices throughout their apprenticeship." (Source: Pastoral Care Policy of a GTO)

Many organisations and VET stakeholders offer pastoral care and do not agree that pastoral care is unique to GTOs. Pastoral care can be broadly defined as an ancient model of emotional and spiritual support that can be found in all cultures and traditions. The Oxford dictionary definition relates to the roles that educational institutions play in dealing with matters other than those related to education. Within the VET sector, RTOs and employers all provide some level of pastoral care to apprentices and trainees.

¹ Fair Work Commission Research Report 3/2017 – Factors affecting apprenticeships and traineeships

Apprentices and trainees employed through GTOs are also provided with mentoring to assist them to deal with issues in the workplace. Given the younger cohort employed by GTOs compared to other employers of apprentices, this mentoring role is a critical service offered by GTOs above and beyond the mentoring and day to day supervision provided by a host employer.

What may be unique to GTOs is the combined quality of coaching, pastoral care and workplace mentoring provided to apprentices and trainees.

Given that more businesses are increasingly engaged in niche markets, their ability to provide the full range of work for apprentices to meet training package requirements should be limited, thereby providing ideal market opportunities for GTOs. However, data provided earlier in the report indicates that the GTO market share fell from 2010 to 2015 but has remained constant since that time. Anecdotal advice provided during the consultation indicated that GTOs now only rotate apprentices when required and it is no longer a core service for all apprentices. Several GTOs cited that they employ apprentices for large national employers who can provide the full range of work but use GTOs to manage staffing level requirements.

With regard to stand down arrangements, most GTOs confirmed that stand down was not used or, if it was, it was a matter of last resort and met modern award requirements. In general terms when a host employer returns an apprentice to a GTO they outlined that:

- during the notice period required to be given by the host employer an exhaustive search is completed to identify opportunities with existing and new host employers
- if no hosts are available options for attending training are considered
- the apprentice is offered other employment or labour hire opportunities, if available, to ensure the apprentice maintains income during period without a host employer
- paid leave options are explored
- unpaid leave options are explored as a last resort.

During the course of the conversation with GTOs, it became evident that after following the above approach, a number of them were then incorrectly using suspension of the training contract provisions under the FET Act. DET has now communicated with all GTOs, DET regions and AASNs to confirm when it is appropriate to use suspension of training contract provisions and that those provisions cannot be used as a proxy for meeting stand down provisions specified in industrial instruments.

Whilst GTOs identify that ongoing support provided to apprentices and trainees is a key strength, greater definition of the ongoing support is required. Weaknesses relate to defining the ongoing support provided and varied approaches adopted in instances where apprentices are not allocated to host employers.

Finalisation

Despite many GTOs indicating that their role is to connect the right apprentice or trainee with the right host in the right qualification, completion rates for some GTOs do not reflect their ability to do this well. On average, only 54% of apprentices who commence with a GTO complete with that GTO, at least 6% lower than the completion rate for other employers (as at 12 June 2017). The rate for each individual GTO highlights that some achieve a completion rate as high as 90%, whereas others have a rate as low as 37%. The largest GTOs have completion rates close to the average for all GTOs.

Additionally, the Construction Skills Queensland Apprentice Annual 2017 (page 12) identifies that GTOs have the worst completion rate of employers within the building and construction sector.

During consultation, significant discussion revolved around attempting to identify why GTOs, despite them having good recruitment processes and specialising in the employment and training of apprentices, had lower completion rates when compared to other employers of apprentices. Responses from GTOs included:

- they provided an incubator role for host employers, assisting them to feel comfortable with the complex system and employ apprentices in their own right
- the FET Act makes it easy for apprentices to cancel
- many apprentices experience personal issues that require them to leave their apprenticeship
- the cyclical nature of some regional economies
- not being able to compete with the lower wages paid by other employers
- charge-out rates cannot compete with payments to contractors in the construction sector
- seen by some hosts as labour hire without the need for long term commitment
- difficulty in sourcing good quality candidates
- poaching by other GTOs.

The role of GTOs as an "incubator" as a reason for completion rates cannot be substantiated, as GTOs charge host employers a penalty if they directly employ an apprentice who was employed by the GTO. This penalty ranges from payment of a recruitment fee to a percentage of yearly wages for the apprentice. Almost all GTOs confirmed that their contract with host employees included this type of penalty. Whilst the penalty aims to recover fees foregone by the GTO, this penalty, whether enforced or not, potentially damages the reputation of both an individual GTO and the GTO network as a whole. Interestingly, data provided by several GTOs identified that the most identified reason for cancellation of an apprenticeship was direct employment by the host employer.

Whilst the role of an incubator as a reason for lower completion rates cannot be substantiated, there may be a long term benefit in relation to direct employment of future apprentices by host employers. However, this long term benefit will only be realised if GTOs invest in building the capability of host employers which may impact on their future revenue sources.

Developing new strategies for dealing with the transfer of an apprentice to a host employer may assist in maintaining ongoing relationships with host employers, support the reputation of the GTO network and improve completion rates.

Many of the other responses from GTOs are relevant to all employers of apprentices and are not unique to GTOs. However, the impact of those issues may be exacerbated through GTO arrangements.

For those GTOs with better than average completion rates, they identified reasons, including:

- completion rates are much higher when it comes to licenced trades
- the quality of GTO field officers/employment co-ordinators has a direct link to completions
- focussing only on those host employers who are in it for the long term
- involvement of hosts in selection process
- provision of effective pastoral care and mentoring
- early intervention for issues that arise is the key to successful completions
- maintaining good relationships with RTOs and other stakeholders

Interestingly, the Fair Work Commission² identified that a number of studies have found age to be a factor associated with completion, generally finding that older apprentices and trainees (mid 30s to older) are more likely to complete their training contract. Given that the average age of an apprenticeship commencement with a GTO in Queensland is 19.69 years this may be a contributing factor to completion rates.

Some GTOs contended that completion rates should not be the only measure of success. Others were adamant that it should be the main measure by which they are judged. Managing apprentices through to completion is also a key feature of the 2017 National Standards for Group Training Organisations and a key outcome of the QGTP. Whilst there needs to be a balance between the number of completions and the quality of those completions, completion rates need to be a focus for all GTOs to ensure they maintain and grow their relevance to the market.

² Fair Work Commission Research Report 3/2017 – Factors affecting apprenticeships and traineeships

There is also a perception that due to the structure of arrangements that GTOs have in place to recover costs, apprentices with GTOs were less likely to finish early and this does not support the intent of competency based completion of apprenticeships. Data provided by DET was analysed and shows that 70% of apprentices employed by GTOs complete prior to the nominal completion date, compared to 74% with other employers. Therefore, whilst there may be room for improvement, comments that GTOs do not support competency based completion were not supported by the evidence.

A key strength of GTOs is their understanding of the system and their support for competency based completions. A weakness is the low completion rate for apprentices when averaged across the network of GTOs.

Community Activities

To ensure that the full scope of activities undertaken by GTOs was understood, each GTO was asked to provide examples of services provided to the community. Whilst some GTOs indicated that there was limited activity at the time of the consultation, the level of commitment and service provided to communities from both not-for-profit and for-profit GTOs was extensive, and included:

- delivery of Skilling Queenslanders for Work programs
- free holidays for drought affected families
- provision of apprentices to support with disaster recovery
- sponsorship for racing cars owned by apprentices
- sporting club sponsorship and support
- handyman and gardening support for local organisations such as hospices and for local residents
- house building projects, including access for disabled persons
- provision of support and advice to schools and events such as Schoolies
- supporting transitions for displaced workers
- redevelopment of regional sporting facilities
- co-ordination of Indigenous apprenticeship and traineeship networks
- active participation in careers days and expos
- support activities for disadvantaged students, including refugees, youth at risk and students with a disability.

