



16th December 2016

M/s Rachael Hunter
Chair
Jobs Queensland

Email: engagement@jobsqueensland.qld.gov.au

Dear M/s Hunter

Re: Positive futures: Apprenticeships and traineeships in Q'ld Discussion Paper

1. Introduction

1.1 The Motor Trades Association of Queensland (MTA Queensland) (the Association) responds to the Chair of Job Queensland's invitation for views to *Positive futures: Apprenticeships and traineeships in Q'ld Discussion Paper* (the Paper). 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 Across the twentieth and twenty-first centuries the automotive value chain has adapted to and evolved with changing technology and new innovations to provide the market and consumers with the products and the services needed. The MTA Queensland has long 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 entering into vocational training of automotive traineeships and apprenticeships. Over the past 41 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 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. These foundational skills are not the focus of the Paper but these must be recognised as the critical agents to drive the outcome envisaged in the Paper's title - 'Positive Futures': apprenticeships and traineeships in Queensland'.

Motor Trades Association Queensland

Address Freeway Office Park, Building 8, 2728 Logan Road, Eight Mile Plains Qld 4113 [Postal PO Box 4530, Eight Mile Plains Qld 4113]

Telephone +61 7 3237 8777 | **Toll Free** 1800 177 951 | **Email** info@mtaq.com.au | **Website** www.mtaq.com.au

3 Submission

Changing nature of apprentices and trainees

3.1 Apprenticeships and traineeships represent the beginning of a career. The person finishing an apprenticeship will always have the knowledge of the specific sector of the industry that will serve them well for the rest of their life. Anyone finishing an apprenticeship wears this as a 'badge of honour' as it is an achievement that has taken time and dedication to complete. Within the context of the automotive value chain, the apprenticeships and traineeships system are the pathways to gain the skills sets required to become certified tradespersons and provide the aptitude to service the automotive value chain and to have a fulfilling career.

3.2 Noticeably, as a consequence of the Global Financial Crisis (GFC) and the downturn in the resources sector there have been changes in the societal and attitudinal norms in relation to the motor trade's workplace. The experience is that the mature aged (both genders), women, youth including those from non-English speaking backgrounds and the disadvantaged cohorts have either entered into apprenticeships or traineeships or expressed an interest to do so.

3.3 The experience is that the automotive industry has seen an increase in older persons entering apprenticeships and traineeships. Specifically, a cohort of students in the mid to late twenties early thirties with previous occupations including in the resources sector have sought either to sharpen their skills to seek employment in an established auto business or to commence their own business.

3.4 Additionally, the changing technology is attracting tradespersons to enrol in and complete courses to service electric and hybrid motor vehicles such as MTA Queensland's Hybrid Electric Vehicle Introductory Course and the Advanced Hybrid Electric Vehicle Course.

3.5 A small wave of young and mature women have and continue to be attracted to the automotive value chain as a career. This can be exemplified by a nominee for the MTA Queensland 2016 Apprentice of the Year from a large field included a woman and the 2014 Apprentice of the Year was won by Sarah Gale who studied Certificate 3, Light Vehicle Mechanical Technology with an Atherton auto business. It should be noted that many women are spare parts managers or are engaged in the front office management of an auto business.

3.6 A diverse range of groups e.g. disadvantaged, mature-age, young job seekers people with a disability and members of the Indigenous community have had the opportunity to earn a Certificate 11 in Automotive Vocational Placement under the Queensland Government's *Skilling Queenslanders for Work* program. This enables students to gain the basic skills and knowledge required to work in the automotive industry and gain training in the 'life skills' that will give them the confidence to be 'job ready'. The program includes a five-week practical training element, a two week 'life skills' training component and two weeks of work experience placement.

3.7 In terms of entry points into the automotive industry, the general view is that there is a need for these to be improved. Vocational Education Training (VET) in schools is one of these entry points and industry has reported there is a predisposition that quality applicants are not entering the industry through this trade pathway due to a lack of understanding about the requirements of applicants to succeed in the industry.

3.8 AccelR8 is a 'school to work' program and one of the entry points which is beginning to change this perception. This is an initiative of Queensland's Department of Education, Training and Employment in partnership with employers, training organisations, schools, students and parents/guardians. This transition program is designed to prepare Year 12 school students for the move to full-time automotive industry employment. Finishing students achieve a Certificate 11 in Automotive Vocational Preparation. Some students are able secure apprenticeships as a result of the program. Ultimately the engagement between the student, schools and employers needs to be set and followed throughout the year.

