

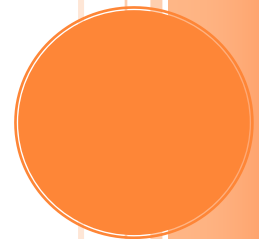


# APPRENTICESHIP COMPLETION RATES IN THE BUILDING AND CONSTRUCTION INDUSTRY

*Fire Protection has an apprenticeship completion rate of 85%, compared to 70% in other building trades. This report analyses the reasons behind the success of the Fire Protection apprenticeship and provides a best practice case study for building trades*

Building Industry Consultative Council  
Industry Advisory Body

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## Executive Summary

The aim of this report is to determine the reasons behind the success of the Fire Protection apprenticeship and analyse why it has a high completion rate. Fire Protection has a completion rate of 85% compared to 70% in other building trades.

The Fire Protection apprenticeship structure and the assistance provided by industry stakeholders was examined. A comparison was then made with building qualifications (from the General Construction sector) focusing on existing research as to why apprentices leave, locating the most recent statistical data and investigating local issues.

The Fire Protection apprenticeship high completion rate can be attributed to the following reasons.

- Fire Protection is a registered/licenced trade
- Mentoring is provided by the Victorian Trade Advisory Group
- Good income
- Good working conditions

Building industry apprenticeship non completion rates are 30%. The main reasons cited for leaving an apprenticeship include.

- Lack of appropriate supervision in the workplace
- Problems with poor or inappropriate training
- Bullying and abuse in the workplace
- Low wages

Local issues identified by Victorian stakeholders that affect apprenticeship retention included the following.

- There are not enough VSC Field Officers
- Apprentices complete their time but not their trade school
- Trades are not registered/licenced
- Low wages that are fixed against a redundant trade rate
- Costs of employment
- Expectations that are not met
- Inability to manage 'life skills'.

Research was also conducted into what measures have been implemented recently to retain apprentices, which include the following initiatives.

- Tools for your trade
- Alternative assessment approaches
- Improving the image of building
- Employer guides
- Apprentice financial assistance
- Training Pathways Program
- Insurance initiatives

The outcomes of this report may be used to examine potential improvements to the structure of apprenticeships in the building and construction industry to improve the retention rate.

## Methodology

There are many studies examining the reasons why apprentices do not complete their training. The aim of this report was not to duplicate existing research but identify the most relevant and recent reports that will assist the Victorian building industry.

In identifying this research the following activities were completed.

- A search of NCVET publications
- A search of other state and territory training authorities' research
- A search of building industry reports
- Internet search on 'non completion rates'

Industry stakeholders played a vital role with their in depth experience and knowledge informing the report on the reasons behind apprenticeship success and failure.

Interviews were held with representatives from the following industry organisations.

- National Fire Industry Association (NFIA)
- Plumbing Trades Employees Union (PTEU)
- CFMEU (Construction Division)
- Master Builders Association of Victoria (MBAV)

Individuals currently working in the building industry were also interviewed. This involved the following activities.

- Focus group of nine second year carpentry apprentices
- Focus group of nine first year fire protection apprentices
- Telephone interviews with current employees

Interviews were also held with Incolink representatives, the manager of the Fire Protection department at RMIT, Building and Construction Curriculum Maintenance Manager and the carpentry Program Manager at Holmesglen Institute of TAFE.

# 1 INTRODUCTION

The Building Industry Consultative Council Industry Advisory Body (BICCIAB) liaises with state and federal governments, industry bodies, unions, Registered Training Organisations and stakeholders to identify, promote and advocate relevant, accessible and quality training and skills recognition for industry.

As part of their commitment to apprenticeship training, BICCIAB members agreed that further attention was required in the area of apprenticeship retention. This is a particularly important issue given that the apprentice non completion rate for building trades is at 30%.

The methodology for achieving this commenced with BICCIAB commissioning research into the reasons why the Fire Protection industry has success in retaining their apprentices. As this is not duplicated in other building trades, the aim was to identify these reasons and determine if any of the methods for maintaining a high retention rate could be transferred to building trades.

Along with identifying the specific reasons why Fire Protection apprentices complete their training, this report identifies the reasons why building apprentices leave their employer and what has been done recently to stem the attrition rate.