Whilst the level of community activities undertaken is extensive, it is noted that a number of other employers of apprentices and trainees also provide support for community activities.

Queensland Group Training Program Funding

To assist in determining whether the current QGTP model was delivering value for money, and to identify improvements for future funding models, feedback was sought from GTOs and other stakeholders.

During consultation with GTOs, feedback included:

- without the funding provided by QGTP, the business model for each GTO would be required to change and the level of services provided to apprentices and host employers would reduce
- review whether funding should be provided to for-profit GTOs
- consider payment of incentives, in addition to those already accessed by GTOs
- part time apprentices should not be an eligible commencement that attracts funding
- focus should be on completions and outcomes
- some funding should be allocated for professional development of GTO staff
- ongoing support for the current model
- opportunities for longer funding agreements should be considered
- consider base plus priority funding arrangement eg Indigenous participation
- · support for reporting arrangements attached to funding including, host employer details and details of any apprentice or trainee not allocated to a host
- data from DET should be provided on a regular basis
- · greater engagement is required with DET regions

- make it a condition of funding that GTOs are to promote VET through effective career advice to schools
- extra support needs to be provided for regional GTOs
- re-engaging out of trade apprentices should be recognised in the funding model
- base the funding on performance not the type of organisation
- include clearly defined key performance indicators and benchmarks in the funding agreement
- consider funding traineeships in those industries that don't use an apprenticeship as the entry level pathway for new workers
- DET should strengthen their monitoring of compliance with the provisions of funding agreements and the National Standards for GTOs.

With regard to QGTP funding, stakeholders identified that:

- funding should be outcome or performance focussed and not based on commencements
- there needs to be stringent requirements in relation to eligibility and the level of service to be provided, with clearly detailed reporting requirements
- regional or industry sector hotspots should be considered
- payment of incentives instead of a grant payment based on past performance may improve the quality of outcomes
- some funding may need to be directed to professional development of GTO staff
- an effective funding model should determine what is wanted from GTOs and then only reward those that perform well.

Labour Hire

When consultation commenced on this review, Queensland Parliament was considering legislation to license labour hire organisations. The proposed legislation included specific provisions regarding the operations of GTOs. The Labour Hire Licensing Act 2017 was passed by Parliament and assented to on 13 September 2017 and does have implications for GTOs.

Discussions with GTOs ensured that they were aware of the proposed legislation and sought clarification of perceived differences between generalised labour hire and services offered by GTOs involving apprentices and trainees. This information was sought to assist DET address any concerns during negotiations with the Office of Industrial Relations regarding regulations under the new Act, and development of policies.

All GTOs were aware of the proposed legislation and their concerns predominantly related to what they perceived as dual recognition, the financial impact of licence fees on smaller not-for-profit GTOs, and the impact on apprentices should a labour hire licence be suspended. The main point of difference identified was that apprentices and trainees are under a Training Plan as required by the FET Act, requiring release from productive work for training and assessment, and supervision of the apprentice or trainee.

Interestingly, consultation identified that over 40% of GTOs have also been offering labour hire services for workers other than apprentices and trainees.

Options for Future Funding Under the Queensland Group Training **Program**

As outlined previously, the QGTP provides funding to eligible GTOs to:

- create additional employment opportunities for apprentices and trainees that otherwise might not have existed
- provide for continuity of employment of apprentices and trainees through to the completion of their Apprenticeship/Traineeship Training Contract
- improve the quality and range of training available to apprentices and trainees
- increase the participation rate of apprentices and trainees in targeted priority areas.

This review has identified that the QGTP may not be meeting all of its intended aims.

Quantifying additional employment opportunities that otherwise might not exist is difficult to measure. This is complicated by competition, poaching, and some GTOs employing apprentices and hosting them out to large national employers. It is further complicated by the QGTP only funding apprenticeships, and not traineeships, in industries without established apprenticeship pathways.

Completion rates for apprentices employed by GTOs are lower than where an apprentice is employed by other employers, and limited job rotation may not be enhancing the quality and range of training being provided to apprentices. Furthermore, participation for targeted cohorts is not well defined or specifically funded under the QGTP

However, overall the funding provided does enable GTOs to provide an expanded range of services and contributes to their financial viability.

In developing future funding models, consideration should be given to whether:

- funding should continue to be provided to for profit GTOs
- part time commencements should not be considered as an eligible commencement for the purposes of the funding
- the amount of funding should be capped in relation to the amount that any one GTO is provided
- specific strategies should be implemented to target priority areas
- the focus should be on completion and not commencement
- longer term funding agreements should be entered into with high performing GTOs.

With regard to funding provided to for-profit GTOs, it is noted that a recent report titled "What Australia can learn from England's plan for vocational education" as published on theconversation.com, outlines a proposal that would see public funding in England for education and training to be restricted to institutions where surpluses are reinvested into the country's education infrastructure. Whilst this statement relates to the activities of RTOs, the same principle could be applied to the QGTP. However, it is not recommended that such a restriction be applied under the QGTP.

Whist there are options that change the focus from commencements to completions, including the payment of incentives such as in NSW, the preferred option is to reconfigure the existing model as outlined below. This approach will focus on completions, still placing a focus on regional and remote activities, and still acknowledging the risks taken by GTOs at the point of commencement. A small transition period may be needed to ensure the smooth implementation of this change.

Propose	ed GTO payment mode	el .	
		Current Weighting	Proposed Weighting
Commencements		1.0	0.5
	Re-Commencement	0.5	0.3
	Regional	0.25	0.2
	Remote	0.4	0.3
Completions		0.5	1.0
	Regional	0.2	0.25
	Remote	0.3	0.4

Subject to budget availability, DET may also consider providing funding for traineeships in critical occupations where an apprenticeship pathway does not exist, whether part time commencements should be considered an eligible commencement for the purposes of the QGTP, and whether funding should be directed to targeted priorities.

There is also opportunity for DET to enhance its monitoring of compliance of GTO activity through:

enhanced relationships between GTOs and DET regional offices

- more stringent analysis of the self-audit reports submitted annually by GTOs in relation to compliance with National Standards including an analysis of DELTA data and input from regions and the Office of the Queensland Training Ombudsman in relation to performance issues of individual GTOs
- the provision of formal correspondence to GTOs where issues of concern are identified (for example, issuing a show cause notice as to why the recognition of a GTO under the FET Act should not be revoked if it is concerned that the operations of a particular GTO are not enhancing the reputation of group training in accordance with the 2017 National Standards).

Conclusions

GTOs still play a critical role in the Queensland apprenticeship and traineeship system

GTOs provide benefits to industry, employers, apprentices, trainees and the community.

Despite all of this, given GTOs operate independently, it would appear that they are currently not leveraging enough value from their position of the largest collective employer of apprentices and trainees in Queensland.

GTOs need to ensure that they remain relevant to the industries and communities in which they offer their services. They need to look for opportunities through understanding the drivers for change that are impacting government policies, the VET market, the labour market, local economies and changing demographics and the changing nature of work.

The level and quality of service varies greatly

Given the wide variety of business structures within the GTO network, with only a few solely focussing on GTO operations, it is expected that there should be variations in the level of services offered. However, the wide variation in the quality of services provided makes it difficult for stakeholders to recognise and understand the value of group training arrangements.

Some of the key variations in services offered include:

- traditional employment model compared to the managed model
- some GTOs focus on the apprentice whilst others focus on the host
- competition and poaching occurs as opposed to strategies to grow GTO market share
- variation in charge rates applied, together with the manner in which they are marketed, makes it difficult for stakeholders to compare services
- inconsistent approaches to the rotation of apprentices
- excessive use of part time arrangements by at least one GTO.

