



13th April 2017
Department of Education and Training
PO Box 15033
CITY EAST QLD 4002

Email: vet.strategy@det.qld.gov.au

Dear Research Director

**Re: Advancing skills for the future
A strategy for vocational education and training in Queensland
Draft for consultation**

1. Introduction

1.1 The Motor Trades Association – Queensland (MTA Queensland or the Association) responds to the Minister for Training and Skills the Hon Yvette D’Ath’s invitation for responses to the consultation draft *Advancing skills for the future - A strategy for vocational education and training in Queensland* (the draft strategy). The MTA Queensland’s comments are on behalf of its constituent divisions and are confined to issues which relate to the interest of Queensland’s automotive value chain.

2 Context

2.1 The MTA Queensland has recognised in its Rules the evolution of technology, the dynamics of the motor trades and the need for education and training. The Objects include:

To participate in, promote and encourage all forms of education and training supportive of the development of the motor vehicle industry and associated trades or businesses in Queensland.

2.2 To fulfill the intent of this Object, the Association established in 1975 a training entity to provide the sector with the skill sets required for current and future purposes. In 1997 with the deregulation of the vocational training market, the MTA Institute became a registered training organisation (RTO) entering vocational training of automotive traineeships and apprenticeships. Over the past 42 years the MTA Institute has grown to be the premier provider of automotive vocational training in Queensland delivering leading edge courses to students and providing the automotive value chain with a skilled workforce.

2.3 As a RTO we are supportive of the view that Queensland needs ‘an innovative, responsive and robust Vocational and Education Training (VET) sector that delivers relevant, quality and produces a highly skilled and sought-after workforce’ (The draft strategy). Primarily the draft strategy’s focus is on the Technical and Further Education sector as the provider of VET with only a cursory reference to private providers/registered training organisations which deliver specialised industry training.

2.4 We welcome the statement in the draft strategy that private RTOs will continue to play an important role in ensuring that Queenslanders have choice in relation to their training supplier and course’ (The draft strategy p. 16). Preferably, an emphasis on a holistic approach uniting both the public and private sectors in the attainment of the VET vision through the enunciated goals and actions would have engendered a sense of sector cohesion. Indeed, industry relies on both sectors to meet the needs of their business through a well-trained workforce.

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3 Submission

3.1 It is the MTA Queensland's experience that fundamental to the apprenticeship and traineeship system in Queensland is the prerequisite knowledge base to enter and progress within the system. The foundation skills of literacy, numeracy and digital proficiency are the essential building blocks to either enter or complete a trade apprenticeship and to become a successful trades' person. The draft strategy identifies this, establishing the science, technology, engineering and mathematics (STEM) skills as the pivot on which the VET system curricula aims to provide students with the mind and skill sets to meet their aspirations and needs of employers in the midst of technological and digital changes.

3.2 The Association has long recognised the importance of STEM skills to enable students to progress through their apprenticeship courses and achieve satisfying careers in the automotive value chain. It is noted that 70 per cent of employers indicate that they view employees with STEM skills as the most innovative (The draft strategy p.4) which aligns with the anecdotal advice to the Association. Practical experience from our classes indicates that 'graduates need these new skills because research shows that 71 per cent of VET students aged 25 years or under are studying in fields that will be affected by automation' (Ibid.).

3.3 The automotive value chain is dynamic as evidenced by the technological structural changes across the twentieth and twenty-first centuries. Aside from the manufacturing sector, the most significant changes have been in automotive electronics and pollution regulations and automation. At each automotive innovation phase the MTA Queensland has invested in the training facilities and the learning products to provide students with the skills to serve both employers and consumers.

3.4 The MTA Queensland agrees with the draft strategy's sentiment (P.4) that 'new ways of thinking about priorities for VET investment will be needed' (Ibid). Currently, the automotive value chain is transiting a rapid innovation revolution. The Association is alive to this phenomenon by investments in computer systems such as the **Bosch FSA50 diagnostic scan tool** and providing a full suite of courses from pre-apprenticeship, paintless dent repair courses and advanced hybrid electric courses to provide students with real world teachings and conditions.

3.5 Understanding of automation, new innovations and future disrupters is vital for the motor trades to transit the technological revolution. For this purpose, the MTA Queensland coined '*Carmageddon*' as an industry leadership platform to provide Members and stakeholders with information and learnings on technological and digital advances so that their business models can adapt with the changes. The Association recently hosted at our Jack Brabham Centre of Excellence a *Carmageddon* symposium at which academic and industry leaders canvassed the issues of and opportunities deriving from technological and digital change. A further symposium will be held in July.