## 2 FIRE PROTECTION APPRENTICESHIP

### 2.1 Fire Protection Training

There are approximately 260 students enrolled in the Fire Protection apprenticeship, BCP30503 Certificate III in Fire Protection. The Royal Melbourne Institute of Training (RMIT) is the only training provider in Victoria. Apprentices travel from Western Australia, Tasmania and southern New South Wales to attend training at RMIT.

Fire protection work incorporates the installation and maintenance of automatic fire sprinkler systems that are designed to automatically operate in case of fire. It also includes the works associated with the installation and maintenance of fire hydrants and fire hose reels.<sup>1</sup>

RMIT has a long tradition of providing fire protection training and does so in close collaboration with major employers, the Plumbing Trade Employees Union of Australia (PTEU), the National Fire Industry Association (NFIA) and the licensing authority.

The NFIA provide advice to RMIT in managing the intake of apprentices, as for many years training demand has outstripped supply. The NFIA provide support with identifying the allocation of apprentices across the major employers. There is currently a waiting list of apprentices for first year training places at RMIT.

Apprentices enrol in a four year contract of training to obtain a Certificate III in Fire Protection. On completion of the apprenticeship, apprentices are able to sit the relevant Plumbing Industry Commission (PIC) examination for registration.

Off-the-job training is conducted over three years and involves two weeks of 'block training' four times a year.

The training is delivered in competency based format, allowing students to achieve the simulated work tasks at their own pace. RMIT acknowledge this as the most appropriate form of training delivery, however encounter resources issues with larger student groups. Theoretical studies are approximately 30% of off-the-job training time.

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<sup>1</sup> Plumbing Industry Commission [www.pic.vic.gov.au](http://www.pic.vic.gov.au) accessed 12.05.08.

Assessment is rigorous and treated with respect by students and industry. This can be attributed to the fact that students must pass the PIC exam at the end of the third year to obtain their registration.

To prepare for the registration exam, apprentices also sit an RMIT exam at the end of second year. Apprentices must achieve a 75% pass rate, in line with assessment methodologies used by the PIC. RMIT are assisted by industry practitioners in this assessment process.

## 2.2 Fire Protection apprentice completion rates

RMIT figures indicate over 85% of apprentices who enrol in Certificate III in Fire Protection complete their qualification.

Advice from union, employer and RMIT representatives provide the following reasons for the high success rate<sup>2</sup>.

- Fire protection is a registered/licenced trade.
- Mentoring is provided by the Victorian Trade Advisory Group (VTAG).
- Good income.
- Good working conditions.

### 2.2.1 Registered/licenced trade

All Fire Protection workers are required by legislation to be registered with the PIC. At the completion of three years of TAFE training

apprentices sit the 'PIC exam'. The link between completing the registration and the qualification is strong and

apprentices see themselves as in high regard for having to complete such a thorough and rigorous assessment to become qualified.

**“I have to finish my training to get my registration to work”**

*Fire Protection apprentice – 1<sup>st</sup> year*

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<sup>2</sup> These outcomes were confirmed by employee and apprentice interviews held in May 2008.

On successful completion a registered sprinkler fitter is further rewarded financially with an additional \$23.73 per week.<sup>3</sup>

The risk of not completing the apprenticeship is great. New apprentices are well aware that if they do not perform well both on and off-the-job their career aspirations of becoming a sprinkler fitter are over. The link between completing the qualification and registration is clear – if you do not complete the apprenticeship you do not get registered therefore you do not work. There is no option to become a ‘half sprinkler fitter’.

### 2.2.2 Victorian Trade Advisory Group (VTAG)

The Sprinkler Fitting VTAG has been an active industry group since its inception in 1984. They meet six times per year and are comprised of representatives from the following organisations.

- National Fire Industry Association
- Royal Melbourne Institute of Technology
- Plumbing Trades Employees Union
- Plumbing Industry Commission

Trade Advisory Groups (TAGs) were once common in all building, construction and engineering trade areas, however funding from the state government ceased in 1992. The Sprinkler Fitting VTAG has been the only group to continue due to the members strong beliefs that such a group was required by the industry.

