



# Beyond Training Packages The Need for Change

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# **Beyond Training Packages - The Need for Change**

## **1. Background**

This report forms the third phase of research into 'The Need for Change to Apprenticeship Trade Training and Assessment in the Building and Construction Industry' undertaken by the Construction Training Fund (the Fund) during 2016-17.

The previous research provided the following key findings which highlighted the need for changes to both the training system and the training package:

- Off-the-job training and assessment is a high cost to employers and could be reduced.
- On the job training and assessment is not always viable for training providers or employers.
- Employer engagement with training providers is improving.
- Pre-apprenticeships are used as a recruitment/screening process.
- Content and structure of the Construction Training Package was questionable.
- The current training package design will have difficulty coping with future changes in training needs.

## **2. Project Aims**

The current research concentrated on the training package and how it could be improved to meet the future needs of industry. The specific aims of the research were to identify:

- Support for the concerns that stakeholders raised during the initial phases of the research.
- Whether the construction training package is capable of meeting changes that industry desires for trade training and assessment.
- Any areas of agreement between industry and registered training providers relating to the training package and identification of both positive and negative aspects of the training package.
- Required changes, benefits and impediments that can be achieved in the short to medium term.

## **3. Consultation Methodology**

Following the presentation of the initial report at the March 2017 Forum, stakeholders reinforced their concerns about the content and structure of the Construction Training Package and perceptions about its inability to cope with future changes in training needs.

Stakeholders supported the need for wider consultation with industry. Consequently, a further meeting was held with forty industry stakeholders on 4 May 2017 and the presentation based around a series of questions relating to the training system, training packages and the changes required.

Stakeholders included representatives from:

- Industry associations;
- Group Training Schemes;
- Training Accreditation Council.;
- Registered Training Organisations (public and private) (RTOs);
- Unions;
- Contractors/Employers;

- Construction Training Fund/Council; and
- Department of Training and Workforce Development.

Following the above presentations, consultations occurred with key stakeholders including the Housing Industry Association (HIA), Master Builders Association (MBA), Master Plumbers and Painters Associations (MPA) and a range of individual employers.

Due to the many changes that are occurring nationally in the development of training packages, there has been additional consultation through the Construction Industry Reference Committee (IRC) and Technical Advisory Groups (TAG).

#### **4. Findings**

During this final phase of the project it was identified that employers are just as concerned about the training system rather than simply training packages and delivery of training.

Although this report will highlight specific findings, several key issues were identified by respondents:

- 80% are generally dissatisfied with the current training package structure and content as they do not meet industry expectations of training.
- 74% believe training packages lack overall flexibility, have limited scope for specialisation and are slow to change.
- 46% want simplification, less prescriptive training and more flexibility in delivery/assessment modes. This would also consider current competency of students and reduce duplication of training effort between on and off-the-job.
- 14% called for skill sets and customisation (accredited programs) in place of rigid qualifications, offer training in higher level qualifications after initial lower level training.
- 14% believed that if the overall training package structure does not change then industry will avoid using the Training Package.
- 10% thought reduction in training costs should be considered when developing training packages (for employers and apprentices).

Overall, there was continued strong support for the Western Australian Certificate II pre-apprenticeship and VET in Schools programs as they provide job ready and informed students and reduce the cost to employers during their apprenticeship. An estimate of cost savings for employers of students who have completed a pre-vocational program prior to employment is provided in Appendix 1.

##### **4.1. The Training System**

Although not directly part of the training package consultations, there was significant feedback relating to the training system. Employers and RTOs agreed that the complexity of the training system is overwhelming for many prospective employers resulting in reluctance to employ apprentices. The many layers of bureaucracy that exist were identified as funding mechanisms, incentive payments and eligibility, competency-based wage progression, employing and engaging apprentices, terms and conditions of employment for lecturers, state and national compliance, State VET legislation, school VET policy and the Standards for Training Packages (2015).

## **5. Training Packages ability to meet industry requirements**

Throughout the consultations it was confirmed that both the training package and the supporting 'system' is not capable of servicing the 'modern day and contemporary' workplace as it is based on a 20th century model of training.

