

17 July 2017

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Dear Mr Collins,

### **Review of the *Apprenticeships & Traineeships Act 2001 (NSW)***

I write to you concerning the exposure draft of the *Apprenticeships and Traineeship Amendment Bill 2017 (NSW)* (the Bill) circulated to us for review.

#### *The proposed amendments*

The changes proposed by the Bill are reasonable and will to, some extent, relieve the administrative burden of managing apprenticeships and traineeships.

Of particular note are the following amendments:

- Repealing the Vocational Training Review Panel (s 29) and vesting the responsibilities of that Panel in the Commissioner for Vocational Training is a reasonable change that will provide a more responsive and efficient method of dealing with disputes.
- Removing the necessity for a Certificate of Completion and Crafts Certificate (cl 12) is a positive development that, again, will reduce the administrative burden associated with concluding an apprenticeship and reflects the modern training environment.
- Increasing the penalties for late applications (s 7(2)) and employment of juniors in recognised trade vocations (25(1)) from 20 to 100 penalty units is acceptable. We consider it is essential these increases are widely communicated to employers, particularly if they are to have the desired (deterrent) effect.

We hope the efficiencies achieved through these changes will allow the Department and employers greater time to focus on the new, innovative apprenticeship initiatives further explored below.

#### *Outcomes of the review*

The review of the Act was announced in June 2016 by way of a Discussion Paper outlining the areas being considered for reform. The Discussion Paper clearly stated the NSW Government's intention was to review the overarching policy framework surrounding apprenticeships and traineeships, and not merely the matters dealt with by the legislation.

The Chamber welcomed the review as a prime opportunity to make apprenticeships more dynamic, tailored to the needs of industry and attractive to young people. In mid 2016, we invested in an independent research initiative aimed at developing strategies to achieve these objectives.

The findings of our research and key policy recommendations were captured in the *Laying the Foundations for Apprenticeship Reform* report. The Department was actively involved in the development of these recommendations, attending our consultative roundtable in Western Sydney and the launch of the final report with the Deputy Premier and Minister for Skills.

Encouragingly, the Department is now acting on several of our key recommendations:

- **Boosting the profile of apprenticeships via an ongoing public awareness campaign:** The new 'Opening the Door to VET' campaign and website adopts the Chamber's central recommendation to devise a public awareness campaign to shift perceptions and engage employers, parents, young people and educators about the outstanding career opportunities vocational pathways to work can lead to.
- **Restoring consistency, coordination and an outcomes focus to the system:** Employers must have the confidence that workers who complete an apprenticeship or traineeship have received high quality training that delivers the right skills for their service or trade. With this concern in mind, the Chamber recommended restoring greater consistency and coordination to apprenticeships. The NSW Government has taken up this call, brokering an agreement between TAFE NSW to train apprentices under a statewide, standardised model. Business can now have greater confidence that TAFE-trained apprentices, no matter where their training takes place, have achieved minimum quality standards and possess a standard set of skills relevant to their industry.
- **Reigniting early apprenticeship participation:** The Department has initiated a series of 'front end', industry-tailored apprenticeship pilots designed to increase early apprenticeship engagement and attract a broader cohort of young people to in-demand apprenticeship pathways.

These developments are very welcome and represent a 'win for business'.

To date, however, the Department has not formally announced these initiatives or, more importantly, published a report summarising the outcomes of the apprenticeship and traineeship review. This is essential given the significant time and investment made by the Chamber and other industry groups who tendered submissions to the Review.

We strongly encourage you to consider releasing such a report so that the Chamber and other business groups can publicly recognise the positive steps Training NSW is making toward strengthening the vocational education and training system.



I encourage your office to contact the Chamber's Policy Manager, Workforce on [rebecca.burdick@nswbc.com.au](mailto:rebecca.burdick@nswbc.com.au) or 9458 7267 to identify a roadmap for this report and to discuss how we can continue to collaborate with you in future.

Thank you once again for the opportunity to contribute to the Review and for your ongoing engagement with the Chamber.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Luke Aitken".

Luke Aitken  
**Senior Manager, Policy**

cc. Simon Smith, Secretary, NSW Department of Industry