One of the primary reasons for the existence of VTAG is to provide apprenticeship mentoring. If there is an apprentice at risk of leaving the industry, an employee or employer representative of VTAG provides counselling. This involves determining the reasons why an apprentice is not performing on or off the job. Whilst drug, alcohol and family circumstances are a reality, assistance for professional help can be organised. If an apprentice is simply ‘slacking off’ they are counselled with the aim of providing an understanding of the risks they are taking by not performing at either TAFE or the workplace. Counselling is also provided to the employer in determining why the

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<sup>3</sup> <http://www.plumbers.cepu.asn.au/indrel-wagerates-sprinkler-fitters.php> accessed 20.4.2008

apprentice is at risk of leaving. The apprentice, employer and VTAG representatives all work together to ensure the underlying factors that could hinder the apprentice from completing their training are resolved.

“We don’t give up on the apprentice. All of us get together to try and work it out”

*Union representative*

The union play a large role in the mentoring of an ‘at risk’ apprentice. Employers willingly send their apprentices to the union for counselling and in addition if an apprentice is not attending TAFE, the union will ‘chase them up’. The assistance provided to the apprentice is largely due to the mutual respect between the employer and employee organisations regarding training issues.

The vast majority of employees in the Fire Protection industry are members of the union. Similarly the NFIA is highly regarded by employers. The strong communication links between these key organisations along with the PIC and RMIT reflect the enviable support provided to apprentices. The success of the group is an indication of the strength of the industry and the importance they place on its future.

### 2.2.3 Good income

First year Fire Protection apprentice income is set at 50% of the trade rate. Industry advice states that it is common for many apprentices to start at the second year rate which is 55% (as they often comply with the higher age bracket). This is in comparison to 36% for plumbers and 35% for carpenters which equates to \$367.40 per week for a first year carpenter (first

“The money is good. I am given a car and a phone and am earning more than \$60K a year”

*Fire Protection apprentice 2<sup>nd</sup> year (Age 31)*

three months) compared with \$494.28 for a sprinkler fitter (or \$543.70 second year).<sup>4</sup>

The majority of fire protection apprentices interviewed for this report were motivated by the prospect of earning the trade rate, which is currently \$988.20 per week (\$1353.75 including allowances)<sup>5</sup>. However interviews with employees indicate that there is opportunity to earn well above this amount.

“I am up early, but I am home early. This gives me time to enjoy life with my young family – and I get paid well!”  
*Fire Protection employee*

#### 2.2.4 Good working conditions

The industry is described by fire protection representatives as ‘young and dynamic’. Virtually all major contractors know each other. The industry is categorised by a small group of large employers with the majority of contractors working on commercial buildings. The smaller, often more recently established contractors, provide sprinkler fitting installations on larger domestic buildings such as hostels, special accommodation and nursing homes.

“With this job I am paid more, have more time for me and there is job security because I am employed”  
*Fire Protection apprentice 1<sup>st</sup> year*

The majority of Fire Protection workers are employed rather than sub-contractors. Employees indicate that they enjoy the working lifestyle of a 36 hour week, being well resourced and not having ‘to do the books’.

<sup>4</sup> These figures were obtained from the CEPU (Plumbing Division) and the CFMEU websites and are current as at May 2008. Figures do not include allowances.

<sup>5</sup> <http://www.plumbers.cepu.asn.au/endrel-wagerates-sprinkler-fitters.php> accessed 20.4.08

Employees can see a life time career in the sprinkler fitting industry. Whilst young and fit, employees can attract high rates of pay working as installers, a job that requires a certain level of fitness and agility. Those more senior in the industry are able to take on job roles less physically demanding, such as servicing and testing. This is in contrast to building and construction employees such as bricklayers, who do not have a ‘servicing or testing’ option and have work tasks that are manually demanding for their entire working career.

### 3 NON-COMPLETION RATES IN BUILDING TRADES

The high apprenticeship completion rate in the Fire Protection industry is not reflected in other building and construction trades. Since the issue was first identified in the early 1990's there have been a plethora of research papers dedicated to determining why apprentices do not complete their training. The earlier research focused on analysing administrative data such as age, gender and education levels. More recent research has used surveys and interviews to determine qualitative data such as the effects of difficult working relationships and the personal impact of low wages. A list of research papers relevant to building is included as attachment one.