3.9 The general view is that there seems to be confusion about apprenticeship information, especially when it comes to the flexibility in an apprenticeship (e.g. part-time, suspending, etc.). There are several reasons why this happens, however small to medium employers don't understand these options afforded to them and it would seem in the interest of both the apprentice and the employer that the number of agencies involved with the training 'space' should be streamlined to improve information access, training contract administration and financial efficiencies.

Incentive payments and apprenticeships and traineeships

3.10 Commonwealth and Queensland Governments incentive payments are geared to employers taking on an apprentice or trainee to gain the skills, qualifications and experience needed to enter and stay in the workforce. Combined these form an essential and worthy element of the apprenticeship and traineeship system but there needs to be increased clarity about the incentives in their entirety or as a package e.g. what training is funded by the Commonwealth and what funding is available from the State and simplification of the administrative processes.

3.11 Navigating government incentive policy and the associated regulatory requirements can be problematic for small to medium businesses (SMEs) and impede the taking on of an apprentice or trainee. This is particularly the case in the context of employer sponsored training due to the loss of productivity through off-the-job training for staff. Incentives and the associated regulatory requirements should be streamlined.

Apprenticeships and traineeships across industries

3.12 Across the automotive value chain, trade recognition and skills are important to each sector comprising: motor vehicle and motor vehicle parts manufacturing; motor vehicle and motor vehicle parts wholesaling; motor vehicle parts and tyre retailing; automotive repair and maintenance; agricultural, mining and lifting machinery; fuel retailing; motor vehicle hiring; and motor sport. Each business within these individual sectors requires a skilled workforce to deliver to consumers/clients, to be productive and able to compete in its respective market and to be profitable.

3.13. To provide the necessary skill sets and to up-skill the automotive value chain workforce, the MTA Institute provides accredited apprenticeships and accredited traineeships for each of the prime sectors. In addition, there are accredited short courses and gap training and other non-accredited industry courses (see Appendix 1) to meet the demands of the consumer/client and the technological and workplace changes. Government programs such as the 'Trade Recognition Program' has proven industry relevant, learner centered and cost effective when persons are contemplating trade transitions.

3.14 By way of example the MTA Institute provides online sales and dealer courses. The courses utilise the internally developed Learning Management System which offers training to students via an online portal. It is designed to enable the MTA Institute to offer programs to both metropolitan and regional Queenslanders. The platform is proving advantageous to students who are considering making a career transition into car dealership sales, or who are looking to sharpen their skills. A well designed training package has the potential to facilitate sector and industry transitions for learners, however responses to poor contract administration by government (VET Fee Help) has disproportionately influenced quality regulators to create barriers which in the longer term will impact industry, learners and government alike, yet having little impact on the issue driving the changes (VET Fee Help).

Retention and outcomes

3.15 Over recent years, apprenticeship and traineeship retention and new entrants into these have declined due to the tough economic climate for business. For that purpose and to evaluate retention and outcomes, the MTA Institute surveyed learners and employers about its performance as a Registered

Training Organisation. Overall satisfaction from learners and employers stood at eighty-eight per cent and eighty-six per cent of employers agreed that the quality of trainers was excellent.

3.16 Over the past year, the MTA Institute issued over 600 occupational outcome certificates across Queensland to learners who finalised their apprenticeship or traineeship. Trade Recognition was delivered to over 100 experienced industry learners. The Auto Initiation program was delivered to over 260 participants in centres across the State. And importantly, the AccelR8 program was delivered to assist the transition of grade 12 students to an apprenticeship after completing their final school year.

3.17 The now defunct Automotive Mentor Advisor Apprenticeship Program (MAAP) engendered a strong involvement in promoting the automotive industry to the broader community providing mentors/advisors with opportunities to attend careers expos and industry events. Across 2014-15 mentors guided approximately 500 apprentices through their first year of apprenticeship recording a retention rate of 95 per cent of apprentices in the program who continued into their second year. Mentors had an average of 8 contacts with each apprentice with 4 being face to face and 4 being by way of e-mail, text, face book, other social media and telephone. The issues that were most prominent included:

- Providing assistance in addressing literacy and numeracy difficulties
- Working with vulnerable apprentices who identified a low self-esteem and personal confidence
- Providing advice to apprentices who believed their choice of apprenticeship was not correct and liaising with the employer to relocate the apprentice into an alternative trade/industry
- To advise apprentices of their obligations to their employer regarding attitude, work ethic, following directives and ensuring that they adhered to workplace policies.