Key action Areas

3.5 The established goals underpinned by actions detailed in the draft strategy are purposeful in intent to advance skills attainment through the VET system. Critical to meeting these goals and implementing the actions must be to halt the decline in apprenticeship commencements in the traditional trades. The National Centre for Vocation Research (NCVER) September quarter report indicated that on a trend basis nationally, there was a decrease in the last three quarters for trade commencements. There were 296,300 apprentices and trainees in-training at the end of September 2016, a decrease of 13.7 per cent from September 2014. The number of apprentices has fallen by almost 123,000 over the past two years from a peak of 446,000 in September 2013. Queensland is not immune to the diminution in apprenticeship and trainee commencements.

3.6 The uncapping of university places may have exacerbated the decline in people entering apprenticeships and traineeships coupled with the subdued labour market. This suggests that advantages of skills training through the VET system are viewed by people as unglamorous without considering the benefits of a trade career. It is in this context that literacy, numeracy and digital proficiency are paramount in channeling people into the trades particularly those trades reliant on these skills such as the automotive sector.

3.7 The draft strategy enunciates the goals and actions for the VET system and these are supported by the Association. The MTA Queensland is of the view that the actions may be enhanced by specific and bold initiatives as indicated below:

Industry and innovation

- *Ongoing strategic collaboration between industry, employers and government to support new industries and business practices and advance the growth of priority industries.*

Enhanced initiatives

- Greater support for recognised Skills Sets (i.e. Hybrid training) to increase current workforce's skill level
- Increased commitment to forge deeper partnerships between the state government and peak industry bodies
- Develop attraction and retention strategies to make trade industry's more attractive to younger people to advance growth in priority industries
- Removal of student contribution fees for regional and remote students and incorporate this into the User Choice funding for providers delivering in these areas.
- Support the removal of eligibility restrictions for existing learners (i.e.) automotive traineeships.

A quality system

- *World-class VET that underpins economic growth and meets the needs of industry, employers and students.*

Enhanced initiatives

Support of a Trainer scholarship to increase VET practitioners improving their knowledge and skill level.

- Continue to recognise skills obsolescence due to the rapid technological changes occurring in the industry, hence embarking on a strategic up-skilling regime by increased government responsiveness to industry demands (i.e. increased funding in the Trade Skills Assessment and Gap Training program).
- Greater promotion of both the public and private VET industry by government

Access and participation

- *All Queenslanders have access to skilling pathways that enhance employability and social wellbeing.*

Enhanced initiatives

- Greater Financial support for RTO's to deliver training in regional and remote areas.
- Support the removal of eligibility restrictions for existing learners (i.e. automotive traineeships).
- Providing clear information about career paths to enable informed employment and education choices.

3.8 As the draft strategy indicates, RTOs are regulated through the Australian Skills Quality Authority. From the perspective of the MTA Queensland it is considered essential that there is state based mechanism to determine training priorities and investment and gather intelligence for the national advisory entities. The Association has a guaranteed position on the strategic Industry Reference Committee. Ideally this weakness should be remedied and a State based industry advisory body to reflect Queensland's skills requirement should be re-established as a priority.

4 MTA Queensland background

4.1 The MTA Queensland is the peak organisation in the State representing the specific interests of businesses in the retail, repair and service sector of Queensland's automotive industry located in the State. There are some 13500 automotive value chain businesses employing more than 90,000 persons generating more than \$20 billion annually. It is an industrial association of employers incorporated pursuant to the *Industrial Relations Act* of Queensland. The Association represents and promotes issues of relevance to the automotive industries to all levels of Government and within Queensland's economic structure.

4.2. The Association is a leading automotive training provider in Queensland offering nationally recognised training, covering technical, retail and the aftermarket phases of the motor trades industry through the MTA Institute (MTAI) - a registered training organisation. It is the largest automotive apprentice trainer in Queensland employing more than 35 trainers geographically dispersed from Cairns to the Gold Coast and Toowoomba and Emerald. The MTAI last financial year accredited courses to more than 1,600 apprentices and trainees.

5 Closing Comments

5.1 We would be please to provide further comment on any matters in our submission that may require further clarification or amplification.

Thank you for your consideration.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Brett Dale', with a stylized flourish at the end.

Dr Brett Dale DBA
Chief Executive Officer