GTOs should also consider strategies to address quality concerns and promote the diversity of services offered by GTOs, and to dismiss the speculation that they do not support competency based completion of apprenticeships, as outlined in the report.

The GTO brand is not consistently regarded

Whilst a few individual GTOs are promoting the benefits of the apprenticeship and traineeship system, there is no combined approach to marketing the benefits of GTOs within the apprenticeship and traineeship system.

Interestingly, during the consultations undertaken, only two GTOs spoke of what they perceived as their role in maintaining the reputation of the GTO brand, with another GTO advising that they no longer associate themselves with the term GTO due to the poor reputation associated with the name.

The 2017 Revised National Standards outlines that GTOs are expected to ".....enhance the reputation of group training as a model of employment and training within the apprenticeship and traineeship system". It is noted that this was not a requirement of previous standards.

The implementation of strategies to strengthen the reputation of group training and promote the role and value of group training arrangements, operating concurrently with effective marketing by individual GTOs, may be a critical strategy to regrow market share in particular industries or locations.

Completion Rates need improving

Given the level of expertise within the GTO network regarding the apprenticeship and traineeship system, and a desire to link the right apprentice with the right host in the right qualification, it is difficult to determine why the completion rate for apprentices employed by GTOs across the network is relatively low. It is noted that some GTOs have excellent apprenticeship completion rates and that traineeship completion rates across the network compare favourably to overall traineeship completion rates in Queensland. Additionally, the majority of GTOs believe that completion rates are an effective measure of their performance, provided that there is also a focus on the quality on the outcomes achieved.

To ensure that the value of group training is understood and can be easily promoted it is considered that:

- DET should regularly provide data to GTOs in relation to their completion rates
- each GTO should review their processes to identify ways to improve their completion rate whilst not compromising the quality of those completions
- funding under QGTP should reward those GTOs that have good completion rates and, as a minimum, should require GTOs to provide DET with an update on strategies introduced to improve completion rates where appropriate
- DET and the GTO network should identify strategies that recognise the transfer of an apprentice from the GTO to the host employer as a positive outcome of group training for the purpose of funding under the QGTP.

GTOs service a much younger cohort than other employers of apprentices

As outlined in this report, the average age of commencement of an apprentice with GTOs in Queensland is 19.18 years compared to 23.51 years with other employers. This signifies the importance of the role of GTOs in Queensland in supporting young people, and in some part may assist in understanding their lower completion rates.

However, it is important that GTOs are recognised for providing services for all aged groups.

GTOs have an inconsistent relationship with schools

Whilst it acknowledged that consultation for this review only occurred with several schools, it highlighted that GTOs have inconsistent relationships with schools that are based on a significant level of either trust or distrust.

GTOs should consider strengthening their relationships with schools, with a particular emphasis on recognition of the important role that schools play in ensuring the appropriateness of student participation in school-based apprenticeships and traineeships.

There is a difference between generalised labour hire services and the service offered by **GTOs**

The Labour Hire Licensing Act 2017 was passed by Parliament and assented to on 13 September 2017 and specifies that the hosting out of apprentices by GTOs is considered labour hire. From the date of implementation of the legislation, GTOs will have to comply with requirements including licensing requirements, licence fees, reporting arrangements and suspension of licences, 40% of GTOs have been providing labour hire services to employees other than apprentices and trainees and would have been covered by the legislation even if it did not make reference to the activities of a GTO.

It is noted that DET is currently working with the Office of Industrial Relations regarding regulations. policies and procedures relative to the new legislation. For the purposes of those discussions the main point of difference identified was that apprentices and trainees are under a Training Plan as required by the FET Act, requiring release from productive work for training and assessment, and supervision of the apprentice or trainee.

The role of GTOs needs redefining

The report outlines wide ranging responses to the role of GTOs. A revised statement that incorporates the many responses and reflects the role of GTOs into the future is:

As the largest collective employer of apprentices and trainees in Queensland, GTOs provide a critical career pathway for Queenslanders (particularly young Queenslanders) within a structured employment setting linked to a qualification by:

- · assisting employers to manage risks and complexities associated with the employment of apprentices and trainees, providing continuity of employment for apprentices and helping employers manage business cycles
- delivering quality completions, and well-rounded trade outcomes through the appropriate rotation of apprentices
- supporting individuals to achieve their goals through effective coaching and mentoring
- promoting pathways and employment opportunities through effective engagement with VET stakeholders.

It is noted that whilst the above statement is an attempt to define the role of GTOs in general, individual GTOs will still determine the appropriate role for their organisation based on a wide range of factors.

Stand down processes are being confused with suspensions

During the course of the consultation, it became evident that there was some confusion regarding the FET Act provisions regarding suspension of a training contract and stand down provisions contained in industrial instruments.

This confusion was not consistent across all GTOs or across all regions. However, DET has commenced a communication strategy with VET stakeholders to address this confusion.

GTOs need to re-establish themselves as a trusted stakeholder in the VET sector

GTOs have traditionally been considered as one of the trusted stakeholders in the Queensland VET system. However, feedback from stakeholders during the course of this review indicates that this level of trust has diminished over time and the actions of a small number of GTOs reflects on the network. To ensure that GTOs can meet the requirement of the 2017 National Standards with regard to enhancing the reputation of group training arrangements, it is important that any real or perceived issues regarding trust need to be addressed. These issues include:

- why are GTOs not thriving when significant number of businesses cannot provide the full range
- perceptions that GTOs are an employer of last choice, even if there are only a few stakeholders that hold that view
- GTOs are driven by numbers and not the experience of the apprentice or host, and not on the quality of outcomes
- GTOs are currently not required to have an independent assessment of their host employers by a Supervising Registered Training Organisation (SRTO), and that may be impacting on their understanding of whether the host employer can provide the full range of work required for the qualification and may be impacting on the rotation of their apprentices.

As well as strategies that GTOs may consider to address these issues, DET should also consider opportunities to assist GTOs re-establish themselves as a trusted stakeholder within the Queensland VET sector.

The QGTP funding model needs to be refined

All stakeholders identified that the QGTP funding model should be reviewed.

The future funding model should:

- accurately reflect the role of GTOs
- clearly define the expected outcomes, including details of targeted priority areas

- encourage behaviour that aligns to the National Standards for GTOs, particularly in relation to expectations regarding the reputation of GTOs
- identify clear reporting requirements and provision of data
- reward good performance, identified through enhanced monitoring of compliance with contractual requirements and the National Standards for GTOs.

As outlined in the report, the reconfiguration of the existing funding model provides the preferred approach.