This was an excellent program which achieved positive outcomes across diverse groups and the Australian Government should consider its restitution.

Satisfaction and Quality

3.18 In terms of the MTA Institute courses and their delivery, as stated above, employers and learners are highly satisfied with the performance of the MTA Institute and with the quality of the trainers.

3.19 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. This requires the MTA Institute to be relevant and current in terms of the latest technology and structuring courses e.g. the Paintless Dent Repair courses and the Advanced Hybrid Electric Course.

Pre-employment apprenticeship and traineeship programs

3.20 The MTA Queensland is of the view that the pre-employment apprenticeship and traineeship programs represent opportunities for a diverse range of groups to gain the basic skills and knowledge required to work in the automotive industry. These programs in addition to training, offer 'life skills' that will give the participants the confidence to be 'job ready'.

3.21 The MTA Institute delivered the 'Auto Initiation' program to regional areas e.g. Townsville, Mt Isa, Mackay, Rockhampton, Gladstone, Hervey Bay, Sunshine Coast, Gold Coast, Brisbane and Bundaberg - enabling more than 200 students to start on a pathway to a career in the automotive industry. To enhance the MTA Institute's delivery of this program across the State, the MTA Queensland invested in a Mobile Automotive Training Units - Mercedes Sprinter trucks fully stocked with the equipment and educational material required to train the students.

School-based apprenticeships and traineeships

3.22 The MTA Institute delivers the AccelR8 program to assist the transition of grade 12 students to an apprenticeship after completing their final school year. This program aims to help successful students

acquire the necessary points toward their Queensland Certificate of Education and go straight into the workforce once they have completed grade twelve. These programs have proven very successful when all parties are well informed and collaborate appropriately to meet the needs of those businesses contributing locally to the programs.

Technological change and apprenticeships and traineeships

3.23 The MTA Queensland has long recognised the structural and technological change in the automotive value chain. Australia's domestic manufacturing of motor vehicles will cease; transition to automated vehicles inevitably will involve a transition to hybrid and plug-in electric motor vehicles. The change from fossil fuels as the main energy source for transportation and the progressive displacement of the internal combustion engine means that Australia's society and the economy will undergo fundamental transformations.

3.24 The current dynamic includes the significant technological changes e.g. driverless technology; vehicle automation; artificial intelligence; vehicle to vehicle communication; vehicle to infrastructure communication; zero emissions through fuel cell technology; pre collision technology and contact lens technology in the recharge of electric cars in seconds etc. The MTA Queensland coined the word '*car-mageddon*' as representing the challenge for the automotive value chain to adapt to, work within and shape the innovations that will both drive and derive from technological change.

3.25 Ensuring the apprenticeship and traineeships system is at the leading edge of technological advances is a MTA Queensland priority. This is to ensure business operators and employees within the automotive value chain have the skill sets to service and maintain the new generation of motor vehicles, yet at the same time repair or tune older models and the classics. The MTA Queensland's state-of-the-art facilities endowed with the essential equipments and tools is well placed to deliver the necessary skills in line with technological change.

3.26 By way of example, the MTA Queensland has recognised a skills gap within the electric and hybrid vehicles. This has become prevalent particularly as these vehicles move out of the manufacturer's warranty and into the aftermarket repair industry. For this purpose the MTA Queensland commenced the Hybrid Electric Vehicle Introductory Course and the Advanced Hybrid Electric Course into the training portfolio. These include mobile courses held in the regional centres.

3.27 The level of disrupters facing the automotive industry is significant and requires a collaborated effort of champions from industry, government and academia to consider how these changes can be embraced and opportunities seized by Queensland businesses. In response, MTA Queensland is facilitating the '*Carmageddon Symposium*' (an innovation forum) on 7 March 2017 and will consider changing business models, future workforce and the skills required to meet these advancing technologies. MTA Queensland would welcome the participation of representatives from Jobs Queensland in this important event. Expression of interest to participate are currently being sought and an agenda will be finalised in early 2017.