The following section looks at the outcomes of the latest research, statistics relevant to Victoria and what has been done to stem the attrition tide. The key question is – can the success of the fire apprenticeship be duplicated in other building trades such as bricklaying, carpentry and wall and ceiling lining.

#### 3.1 Apprenticeship structure

In contrast to the fire protection industry, building and construction apprentices have a wide choice of training providers. For example, whilst there is one RTO for Fire Protection there are 34 RTOs registered to deliver the Carpentry apprenticeship<sup>6</sup>. Although there are differences in size and training delivery methods, the structure of most trade programs is similar – approximately 960 hours of training delivered over three years, either one day a week or block release of 8 weeks per year.

There were 9,300 General Construction apprentices 'in training' in December 2007.

There are 260 fire protection apprentices 'in training' in Victoria. There are significantly more in the General Construction training package with 9 300 apprentices 'in training' as at December 2007<sup>7</sup>.

<sup>6</sup> [www.ntis.gov.au](http://www.ntis.gov.au) accessed 7.06.08.

<sup>7</sup> NCVET, *Australian vocational education and training statistics, Apprentices and Trainees*, December quarter 2007.

### 3.2 The ‘Stats’

Many publications quote that 70% of apprentices in the traditional trades complete their apprenticeship.<sup>8</sup> This figure may be generous given the NCVET in 2005 stated that completion rates for *traditional* apprenticeships are declining<sup>9</sup> and presented a figure of probability that 60% of *construction* apprentices would complete their training.<sup>10</sup> The lowest figure emerged from Queensland where the retention rate was quoted in a January 2007 paper as being 50%.<sup>11</sup>

On the up side, general trades related apprentices and trainees are twice as likely to complete their qualification to those in non-trades areas.<sup>12</sup> With more positives from an AVETRA conference paper<sup>13</sup> stating

*‘The analysis suggests that the likelihood for completion declined from 1995 to 1997 and then increased again from 1998 to 2000 coinciding with the introduction of New Apprenticeships. It also indicates that contracts with a high completion likelihood are more likely to be full-time contracts, contracts of one to three year duration, contracts in trades occupations, AQF Certificate III contracts, and contracts with government employers.’*

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<sup>8</sup> AiGroup, *Practical ways to improve the retention rate of your apprentice(s)*, accessed 30.05.08 [www.aigroup.asn.au](http://www.aigroup.asn.au)

<sup>9</sup> Ball K, and John D, *Apprentice and trainee completion rates*, NCVET 2005, page 23.

<sup>10</sup> Ball K, *Factors influencing completion of apprenticeships and traineeships* NCVET presentation to the Australian Labour Market Research Workshop, 7 December 2004.

<sup>11</sup> Trendle B, *The labour market and apprenticeship retention in Queensland's traditional trades*, Labour Market Research Unit Department of Education, Training and the Arts Queensland Government, January 2007.

<sup>12</sup> Snell D and Hart A, *Reasons for non-completion and dissatisfaction amongst apprentices and trainees*, Gippsland Apprenticeship Research Project, Monash University Gippsland, December 2007, page 7.

<sup>13</sup> Bender A, *Factors influencing completions in Australia's apprenticeship system*, Australian Vocational Education and Training Research Association Conference: 6th, 2003, Sydney.

### 3.2.1 Victorian completion statistics

Skills Victoria statistics show the completion rate for apprentices in the General Construction sector is 68.5% for 1997-2001<sup>14</sup>. Further detail is provided in the table below.

Commencing Year	Commenced	Cancelled/Withdrawn	Completed	Expired	Suspended	Still in training	Rate %
1997	1,769	438	1,054	245	0	32	67.2
1998	2,367	574	1,452	297	0	44	68.4
1999	2,592	661	1,574	291	0	66	67.7
2000	2,407	639	1,465	247	0	56	67.3
2001	2,134	485	1,403	191	2	53	71.8
<b>1997-2001</b>	<b>11,269</b>	<b>2,797</b>	<b>6,948</b>	<b>1,271</b>	<b>2</b>	<b>251</b>	<b>68.5</b>

These statistics were sourced from the DELTA database on the 1<sup>st</sup> of May 2008. Additional information from this data relating to the same time period showed

- the completion rate for the building and construction industry as a whole is 68.5%
- plumbing services completion rate is 70.1%
- civil operations is at 65.4%.