The original training package concept of a 'one-size-fits-all' model is viewed by many respondents as being restrictive and not catering for local requirements of employers.

Employers and RTOs agree that the current training package is too specific and creates inflexibility to the dissatisfaction of both parties. This limits changes that can be made to satisfy industry demands for more flexible approaches to training and assessment.

There was feedback throughout the research that if training packages fail to meet the future needs of industry then employers may abandon the use of training packages and move to the use of accredited courses, skill sets, in-house or vendor specific training.

During the latter part of the research, several key industry stakeholders from Western Australia became involved at a state and national level as members of technical advisory groups (TAGs). It has been proposed by several TAG stakeholders from other States that the number of competencies in some Certificate III construction qualifications should be reduced with a subsequent increase in hours attached to the remaining competencies. Other stakeholders, especially RTOs, expressed strong concerns that the proposed changes would eliminate articulating pathways for pre-vocational students undertaking the WA Certificate II in Building and Construction (Pathway Trades). From a 'management of training' perspective, this will also create problems with scheduling and funding of training.

Industry stakeholders expressed concerns that the development of the training package appears to rely heavily on RTOs and long-term developers of previous versions of the training package rather than a broad spectrum of industry. It was agreed however, that the RTOs provide valuable study matter expertise to industry through advisory groups and key stakeholder committees, for example the HIA, MPA and MBA.

With respect to RTOs managing future changes to the training package, it was established that there are significant cost implications in relation to audit compliance documentation. These costs can be significant even when the change to the training package is classified as 'minor'. Given the proposed and significant changes to many qualifications in the package this could result in high costs for RTOs.

RTOs expressed concern that the auditing processes relating to training packages rather than student outcomes, causes wasted time and effort and is taking precedence over delivery which causes financial and timetabling stress on the RTOs. This in turn means that time taken to adapt to constant changes in training packages compromises the delivery of training.

## 5.1. Drivers for Change in the Industry

The top ranked responses in relation to driving change were:

- 47% new technology, specialisation and the pace of change in industry
- 27% industry standards, legislation, and industry wanting to drive change
- 23% financial/time constraints (cost of training and skills demand).

One of the major concerns is the range of impacts that training packages will need to cope with over the mid-term. These impacts were identified as being:

- A high likelihood of a technological impact on the nature of work in the next five years, including automation and robotics. These impacts may cause an increase in off-site pre-fabricated manufacturing processes rather than the current on-site construction methods.
- An increased demand for skills training in both existing and new skills that the training package needs to be flexible enough to cope with.
- Changes in construction materials, energy efficiency and sustainability will cause a change in job tasks and roles.

As previously stated, if training packages fail to respond to changes in a timely manner to meet these impacts, then industry and RTOs indicated that they will rely on either accredited or vendor provided training programs. This will lead to a lack of recognition of qualifications across jurisdictions.

As an example, one of the positive changes that was driven by industry over the past five years in Western Australia (WA) was the development and successful implementation of Certificate II accredited courses for VET in Schools and pre-apprenticeships. These programs were developed due to the training package failing to adapt to industry needs in WA. These courses continue to provide a steady flow of new recruits to a receptive industry and need to be maintained. Throughout the project all stakeholders expressed strong support for these programs and viewed them as an essential source of new recruits to the industry.

## 6. Positive aspects of Training Packages

Although there was general dissatisfaction expressed relating to the Training Package, there were positive aspects identified by most respondents:

- The training package provides a set of guidelines to meet industry requirements and provides minimum standards that must be met.
- Transferability and articulation between AQF levels.
- Qualifications are internationally and nationally recognised and valued.
- The package guidelines support RTOs in keeping apprentices and employers informed of their roles and responsibilities with respect to training. They also enable a consistent 'quality' outcome using a broad range of competencies even though it may be at a minimum level of competence.
- The qualifications allow for skills to be transferred and articulated between AQF levels. This was especially recognised and valued in articulation between Certificate II and III qualifications (VET in Schools and pre-apprenticeships to apprenticeships).
- Skills and competencies can be transferred between RTOs, employers and interstate.