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 13,000 automotive value chain businesses employing in excess of 90,000 persons generating in excess of \$14.5 billion annually. It is an industrial association of employers incorporated pursuant to the *Fair Work Act* 2009. 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, through the MTA Institute, leads the automotive training in Queensland offering nationally recognised training, covering technical, retail and the aftermarket phases of the motor trades

industry. It is the largest private automotive apprentice training provider in Queensland employing trainers geographically dispersed from Cairns to the Gold Coast and Toowoomba and Emerald. The MTA Institute last financial year accredited courses to in excess of 1,600 apprentices and trainees.

5. Conclusion

5.1 Thank you for your consideration. We would be pleased to provide further comment on any matters in our submission that may require further clarification or amplification.

Yours sincerely



Dr Brett Dale DBA
Group Chief Executive

APPENDIX 1

APPRENTICESHIPS (ACCREDITED)

1. AUR30316 – CERTIFICATE III AUTOMOTIVE ELECTRICAL TECHNOLOGY
2. AUR30416 – CERTIFICATE III AGRICULTURAL MECHANICAL TECHNOLOGY
3. AUR30616 – CERTIFICATE III LIGHT VEHICLE MECHANICAL TECHNOLOGY
4. AUR30816 – CERTIFICATE III MOTORCYCLE MECHANICAL TECHNOLOGY
5. AUR31016 – CERTIFICATE III IN AUTOMOTIVE SALES (Parts Interpreting)
6. AUR31116 – CERTIFICATE III IN HEAVY COMMERCIAL VEHICLE MECHANICAL TECHNOLOGY
7. AUR31216 – CERTIFICATE III IN MOBILE PLANT TECHNOLOGY
8. AUR32116 – CERTIFICATE III IN AUTOMOTIVE BODY REPAIR TECHNOLOGY
9. AUR32416 – CERTIFICATE III IN AUTOMOTIVE REFINISHING TECHNOLOGY
10. AUR32516 – CERTIFICATE III IN AUTOMOTIVE UNDERBODY TECHNOLOGY
11. Dual Qualification

TRAINEESHIPS (ACCREDITED)

1. AUR20216 – CERTIFICATE II IN AUTOMOTIVE AIR CONDITIONING TECHNOLOGY
2. AUR20416 – CERTIFICATE II IN AUTOMOTIVE ELECTRICAL TECHNOLOGY
3. AUR20916 – CERTIFICATE II IN AUTOMOTIVE BODY REPAIR TECHNOLOGY
4. AUR21216 – CERTIFICATE II IN AUTOMOTIVE UNDERBODY TECHNOLOGY
5. AUR21916 – CERTIFICATE II IN AUTOMOTIVE TYRE SERVICE TECHNOLOGY (HEAVY)
6. AUR21916 – CERTIFICATE II IN AUTOMOTIVE TYRE SERVICE TECHNOLOGY (LIGHT)

7. AUR31016 – CERTIFICATE III AUTOMOTIVE SALES (VEHICLE)

SHORT COURSES & GAP TRAINING (ACCREDITED)

1. **Motor Vehicle Salesperson Course** (Competent completion of all assessments is required before applying for a Sales License with the Office of Fair Trading)
2. **Motor Vehicle Dealer Course** (Competent completion of all assessment is required before applying for a Dealer's License with the Office of Fair Trading)
3. **Gap training course for AUR20216 Certificate 11 in Automotive Air Conditioning Technology** (Competent completion of all assessments is required before applying for a Refrigerant Handling License with the Australian Refrigeration Council)

OTHER INDUSTRY COURSES (NON-ACCREDITED)

1. Paintless Dent Repair – Introductory
2. Hybrid Electric Vehicle – Introductory
3. MIG Welding Fundamentals
4. Understanding Modern Awards, National Employment Standards And The Fair Work System
5. Introduction To Workplace Health And Safety – Employer Responsibilities
6. Dealing with Dismissals, Discrimination, Harassment and Bullying
7. Hybrid Electric Vehicle Course – Advanced
8. Paintless Dent Repair Course – Advanced
9. Understanding Awards, Dismissals, Discrimination, Harassment & Bullying Laws
10. Business Management Courses