Recommendations

- 1. GTOs should ensure that they maximise the benefits of being the largest collective employer of apprentices and trainees in Queensland. This should include consideration of:
 - a. collective marketing of the benefits provided by GTOs that focusses on a fresh approach to their role
 - b. identification of target industry sectors that provide growth opportunities
 - consideration of strategies to grow overall market share and reduce poaching
 - d. developing and implementing strategies that improve the completion rate for apprentices engaged by GTOs
 - e. investing in the professional development of GTO field staff.
- 2. DET should work with GTOs to identify opportunities where a transfer of the training contract would be more appropriate than cancellation when an apprentice or trainee is taken on directly by a host employer.
- 3. Should the transfer of an apprentice be an appropriate strategy, GTOs should review penalty clauses in their host employer agreements to facilitate such transfers.
- 4. DET should continue to implement an effective communication strategy with GTOs and other key stakeholders that clarifies when suspension of the training contract in accordance with the FET Act is appropriate, and ensures the suspension of the training contract is not being used as a proxy for stand downs.
- 5. DET should require SRTOs to develop an Employer Resource Assessment for the first host employer identified by a GTO for each training contract to ensure that the host employer can provide the full range of work or that effective strategies are in place for the rotation of an apprentice.
- 6. DET should revise the QGTP funding model to ensure that it:
 - a. aligns to the role of GTOs
 - b. does not recognise part-time commencements as an eligible commencement
 - c. focusses on completions
 - d. provides regular access to data on GTO performance
 - e. rewards good performance through the allocation of longer term contracts
 - incorporates an effective transition strategy.
- 7. GTOs accessing funding should be required to provide a report (either quarterly or six monthly depending on the level of funding) that outlines the name of all apprentices and trainees, the name of their host employer at the time of reporting, together with details of any apprentice who has not been allocated to a host employer for two or more days during the reporting period.
- 8. DET should consider opportunities for additional funding to be provided under the Skilling Australia Fund that targets priority cohorts, regions or occupations.
- 9. DET should strengthen compliance and monitoring with the QGTP funding agreement and 2017 National Standards for GTOs through:
 - effective monitoring of annual self-assessments to ensure that they align with available data and feedback from DET regional officers and the Office of the Queensland Training Ombudsman
 - b. undertaking a regular survey of apprentices who have been engaged with GTOs

- c. strengthening external audit requirements in relation to compliance with the standards
- d. active monitoring of recognition of GTOs under the FET Act including issuing notices to GTOs where concerns are being raised that they are not operating to enhance the reputation of group training arrangements, and to remove recognition of a GTO who has not employed apprentices or trainees for a period of time.

Attachments

Attachment 1 - Terms of Reference

Review of group training arrangements in Queensland

Project objective

The purpose of the project is to ensure continuity of employment of apprentices and trainees through to the completion of their Apprenticeship/Traineeship Training Contract and improve the quality and breadth of training available to apprentices and trainees through Group Training.

Background

The Queensland Government provides subsidised training opportunities to assist eligible Queenslanders at different stages of their working life to access vocational education and training and complete formal qualifications. Funding is also provided to eligible group training organisations to assist them to deliver quality outcomes for apprenticeships critical to the success of the Queensland economy.

While Queensland has a world-class VET system, no system is perfect and it is prudent to continue to look for ways to enhance better practice. In September 2015, the Queensland Government created the position of Queensland Training Ombudsman to provide a free confidential independent service to review and resolve enquiries and complaints from apprentices, trainees, students, employers and other parties to the VET system.

Quality in VET remains a high priority for the Queensland Government, and the role of the Queensland Training Ombudsman includes providing advice on issues that will enhance the quality provision of VET in Queensland.

Given the ever changing policy and funding landscape of the VET system, and a range of issues currently raised relating to group training arrangements, it is timely that a review of quality delivered through group training arrangements is undertaken by the Queensland Training Ombudsman in partnership with the Department of Education and Training to address any quality issues.

Scope

- Consideration of the variables that shape current policy and funding arrangements for group training arrangements in Queensland
- Consideration of the likely future drivers of policy and funding arrangements for group training arrangements in Queensland
- Identification of likely future labour market trends impacting on GTOs in Queensland
- Analysis of the strengths and weaknesses of group training arrangements and identify the key differences between GTOs and generalised labour hire firms should they exist
- Development of the key tenets of a preferred future funding framework for group training, with a clear rationale and defined outcomes
- Advice on the range and nature of the outcomes relating to Group Training services which governments might consider purchasing in the future
- Advise on future monitoring, review and continuous improvement processes which ought to be put in place.

Review Steering Committee

A review steering committee will be established to assist with the review. Membership of the committee will include.

- Director, Qld Apprenticeship and Traineeship Office
- Executive Officer, Group Training Association (Qld and NT)
- CEO, East Coast Apprenticeships

- CEO, Busy at Work
- CEO, MRAEL
- Director Training, Central Queensland Region
- Representative from ETU
- Representative from AMWU
- Representative from CFMEU
- Queensland Training Ombudsman (Chair)

Timeframe

It is anticipated that a report will be provided to DET and the Minister for Training and Skills by 30 December 2017.

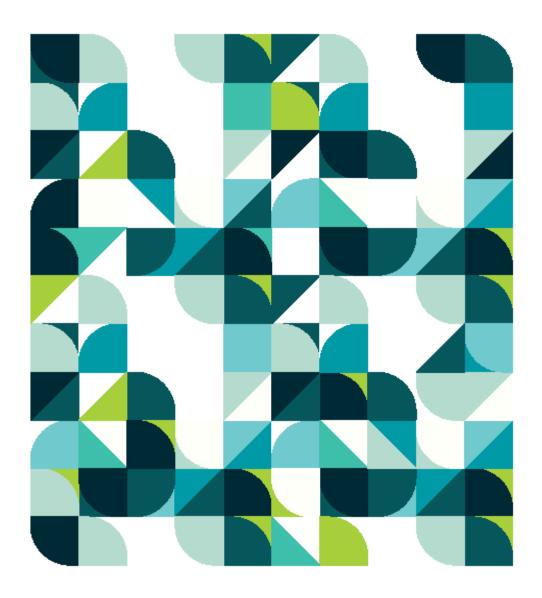
Resources

The Office of the Queensland Training Ombudsman will conduct this review within its current resource allocation. DET will provide an officer to assist the Queensland Training Ombudsman for a period of up to 8 weeks.

Attachment 2 - 2017 National Standards for GTOs



Revised NATIONAL STANDARDS for Group Training Organisations





What are Group Training Organisations?

Group Training Organisations (GTOs) employ apprentices and trainees under a Training Contract and place them with host employers. They undertake the employer responsibilities for the quality and continuity of the apprentices' and trainees' employment and training. They also manage the additional care and support necessary to facilitate the successful completion of the Training Contract.

The purpose of the National Standards for Group Training Organisations

The purpose of the National Standards for Group Training Organisations is to ensure nationally consistent, high-guality services are provided by GTOs in carrying out their core role as outlined above. The Standards provide a framework to ensure GTOs operate ethically, with due consideration of apprentice, trainee and host employer needs, and enhance the reputation of group training as a model of employment and training within the apprenticeship and traineeship system.

The key outcome for a GTO is to develop an apprentice/trainee to become a skilled worker who has completed a recognised qualification. To achieve this quality outcome a GTO needs to focus on three key elements with the Standards structured to reflect these:

- recruitment, employment and induction:
- monitoring and supporting apprentices and trainees to completion;
- maintaining a sustainable GTO which is well governed and administered.

The Standards have been designed to ensure the quality assurance framework for Group Training Organisations is consistent with and complementary to the framework in place for Registered Training Organisations.

GTOs must comply with the National Standards for Group Training Organisations in order to be registered. Only registered GTOs are eligible to apply for Australian Government or State or Territory Government group training program funding. Registered GTOs are published on the Group Training National Register Website (www.australianapprenticeships.gov.au/group-training) and are entitled to use the Group Training logo.

The Standards

1. Recruitment, Employment and Induction

- 1.1 Before apprentices/trainees enter into an Employment Contract and a Training Contract, the GTO informs them about their employment conditions, the host employer arrangement, the training, the support services to be provided and the rights and obligations of the parties.
- 1.2 The GTO inducts apprentices and trainees to the apprenticeship/traineeship system, including explaining:
 - the apprentice/trainee's responsibilities under the Training Contract, to the host employer, the GTO, the Registered Training Organisation (RTO) and the school (if under School-based arrangements); as
 - · the processes involved in accessing support and dealing with employment or training issues that may arise.
- 1.3 The GTO provides clear and accurate advice to host employers to:
 - · take reasonable steps to ensure they understand the apprenticeship/traineeship system; and

Revised National Standards for Group Training Organisations | 1

- obtain their agreement, by means of a Host Employer Agreement, to their role and responsibilities in training and supporting the apprentice or trainee while in their workplace, in meeting their obligations to maintain a safe workplace and in working cooperatively with the GTO and RTO.
- The GTO actively participates in the RTO's development of the Training Plan, which is based on competency-based progression and completion principles and relevant to the qualification, the occupation, the host employer's workplace and the needs of the apprentice/trainee, in conjunction with the apprentice/trainee.