Reliable statistics are not available for the individual trades that comprise the General Construction sector, due to the smaller numbers involved. However anecdotal evidence strongly suggests that there are much lower completion rates for the painting and decorating, plastering, wall and floor tiling and bricklaying trades.

Accurate and current statistics on apprenticeship completions are essential for sound decision making in the construction industry. It enables targeted programs to assist employers and apprentices where it is needed the most.

<sup>14</sup> Completion rates for dates any more recent than those provided are not considered reliable, owing to the number of years an apprentice may take to complete their apprenticeship

### 3.3 Why apprentices leave?

Monash University have provided the most recent and thorough answer to this question with their report 'Reasons for non-completion and dissatisfaction amongst apprentices and trainees' released in December 2007. Although the report was based on research from Gippsland, the issues identified concur with recent reports from NCVER and Holmesglen Institute of TAFE.

The Monash research found the following reasons contributed to the non-completion of the apprenticeship.

- Being treated as cheap labour.
- Lack of appropriate supervision in the workplace.
- Problems with poor or inappropriate training.
- Bullying and abuse in the workplace.
- Low wages.

A 2001 NCVER report<sup>15</sup> added the following issues.

- Misalignment of apprentice to the job ie 'not being suited'.
- Attitudinal issues.
- Breakdowns in working relationships.

These reports are thorough and provide an insight into the reasons for non-completion, however involved apprentices that were not specifically from building and construction. The term 'apprentice' included apprentices from other occupations such as hospitality and engineering.

36% of ex-apprentices left because of low wages

A 2007 study funded by Skills Victoria<sup>16</sup> and completed by Holmesglen Institute of TAFE focused primarily on building and construction apprentices. 128 apprentices were surveyed, of these 76 were currently undertaking their

<sup>15</sup> Harris R, Simons M et al *Factors that contribute to retention and completion rates for apprentices and trainees* NCVER, ANTA 2001.

<sup>16</sup> Holmesglen Institute of TAFE, *Guide to support apprentice retention – Background paper*, February 2007.

apprenticeship and 52 had not completed their apprenticeship, ie ex apprentices.

The report cited the following reasons for leaving an apprenticeship.

**Apprenticeship Income** – 17% of ex-apprentices cited ‘not earning enough’ as a significant factor causing them to leave, however a further 19% cited other income related issues such as incorrect award payment and the availability of higher labourer wages.

**Expectations of on-the-job training experience** – A major reason that apprentices leave is because they did not enjoy the work they were doing. In addition 8% of ex-apprentices also reported having left their apprenticeship because they did not like the work.

**Working relationships** – It was found that current apprentices value their relationship with their boss very highly, particularly in relation to being treated with respect, being able to talk through a problem and feeling as though they are being looked after. They also value their relationships with the other employees. 30% of ex-apprentices indicated they did not finish their apprenticeship due to an issue with their working relationships, either with their boss or other colleagues.

Apprentices value the ability to learn from other people in the workplace very highly

**Job security** – The prospect of redundancy was a significant reason why apprentices did not complete their training.

**Learning on-the-job** – Current apprentices value the ability to learn from other people in the workplace very highly. A large proportion of ex-apprentices left their apprenticeship because they felt they were not learning enough. Getting into trouble when mistakes were made was also a critical element in relation to on-the-job learning.

### 3.3.1 Local issues

To confirm the research gathered for this report, interviews were held with a variety of Victorian stakeholders. The following additional issues were raised that were of particular importance

to the local industry. Details of those interviewed are provided in attachment two.

**Apprenticeship Field Officers** – Apprenticeship officers from both employer and employee associations noted a number of concerns regarding Apprenticeship Field Officers. The employer and employee apprenticeship officers are often called upon to provide support and assistance to apprentices and employers of apprentices. A significant issue that was raised by the employer and employee associations highlighted the need for more field officers. For example, if an apprentice required support from a field officer, they were often too busy to attend immediately. One of the main reasons apprentices do not complete their training is due to difficult working relationships and if there is an issue on-the-job and the Field Officer ‘attends two weeks later, the argument is all over’, however the resolution may not be fair for all parties. This was an example cited in the residential housing sector.