- The overall framework establishes a ‘quality’ framework with set benchmarks that provide a level of consistency.

## 7. Negative aspects of the training package.<sup>1</sup>

Respondents across all groups of stakeholders identified many common and negative aspects relating to training packages. From an overall perspective, they viewed the training package as complex, slow to change and outdated, resulting in some reluctance to employ apprentices.

The research identified throughout the consultations that;

- Since 1995, there have been numerous iterations of the training package that have made limited changes to its structure but failed to fully address changes in materials, energy efficiency or sustainability.
- The review process for the training package is far too slow and cumbersome to be relied upon to cope with rapid and widespread change in technology, methodology and research.
- The training package is viewed as too ‘specific’ in the Elements and Performance Criteria.
- With regards to managing the training package, RTOs believe that there is too much reliance on auditing the training process documentation rather than the outcomes from training.
- RTOs expressed their concern that due to the training package construct they have difficulty meeting industry’s expectations in a timely manner.
- Industry stakeholders expressed concerns that training packages are heavily influenced by ‘developers’ and/or RTOs who do not truly represent industry requirements. They also considered that training package inflexibility is causing ‘training for training’s sake’ to comply with audits rather than meet industry expectations.
- Qualifications with high numbers of core competencies and low numbers of electives were a limiting factor for any employer that requires specialisation.
- The training package lacks the ability to use ‘industry standards as the competencies’ that can stand the test of time and avoid constant review and replacement (too prescriptive). In effect, the competencies are viewed as failing to be based on the reality of what happens on-the job.
- The training package is perceived as lacking input from ‘subject matter experts’ as previously stated and it appears to be driven by developers with ‘vested interests’.
- The conferring of competence is, in most cases, based solely on progressive assessment of individual competencies. Some stakeholders feel that without cumulative assessment there is no facility for consolidation of learning and assessment prior to awarding of the qualification.<sup>2</sup>
- Only MINIMUM standards are expected to be achieved during training and this is blamed on the training package and specifically the assessment ideology.

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<sup>1</sup> A 2017 survey by an SSO showed that customer satisfaction level with Training Packages was 28% for RTOs, 37% for employers and 10% for regulators.

<sup>2</sup> The Plumbing and Gas Fitting stakeholders including employers and Energy Safety are most concerned with this issue due to high levels of non-compliance in the workplace from graduating apprentices.

## 8. Progressive changes – short to medium term

Currently, major reviews of training packages and accredited courses are being undertaken at a National level by the Australian Industry and Skills Committee. These reviews will impact on the long-term on-going development and structure of the training package. In the meantime, several progressive changes could be implemented;

- The following should be implemented through negotiation with the national industry reference committee and technical advisory groups:
  - Increase flexibility by reducing the volume of ‘descriptors and rules’.
  - Modernise training packages to ‘reflect industry practices and innovation’.
  - Reduce prescription within the training package.
  - Use the building code as the ‘standards’ within existing competencies to reduce having to reflect changes to specific equipment or technology.
  - Ensure articulation is maintained between AQF levels.
- Accredited courses or skill sets should be developed and utilised. These options can respond quickly to differing employer requirements in relation to both general and specialist skills, especially where the training package is deemed ‘deficient’.
- Successfully implemented accredited courses should then be used to provide the basis of recommendations for future changes to the training package.
- Streamline the volume of compliance allowing trainers to spend more time on training, assessment, validation and industry liaison.
- Involve industry in the audit process to verify if industry standards have been met, rather than simply rely on an auditor who may not have the specialist industry knowledge or background.
- RTO audits should confirm whether occupational standards have been met and not the processes used to achieve competency (outcome based). This would provide greater flexibility in ‘how and ‘what’ to deliver, subject to meeting the required outcomes.
- The terms ‘Training Package’ and ‘Training Product’ should be replaced by a more meaningful nomenclature such as ‘Industry Standards for Training’. This will ensure that industry does not view the training ‘package’ as simply curriculum for RTOs.

## 9. Changes - Long Term

In the long term the training package review and implementation process must be streamlined to ensure they remain relevant and keep pace in a changing work environment.