2. Monitoring and Supporting Apprentices and Trainees to Completion

- 2.1 The GTO provides services that meet the needs of apprentices and trainees to facilitate the continuity of the Training Contract to completion and the quality and breadth of the training experience, including:
 - support and mentoring throughout the Training Contract;
 - · providing resources or advice or procuring any special equipment for the workplace in order to meet access and equity and Work Health and Safety requirements.
- 2.2 The GTO monitors each apprentice or trainee's progress against the Training Plan and:
 - facilitates the integration of the training and employment experiences, including arranging for workplace rotations if required:
 - requests that the RTO review the Training Plan when changes occur with the apprentice/trainee employment arrangements, including any workplace rotations, competency-based progressions or
- 2.3 The GTO has appropriate systems in place, based on the scale and scope of its operations, to manage and support apprentices and trainees in times of economic downturn or 'stand down' to facilitate the retention of the apprentice or trainee.
- 2.4 The GTO provides assistance, coordination and accurate advice to host employers for the duration of the Host Employer Agreement, and works with the host employer to provide appropriate on-the-job training, supervision, support and mentoring to the hosted apprentice/trainee.
- 2.5 Where there are any performance issues with an apprentice/trainee, the GTO manages these issues fairly¹, and records the outcome and the feedback provided to the apprentice or trainee.
- 2.6 The GTO complies with Commonwealth, State and Territory requirements for competency-based progression and completion and supports genuine efforts to achieve the qualification in an appropriate timeframe regardless of the nominal duration of the Training Contract.

3. GTO Governance and Administration

- 3.1 The GTO complies with Commonwealth, State and Territory legislative and regulatory requirements and policies as they relate to the employment and training of apprentices and trainees in each State and Territory in which they operate.
- 3.2 The GTO is incorporated in Australia, a government entity, or regulated by the Australian Charities and Not-for-profits Commission.
- 3.3 The GTO develops, monitors and continually improves its performance and strategic directions using performance data, the results of audits, assessments and surveys plus any other relevant information.
- 3.4 The GTO can demonstrate that it is financially viable and informs the registering body where early signs indicate issues associated with viability.

2 Revised National Standards for Group Training Organisations

¹ The term "bainy" refers to the need to ensure that provision for natural justice and procedural fairness are incorporated in the GTO processes associated with their assessment of an apprentice or trainee's performance.



- 3.5 The GTO holds appropriate insurances according to the size and scope of its operations.
- 3.6 The GTO adheres to the principles of access and equity in all operations including marketing, recruitment, monitoring, support, governance and administration.
- 3.7 Clear and accurate marketing, advertising materials and other information is provided by the GTO regarding GTO services, the role and responsibilities of the host employer and the requirements of the apprenticeship/traineeship.
- 3.8 Complaints and appeals are dealt with by the GTO transparently in accordance with a documented complaints and appeals process, or referred to State/Territory dispute resolution mechanisms, where the completion of the Training Contract is at risk.

Definitions

In these standards:

Access and equity means the policies and approaches that ensure that group training services and employment practices are responsive to the diverse needs of all host employers, apprentices and trainees, including those who experience disadvantage2.

Apprentice/Trainee means a person employed by a GTO under an approved Training Contract that leads to a nationally recognised qualification.

Continuous improvement means a planned and ongoing process that enables a GTO to systematically review and improve its policies, procedures, products and services in order to generate better outcomes for clients and to meet changing needs.

Employment Contract is the contract between the apprentice/trainee and the GTO which clarifies their employment conditions, including 'stand down' support and processes to be followed by the GTO, where appropriate.

Host employer means an organisation that hosts, under a written host employer agreement, an apprentice or trainee employed at that time by a GTO, provides supervision and on-the-job training and pays the GTO for the

Host Employer Agreement means a written agreement between the GTO and the host employer that specifies the responsibilities of each party in relation to the training of the apprentice/trainee and the charge out rate pavable.

Training Contract means the nationally agreed Training Contract for an apprenticeship/traineeship, made between an employer and an apprentice/trainee, which is registered with the appropriate state/territory government department or agency.

Registered Training Organisation (RTO) means an organisation that is registered to deliver and issue nationally recognised qualifications.

Rotation means an apprentice or trainee moving from one host employer to another as part of his/her apprenticeship or traineeship with the GTO.

Training Plan means a program of training and assessment that is developed by the RTO in accordance with the National Training Plan Principles and agreed to by the GTO as the employer and the apprentice or trainee.

² The following groups of learners have been identified as at risk of disadvantage in vocational education and training: people from low socio-economic backgrounds; indigenous Australians; women; people from culturally and Inquistically diverse backgrounds; people with a disability; people Ming in remote areas and people for whom VET may be seen as offering a 'second chance'. (National VET Equity Advisory Council, National Report on Social Equity in VET 2013. http://repsearch.acor.octu.au/transitions-miss/177).

Attachment 3 - GTO Funding

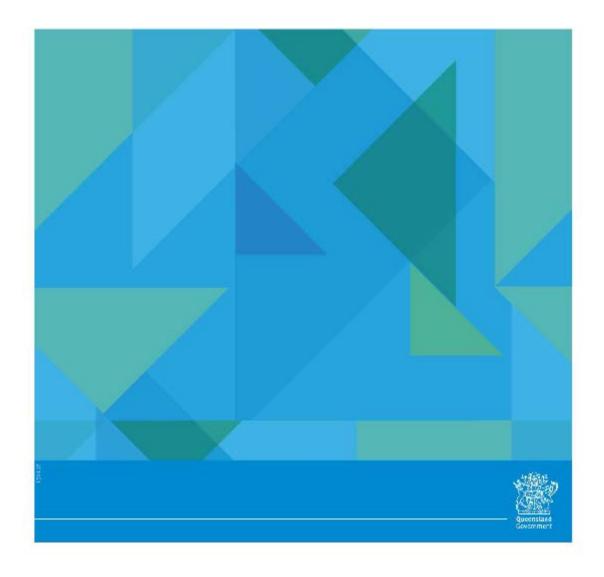
GTO	2015-16	2016-17	2017-18
Aboriginal Employment Strategy	0.00	0.00	0.00
Acclaim Apprentices and Trainees Ltd	191,695.00	119,684.00	104,208.00
AFL SportsReady	2,581.00	4,580.00	0.00
All Trades Queensland Pty Ltd	821,762.00	925,010.00	869,235.00
Apprenticeships Queensland Ltd	171,428.00	203,254.00	206,078.00
Australian Industry Group Training Services Pty Ltd	24,358.00	3,271.00	12,525.00
Australian Training Company Ltd	30,126.00	13,742.00	6,680.00
Aviation Australia Pty Ltd	0.00	0.00	8,350.00
Capricornia Training Company	22,683.00	10,398.00	2,338.00
Direction Employment and Training	0.00	0.00	0.00
ECA Training Pty Ltd (NECA GT)	35,767.00	71,060.00	86,005.00
Electro Industry Group Queensland Ltd	141,020.00	129,209.00	159,401.50
Gladstone Area Group Apprentices Ltd	116,106.00	100,522.00	79,742.50
Golden West Group Training Scheme Inc	135,332.00	107,809.00	140,530.50
HGT Australia Ltd (NovaSkill)	0.00	9,163.00	12,525.00
Housing Industry Association	44,229.00	49,085.00	59,285.00
Manufacturing Industries Group Apprenticeship Scheme Inc	120,244.00	141,003.00	150,133.00
Maxima Group Inc	2,564.00	4,581.00	5,845.00
MEGT Australia Ltd	30,768.00	21,464.00	24,215.00
MIGATE Inc	17,171.00	13,344.00	Ceased operating
MRAEL Ltd	145,329.00	138,474.00	123,162.50
OSMAC Group Training Pty Ltd	54,485.00	51,960.00	195,640.50
Apprenticeships Careers Australia (prev NSW Business Chamber Ltd (Extrastaff)	13,458.00	10,010.00	0.00
Pine Rivers, Caboolture and Redcliffe Group Training Scheme Inc (East Coast Apprenticeships)	324,980.00	451,699.00	369,654.50
Skilled Group Pty Ltd	0.00	13,475.00	15,364.00
Skills360 Ltd	331,089.00	203,427.00	252,170.00
Smart Employment Solutions Ltd	106,406.00	115,766.00	87,925.50
Timber and Building Materials Association Co. Pty Ltd	16,666.00	23,889.00	8,350.00
Toowoomba Regional Group Apprenticeship Co. Pty Ltd (Downs Group Training)	68,433.00	72,934.00	88,426.50
TORGAS Inc	128,092.00	101,924.00	\$123,663.50
WPC Group Ltd	89,994.00	53,856.00	49,849.50