A focus group held with second year carpentry apprentices were asked if they had contact with their Field Officer. All nine of the apprentices had received one visit or one phone call and all had received correspondence.

**Training** – The industry is well aware of apprentices who finish their ‘time’ but do not complete their trade school. Anecdotally in the residential sector there are many ‘carpenter’s working as carpenters, who have no qualification as there was no encouragement to attend off-the-job training.’ The issue was reinforced by one training provider who stated that the only time an apprentice who did not complete their training ever returns is when they need to verify and obtain their qualification as they want to become registered builders. The largest Victorian training provider of building and construction workers stated that this occurs ‘once or twice per year’.

Apprentices who do not complete their training rarely return later on in their career to obtain their full qualification

It was suggested that a method of improving this situation is to register structural trades, akin to the plumbing and fire protection trades. The building industry spends considerable resources determining the requirements of trade qualifications through the development of National Training Packages. To have numerous building industry workers without the full range of skills impacts on consumers through the quality of the work produced. It also affects the individual who has a limited skills base that restricts their ability to move between jobs. The potential to learn skills incorrectly through not attending off-the-job training is an additional risk.

“The trade rate has become redundant”  
*Apprenticeship Officer*

**Wages** – The apprentice wage rate is set at 35% of the trade rate. This equates to \$367.40 per week for a first year apprentice carpenter. The employment structure in the residential sector is predominately sub contractor based and industry experts state that there are very few building workers who are ‘employees’ on the trade rate. 2006 ABS data states that the average income of a full time carpenter is \$923 per week, however 34% of the carpentry workforce earn more than \$1000 per week.<sup>17</sup>

An example of the solid plasterers’ working environment was provided by an apprenticeship officer. Over the years the work completed by solid plasterers has changed with many working just in the housing sector. There are examples of plasterers after their first year ‘getting an ABN, a mixer and going it alone’. The apprentice, ex apprentice, unqualified and qualified worker rarely get the opportunity to go on wages as the working environment is simply not structured towards being directly employed.

“My mates think builders are in demand and one day I will earn heaps of cash”  
*Second year carpentry apprentice*

<sup>17</sup> [www.myfuture.edu.au](http://www.myfuture.edu.au) accessed 18.06.08.

A focus group of second year apprentice carpenters were asked about their wages and employment conditions. All were struggling to live on their income and the added pressure of buying tools. All apprentices were required to purchase their own tools and whilst the 'Tools for your trade' initiative helped, did not cover what was required on the job. The apprentices ages were between 19 and 26 and all agreed that while they were on a small income now, they could see the advantages of getting qualified and being paid 'subbie rates' and were prepared to manage in the interim. However the feelings in the meantime were generally that 'the boss uses us instead of labourers, we are overworked, underpaid but if we speak up will get crap'. None of the apprentices in the focus group were members of the union and all were working on domestic renovations.

**Expectations** – An apprenticeship officer stated that they are often in contact with apprentices who are disillusioned by the workplace not meeting their initial expectations. There is also parental involvement asking what are they aiming for, particularly when an apprenticeship takes three years and other Certificate III level qualifications can be obtained 'on the weekend'.

**Costs of employment** – There are expectations in the industry that an apprentice will already have some of the more modern 'tools of the trade' that cause significant expense to the apprentice. A search of 'carpentry apprenticeship' jobs on the Job Search<sup>18</sup> website found 41 available positions in Melbourne and surrounding suburbs. Of these, 36 required own transport and drivers licence, 3 required tools and 23 preferred or required the applicant to have completed a pre-apprenticeship.

First year carpentry apprentices have \$125 per week for living expenses

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<sup>18</sup> [www.jobsearch.gov.au](http://www.jobsearch.gov.au) accessed on 18.06.08.

The cost of running a medium size car is calculated by the RACV as costing \$193.05 per week.<sup>19</sup> In addition to this, often a mobile phone is required with moderate plans starting at \$49 per month.<sup>20</sup>

A car and phone to attend work, costs a first year apprentice \$242.05 per week. The apprentice, earning \$367.40, has \$125.35 remaining for living expenses. This is exacerbated by the fact that commencing apprentices age has increased from 16, to 18 year olds who have completed secondary school. Mature age apprentices are also increasingly entering into a training contract.