At subsequent reviews, training packages must be able to:

- ‘stand the test of time’;
- be less prescriptive; and
- contain competencies that are based on industry standards such as the Building Code.

This will reduce the continual review and implementation of the Training Package and allow them to adapt to future workplace trends and changes.

- Accredited courses must become part of the design process for future training packages rather than viewed as outside the scope of training packages.



- Qualifications should be designed to provide the opportunity for specialisation through reduction in core competencies and increased elective choices and therefore flexibility.
- There should be wider industry input to training package content and design to avoid reliance on major associations and RTOs that currently provide the main drivers for change.
- It is essential that pre-vocational training that provides meaningful articulation between AQF levels (into the apprenticeship) is clearly identified as part of the Training Package. Employers view pre-vocational training as an important part of their recruitment tools and view it as a cost reduction strategy in decisions to employ apprentices<sup>3</sup>.
- The audit process is a major issue for RTOs as it is based on processes rather than 'occupational or job outcomes' and this must be addressed. This will allow RTOs to concentrate on training, assessing and validating rather than complex 'process' audits.
- Assessment requirements must be reviewed, and consideration given to the introduction of staged and final assessment for apprentices. This process of outcomes-based assessment can then be used to satisfy compliance audits. In the case of licensed trades this can be aligned to meet regulators requirements prior to issuance of licences.

## 10. Conclusions

- The training package should be simplified and modernised using industry standards, specifically the Australian Standards (Building Code) to ensure they 'stand the test of time'.
- Failure to modernise the training package may see employers abandon the training package and rely on accredited courses, skills sets or vendor-based training that meets their specific needs.
- Assessment standards are not meeting industry expectations and there is strong support in some trades for cumulative assessment (final competency assessment).
- There should be greater industry involvement in training package development that does not rely on the major associations which currently provide the major drive for change.
- Within qualifications there needs to be a reduction in core competencies and an increase in elective choices to cater for employer specialisation.
- Pre-vocational training that articulates to the apprenticeships should become an established and accepted career pathway within the training package.

Although not a part of the training package, there was general dissatisfaction with the overall 'training system' and most importantly:

- The level of bureaucratic process associated with employing/engaging an apprentice should be simplified and reduced.
- From an RTO perspective, accreditation audits need to focus on 'outcomes of training' rather than the 'process of training'.

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<sup>3</sup> Report into the *Need for pre-employment vocational training in the Building and Construction Industry 2016*

## **11.Recommendations**

It is recommended that the final report be forwarded to:

- **Australian Forum for Construction Industry Training Funds (AFCITF) for discussion at its next committee meeting.**
- **WA State Training Board for inclusion in its review of the apprenticeship system.**
- **WA Department of Training and Workforce Development.**
- **Key industry stakeholders who attended the annual Construction Industry Strategic Forum in March 2018.<sup>4</sup>**

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<sup>4</sup> *The forum was held in Perth on 13 March 2018*

## 12. Appendix 1

### COST TO EMPLOYERS DUE TO LOSS OF ARTICULATION

If articulation from the Certificate II in Western Australia is eliminated or severely limited then employers of apprentices will be financially disadvantaged. The additional costs will consist as shown below;

Additional Cost	Hours	Value	Cost
<b>Enrolment Fees</b>	250 hours	\$3.25	\$810.00
<b>Resource Fees</b>	250 hours	\$0.60 (Average per Hr)	\$150.00
<b>Wages and On-costs</b>	250 hours	\$22.50 per hour (3 <sup>rd</sup> Year)	\$5625.00
<b>Lost Productivity</b>	250 hours	\$11.50 per Hour (50% prod.)	\$2875.00
<b>Direct Indenture</b>		<b>TOTAL ADDITIONAL COST</b>	<b>\$9460.00</b>

This cost will be in addition to not having job-ready apprentices. In the case of GTOs, the cost will far exceed \$10,000 per apprentice due to higher costs per hour charge out rates. A large percentage of apprentices are recruited by employers based on completion of, or participation in, a pre-apprenticeship.

The Certificate II VET in Schools and pre-apprenticeship programs expose students to the industry in a positive and supportive way and lead to engagement with employers.