<u>3,186,766.00</u> <u>3,164,593.00</u> 3,241,303.00



Queensland Group Training Program

2017-18 funding guidelines



Overview

The Queensland Group Training Program (QGTP) is administered by the Queensland Department of Education and Training.

The program is a financial contribution to help group training organisations achieve the goals of group training, namely to:

- create additional employment opportunities for apprentices that otherwise might not have existed
- provide for employment of apprentices by accessing a range of host employers to ensure the continuity of paid work through to the completion of their apprenticeship Training Contract
- improve the quality and range of training available to apprentices
- support regional participation.

The funds are used as a contribution towards the provision of group training services to support successful structured skills training, including monitoring and support to apprentices throughout their employment and arranging high quality work placements to broaden skills acquisition opportunities. These activities are integral to maximising employment outcomes for apprentices and are considered essential in achieving the State's commitments under the government's Working Queensland jobs plan.

Eligible applicants

All Group Training Organisations that are recognised in Queensland under the Further Education and Training Act 2014 are eligible for QGTP funding.

Eligible Group Training Organisations must also:

be compliant with the National Standards for Group Training Organisations and either:

- (a)be a current financial member of the Training Association Queensland and Northern Territory Ltd trading as the Apprentice Employment Network, the Queensland peak body representing the interests of group training organisations in Queensland;
- (b)achieve ISO 9001 2008 Quality Certification by no later than 31 December 2017 and supply a list of the organisations' host employers at time of submitting the 31 December 2017 Six Monthly Certification from the Chair
- demonstrate the capacity to deliver group training services
- have an appropriately staffed registered business office in Queensland to effectively provide group training services
- have a demonstrated record achievement as a recognised group training organisation in Queensland for a period of no less than 12 months
- > as the employer, group training organisations agree to:
 - a) employ and train its apprentices as agreed in their Training Plans and ensure the apprentices understand the choices that they have regarding the training
 - b) provide the appropriate facilities and experienced people to facilitate the training and supervise the apprentices while at work, in accordance with their Training Plans
 - c) ensure the apprentices receive on-thejob training and assessment in accordance with their Training Plans
 - d)ensure host employers provide work that is relevant and appropriate to the apprentices' occupations and also to the achievement of their qualifications referred to in their Training Contracts
 - e) release the apprentices from work and pay the appropriate wages to attend

Department of Education and Training

- any training and assessment specified in their Training Plans
- f) meet all legal requirements regarding the apprentices, including but not limited to, occupational health and safety requirements and common law matters such as duty of care and negligence
- g)ensure the apprentices wages and conditions are paid in accordance with the relevant industrial arrangements of the host employer
- h) repay any payments it receives that it is not entitled to receive from the DET
- i) work with its Supervising Registered Training Organisations (SRTOs) and the apprentices to ensure it follows their Training Plans, keeps training records up-to-date, and monitors and supports the apprentices' progress
- j) let the Department of Education and Training and the SRTO know within 14 working days if an apprentice's Training Contract has become at risk
- k) adhere to the requirements of the Further Education and Training Act 2014
- I) provide apprentices, trainees and host employers with sufficient mentoring and pastoral care with the aim to optimise the successful completion of the training contract
- m)ensure employer responsibilities in employing school-based apprentices are adhered to. These arrangements can be found at the Apprenticeships Info website at:

http://www.apprenticeshipsinfo.qld.qov. au/information-resources/infosheets/is26.html

2017-18 GTO payment

Funding payments will be made in two instalments, 70% in November 2017 and 30% in April 2018. The funding level is based on achievement of employment outcomes for apprentices, where "employment outcomes" defined as apprentice commencements (that successfully passed probation) and completions.

The program provides additional weightings to support the employment of apprentices in regional and remote areas of the state.

Pricing model

For 2017-18, payments will be made to GTOs under the QGTP through a Performance and Funding Agreement. The payment made for employment outcomes is calculated using the following weighting model:

- A payment derived from the GTO's 2016— 17 financial year's performance i.e. apprenticeship new commencements (that successfully passed probation) and completions, and
- > A weighting for regional and remote placements.

Funding levels

The 2016-17 year's performance is derived from new commencements and eligible recommencements (that successfully passed probation) and completions in the financial year to 30 June 2017.

Weightings are derived from a base weighting of 1 attributed to an apprenticeship commencement (that successfully passed probation) establishing a unit price against a percentage of the budget determined by the State

GTO payments		
Apprentices		
		Weighting
Commencements		1
	Re-Com	0.5
	Regional	0.25
	Remote	0.4
Completions		0.5
	Regional	0.2
	Remote	0.3

Note: An employment outcome may attract more than one case weighting, unless exclusions are otherwise indicated. A full

Department of Education and Training

definition of terms is provided in Appendix A.

QGTP GTO payments will be made on the condition that a GTO:

- > continue as a GTO for the contracted period
- > continue, as a minimum, to operate in the markets they operated in the 2016-17 financial year, with the understanding that GTOs will make commercial decisions that may affect this requirement
- adhere to the 2017-18 QGTP funding auidelines
- > adhere to all requirements responsibilities outlined in the national training contract for employers

Evaluation and review

DET will undertake yearly reconciliations of all GTO payments. Any anomalies will be actioned with a view to correcting them.

The Queensland Apprenticeship and Traineeship Office will conduct a review of all payments on an annual basis. Cancellation dates of individual apprentices will be verified to determine the validity of employer declarations. DET will recover any ineligible payments paid under the QGTP.

Exclusions

QGTP funding is only available for the commencements and completions of apprentices where they are placed under a hosting arrangement where the host is responsible for wages and/or pays a reasonable commercial rate for the placement.

Additionally, where the hosting arrangement is for a SAT apprentice, the GTO must be able to provide evidence the SAT engaged in a minimum of 50 days paid work in an apprenticeship year.

QGTP funding is not available for the commencements and completions

apprentices who are hosted to organisations that are affiliated or are subsidiary to the group training organisation or where the organisation is a subsidiary of a host employer organisation.

Monitoring and reporting

All organisations funded under the QGTP will be continuously monitored by the department throughout the funding period. Aspects to be monitored include:

- the rate of apprenticeship and traineeship commencements and completions
- financial and business performance.

Monitoring may include physical visits and telephone contact by departmental regional officers, as well as the requirement to provide the department with timely financial reports. annual reports, strategic plans and other documents as may be requested, including those relating to funding eligibility.

All organisations funded under the QGTP will be required to take out and maintain appropriate insurance with an insurance company licensed to operate in Australia by the Australian Prudential Regulation Authority (APRA):

- a professional indemnity policy for an amount not less than five million dollars (\$5,000,000); and
- > public liability policy of not less than ten million dollars (\$10,000,000.00) arising out of any one event in respect of death, injury, loss or damage howsoever sustained to any person or property; and
- > damage and compensation insurance to group training organisation's employees in accordance with the Workers' Compensation and Rehabilitation Act 2003.

All organisations funded under the QGTP will be required to supply certifications of currency from the insurers confirming coverage, prior to payment of any funding.

Department of Education and Training

Monitoring and reporting

Eligible group training organisations seeking funding need not apply as GTO payments are derived from previous performance as indicated on the Departmental DELTA database. DET will send documentation to finalise Performance and Funding Agreement (P&FA) payment values in October of each year. Once contract values have been determined and P&FA executed, payments will be made to eligible GTOs by the end of the 2017 calendar year.

Review

These Guidelines reflect QGTP arrangements for 2017-18 and will be reviewed each year to ensure they align to State priorities.

More information

For further information please contact:

Manager Queensland Apprenticeship Traineeship Office Department of Education and Training LMB 527 GPO BRISBANE QLD 4000

Phone: 07 3328 6829

Email: SIRT@det.gld.gov.au

Appendix A — Definitions

Commencement

A commencement has occurred when the training contract has been registered by the Department of Education and Training and has passed the prescribed probation period approved under the Further Education and Training Act 2014. (Payment is not available unless the training contract has been registered on the department's DELTA database.)

Re-Commencement

A re-commencement has occurred when an out-of-trade apprentice (cancelled apprentice) enters into a new training contract with a GTO in the same or aligned apprenticeship occupation. The training contract must be registered by the Department of Education and Training and has passed the prescribed probation period approved under the Further Education and Training Act 2014.

Completion

A completion has occurred when the apprentice or trainee has successfully completed the accredited training and employment as specified in the training plan and a certificate of completion has been issued by the Department of Education and Training.

Regional apprentice

Regional apprentices and trainees are those who reside in areas of Queensland identified as Country as per the User Choice definition. A list of postcodes can be found at http://www.training.gld.gov.au/training-organisations/funded-programs/user-choice/user-choicedocuments.html

Remote apprentice

Remote apprentices and trainees are those who reside in areas of Queensland identified as Remote (including Cape York, Torres Strait and Palm Island) as per the User Choice definition. A list of postcodes can be found at http://www.training.qld.qov.au/training-organisations/funded- programs/user-choice/user-choice-documents.html

Note: As Queensland does not capture hosting arrangements on the training contract, the apprentice's home address will be used to determine eligibility for regional and remote loadings. This will be confirmed with individual GTOs prior to the finalisation of the QGTP weighting values.

School-based apprentice or trainee

A school-based apprentice or trainee is an employee who is studying towards their Senior Certificate or equivalent while achieving or working towards the achievement of an apprenticeship or traineeship and must work and be paid for a minimum of 50 days in each year of the school-based apprenticeship or traineeship.

Note: School students registered under part-time apprenticeship/traineeship arrangements are not considered school-based.

Department of Education and Training

Attachment 5 – Consultation List

AFL SportsReady	Master Plumbers
All Trades Queensland	Maxima Group
Apprenticeships Queensland	MEGT Australia
Australian Industry Group Training Services	MIGAS
Australian Training Company	MRAEL
Aviation Australia Group Training	NECA Group Training
Capricornia Training Company	Novaskill
Community Solutions	OSMAC Group Training
(formerly Acclaim Apprentices and Trainees)	
• DGT	Programmed Skilled Workforce
Direction Employment and Training	Skills360 Australia
East Coast Apprenticeships	Smart Employment Solutions
Electro Group Apprentices	TABMA Group Training Queensland
Gladstone Area Group Apprentices	• TORGAS
Golden West Apprenticeships	WPC Group
HIA Apprentices	

Consultation also occurred with:

- DET Training and Skills staff in each of the seven DET regions
- School Industry Liaison officers in the Logan area
- Energy Skills Queensland
- Construction Skills Queensland
- Electrical Trades Union
- Australian Manufacturing Workers' Union
- Construction, Forestry, Mining and Energy Union
- Hutchinson Builders

A telephone survey was also conducted with 86 apprentices who recently completed an apprenticeship through a GTO, or cancelled their apprenticeship whilst employed by a GTO.

Attachment 6 – GTO Commencements

		1	1		1	1			intraining	by GTO an	u All Othe	Elliploye	rrypes									I	1	
	In-T	raining 30/06/	2010	In-T	raining 30/06/	2011	In-Ti	raining 30/06/2	2012	In-Tı	aining 30/06/	2013	In-Ti	raining 30/06/	2014	In-Tr	raining 30/06/	2015	In-T	raining 30/06/	/2016	In-T	raining 30/06/	/2017
	Apprentices	Trainees	Total	Apprentices	Trainees	Total	Apprentices	Trainees	Total	Apprentices	Trainees	Total	Apprentices	Trainees	Total	Apprentices	Trainees	Total	Apprentices	Trainees	Total	Apprentices	Trainees	To
Arts & Entertainment	3	39	42	2	27	29	4	24	28	2	17	19	1	8	9	0	11	11	0	10	10	0	5	
Automotive	639	75	714	603	80	683	615	67	682	577	65	642	468	35	503	397	17	414	344	23	367	307	16	3
Business	0	711	711	0	763	763	0	762	762	0	577	577	0	475	475	0	476	476	0	506	506	0	541	5
Communications	0	109	109	0	110	110	0	150	150	0	156	156	0	137	137	0	118	118	0	103	103	0	102	1
Community Services	2	48	50	3	57	60	3	69	72	1	51	52	0	51	51	0	48	48	0	33	33	0	49	
Construction	2,090	71	2,161	1,775	69	1,844	1,389	88	1,477	1,144	65	1,209	1,043	38	1,081	1,101	26	1,127	1,244	57	1,301	1,255	103	1
Engineering	1,160	110	1,270	1,070	113	1,183	1,086	97	1,183	945	112	1,057	857	78	935	679	53	732	528	41	569	524	43	
Food Processing	21	5	26	24	11	35	16	4	20	17	6	23	8	5	13	8	3	11	15	1	16	6	4	
Furnishing	244	2	246	256	5	261	211	2	213	187	1	188	158	0	158	169	0	169	177	0	177	169	0	
General Education & Training	0	1	1	0	0	0	0	3	3	0	1	1	0	0	0	0	0	0	0	1	1	0	1	
Government	0	2	2	0	2	2	0	2	2	0	1	1	0	2	2	0	1	1	0	1	1	0	1	
Health	0	7	7	0	4	4	0	8	8	0	16	16	0	28	28	0	27	27	0	23	23	0	27	
Hospitality	510	76	586	535	57	592	319	64	383	211	61	272	167	34	201	146	29	175	107	22	129	78	35	
Laboratory Operations	0	3	3	0	9	9	0	/	7	0	1	1	0	0	0	0	0	0	0	0	0	0	0	
Mining	0	9	9	0	3	3	0	6	6	0	6	6	0	4	4	0	2	2	0	1 56	1	0	10	
Primary Industry	33	229	262	38	216	254	45	147	192	32	99	131	37	99	136	43	86	129	48	56	104	32	79	_
Process Manufacturing	0 6	86	92	2 8	0 68	76	8	0 68	76	0 	0	75	5	0	1 45	0 8	0	0 38	3	20	20 140	2	21	
Retail	0	149		0	359	359	0		252	0	68 348	348	0	40 190	190	0	30 62	62	0	137 52	52	0	236 58	
Sports & Recreation Textile, Clothing & Footwear	2	149	149 3	1	0	1	0	252 0	0	1	0	348	1	0	190	1	0	1	2	2	4	1	1	
Tourism	0	7	7	0	12	12	0	3	3	0	0	0	0	1	1	0	1	1	0	2	2	0	0	
Transport & Distribution	0	64	64	0	69	69	0	95	95	0	84	84	0	135	135	0	94	94	0	67	67	0	65	
Utilities	1,272	2	1,274	1,358	5	1,363	1,435	14	1.449	1,293	7	1.300	1.306	5	1.311	1,199	2	1.202	1,093	0	1.093	1,124	1	
Otilities	5,982	1,806	7,788	5,675	2,039	7,714	5,132	1,932	7,064	4,417	1,742	6,159	4,052	1,365	5,417	3,751	1,087	4,838	3,561	1,158	4,719	3,498	1,398	1
Arts & Entertainment	200	284	484	191	453	644	185	725	910	293	441	734	334	167	501	268	92	360	199	64	263	155	55	+
Automotive	5,049	341	5,390	5,072	309	5,381	5,530	313	5,843	5,755	264	6,019	5,231	210	5,441	5,516	203	5,719	5,131	216	5,347	5,049	204	
Business	0	16,342	16,342	0	20,389	20,389	0	26,801	26,801	0	14,893	14,893	0	8,516	8,516	0	4,997	4,997	0	3,774	3,774	0	4,052	
Communications	0	636	636	0	622	622	0	893	893	0	1,338	1,338	0	1,546	1,546	0	1,448	1,448	0	1,279	1,279	0	1,011	
Community Services	1,136	2,591	3,727	1,365	2,559	3,924	1,927	3,249	5,176	2,083	2,629	4,712	2,119	2,372	4,491	1,820	1,710	3,530	1,412	1,659	3,071	1,276	1,656	
Construction	10,196	968	11,163	9,218	1,367	10,585	7,856	1,545	9,401	8,002	1,419	9,421	8,237	1,303	9,540	9,784	1,319	11,103	10,142	1,333	11,475	10,399	1,440	
Engineering	7,136	1,765	8,901	6,891	2,003	8,894	7,072	2,909	9,981	7,310	1,653	8,963	6,582	1,877	8,459	5,894	515	6,409	5,003	147	5,150	4,725	155	
Food Processing	1,529	2,027	3,556	1,506	1,878	3,384	1,440	1,835	3,275	1,298	2,492	3,790	1,079	2,026	3,105	988	1,325	2,313	983	930	1,913	984	949	
Furnishing	1,334	8	1,342	1,203	4	1,207	1,014	7	1,021	1,022	4	1,026	996	1	997	1,119	1	1,120	1,148	1	1,149	1,223	1	
General Education & Training	0	171	171	0	160	160	0	305	305	0	82	82	0	15	15	0	6	6	0	4	4	0	7	
Government	0	111	111	0	48	48	0	33	33	0	10	10	0	2	2	0	19	19	0	16	16	0	8	
Health	0	456	456	0	600	600	0	657	657	0	399	399	0	324	324	0	245	245	0	172	172	0	152	
Hospitality	1,931	2,708	4,639	1,885	2,840	4,725	2,012	4,021	6,033	2,072	3,482	5,554	1,901	3,077	4,978	1,991	2,732	4,723	1,956	2,598	4,554	1,888	2,670	
Laboratory Operations	0	264	264	0	339	339	0	649	649	0	516	516	0	460	460	0	257	257	0	286	286	0	187	
Mining	0	1,016	1,016	0	955	955	0	1,352	1,352	0	1,138	1,138	0	904	904	0	1,381	1,381	0	1,301	1,301	0	1,295	
Primary Industry	1,030	1,109	2,139	1,090	1,127	2,217	1,172	1,197	2,369	863	1,043	1,906	854	803	1,657	1,158	716	1,874	1,061	935	1,996	955	1,010	
Process Manufacturing	118	547	665	123	581	704	182	586	768	120	454	574	92	337	429	83	348	431	110	303	413	107	46	
Retail	3,001	7,823	10,823	2,730	7,619	10,349	2,595	7,774	10,369	2,435	4,599	7,034	2,363	4,096	6,459	2,286	3,350	5,636	2,212	3,144	5,356	2,178	2,765	
Sports & Recreation	35	798	833	28	1,339	1,367	33	1,928	1,961	42	921	963	46	562	608	57	494	551	60	459	519	59	393	
Textile, Clothing & Footwear	70	89	159	53	91	144	55	135	190	57	75	132	55	29	84	57	14	71	53	6	59	36	0	
Tourism	0	509	509	0	549	549	0	553	553	0	688	688	0	543	543	0	588	588	0	622	622	0	854	
Transport & Distribution	0	4,490	4,490	0	3,706	3,706	0	4,962	4,962	0	3,259	3,259	0	2,406	2,406	0	1,576	1,576	0	1,297	1,297	0	1,608	
Utilities	6,473	264	6,734	6,604	313	6,917	6,501	284	6,785	6,607	266	6,873	6,306	271	6,577	6,681	234	6,915	6,327	132	6,459	6,631	122	_
<u> </u>	39,238	45,317	84,550	37,959	49,851	87,810	37,574	62,713	100,287	37,959	42,065	80,024	36,195	31,847	68,042	37,702	23,570	61,272	35,797	20,678	56,475	35,665	20,640	
Grand Total	45,220	47,123	92,338	43,634	51,890	95,524	42,706	64,645	107,351	42,376	43,807	86,183	40,247	33,212	73,459	41,453	24,657	66,110	39,358	21,836	61,194	39,163	22,038	
Market Share	13.2%	3.8%	8.4%	13.0%	3.9%	8.1%	12.0%	3.0%	6.6%	10.4%	4.0%	7.1%	10.1%	4.1%	7.4%	9.0%	4.4%	7.3%	9.0%	5.3%	7.7%	8.9%	6.3%	
Automotive	11.2%	18.0%	11.7%	10.6%	20.6%	11.3%	10.0%	17.6%	10.5%	9.1%	19.8%	9.6%	8.2%	14.3%	8.5%	6.7%	7.7%	6.8%	6.3%	9.6%	6.4%	5.7%	7.3%	
Construction	17.0%	6.8%	16.2%	16.1%	4.8%	14.8%	15.0%	5.4%	13.6%	12.5%	4.4%	11.4%	11.2%	2.8%	10.2%	10.1%	1.9%	9.2%	10.9%	4.1%	10.2%	10.8%	6.7%	
Engineering	14.0%	5.9%	12.5%	13.4%	5.3%	11.7%	13.3%	3.2%	10.6%	11.4%	6.3% 1.7%	10.5% 4.7%	11.5% 8.1%	4.0% 1.1%	10.0% 3.9%	10.3% 6.8%	9.3%	10.3% 3.6%	9.5% 5.2%	21.8% 0.8%	9.9% 2.8%	10.0% 4.0%	21.7%	-
Hospiality	20.9%	2.7%	11.2%	22.1%	2.0%	11.1%	13.7%	1.6%	6.0%	9.2%	1 / 1/2							3 6%					1.3%	