**Life skills** – Incolink, the building and construction redundancy fund, have constant contact with apprentices who are at risk of not completing their apprenticeship. Incolink representatives advised that the common issues support and counselling staff receive are financial mismanagement, alcohol, drugs, gambling and relationship problems. Whilst these issues are not directly related to the workplace or structure of an apprenticeship, they impact on the apprentices' ability to perform at work. It is not the vocational issues (such as the type of work or rates of pay) as to why apprentices leave but rather a lack of 'life skills' (nutrition, financial planning, health, relationship skills) that greatly influence stable 'employability skills'.

Services available to apprentices to assist with these issues are generally more readily available to apprentices who complete their training at larger TAFE institutes where existing infrastructure enables easy access to counselling services. Incolink representatives have concerns for 'at risk' apprentices who complete their apprenticeship in a small business with a RTO who offers considerable on-the-job training and assessment. It is these apprentices who may not be aware of the support structures available to them and may leave their apprenticeship without personal and work difficulties being effectively managed.

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<sup>19</sup> [www.racv.com.au](http://www.racv.com.au) Accessed on 18.06.08. This figure is based on a Toyota Camry and includes vehicle depreciation, interest, registration, fuel and maintenance for the first five years of ownership averaging 15,000kms per year.

<sup>20</sup> [www.optusnet.com.au](http://www.optusnet.com.au) accessed on 18.06.08.

## 4 WHAT HAS BEEN DONE TO RETAIN APPRENTICES?

It is important to note recent activities that have been implemented to stem the attrition rate. The Federal Government skills shortage taskforce has highlighted the high non-completion rate as contributing to skills shortages and resources have been allocated to a number of industry associations to develop ideas to assist retention.

The following are recent examples from a variety of stakeholders.

**Tools for your trade** – This is a federal government initiative that aims to alleviate the financial burden on apprentices, in the first year of their apprenticeship, by providing tool kits worth up to \$800.

**Alternative assessment approaches** – Training providers, in their attempt to retain apprentices, are increasingly offering assessment options that move away from traditional methods. More novel and modern tactics involve taking mobile phone photos of completed on-the-job work tasks and sending the pictures to the training provider via SMS as a method of obtaining assessment evidence.

**Improving the image of building** – Web sites such as [www.bigplans.com.au](http://www.bigplans.com.au) aim to entice new entrants into the building industry. This website is a joint HIA, DEST initiative. Other web sites include [www.nolimits.com.au](http://www.nolimits.com.au) (Building Industry Fund WA), [www.beconstructive.com.au](http://www.beconstructive.com.au) (Building Industry Fund QLD) and [www.careersconnected.com.au](http://www.careersconnected.com.au) (AIG/DEEWR).

There has also been a concerted effort well advertised by the industry to improve occupational health and safety. This has resulted in not only reduced workplace injury, but also a cleaner, less hazardous workplace.

**Employer guides** – A number of guides have been developed to provide advice for employers to help retain their apprentice. Examples include the Australian Industry Group's 'A guide to managing the first 100 days of an apprenticeship' and 'Practical ways to improve the retention rate of your apprentice'. OTTE (developed by Holmesglen Institute of TAFE) 'You and your apprentice – A guide to support apprentice retention'. Australian Government 'National Code of Good Practice for Australian Apprenticeships'.

**Apprentice incentives** – A range of financial incentives are provided to apprentices from 1 July 2007. These include apprenticeship wage top up (skills need qualification), support for mid career apprentices, Commonwealth trade learning scholarship and apprenticeship training fee vouchers. This is in addition to assistance such as living away from home allowance and employers incentives that have been available for some time.

**Training Pathways Program** - Australian Government incentives are paid to employers, whose employees train in priority higher level VET qualifications outside Australian Apprenticeships arrangements.

The Program has also been extended to include six intermediate Certificate II and III qualifications within the building and construction Training Package which were developed under the direction of the Council of Australian Governments.

**Insurance initiative** – The painting and decorating sector in Queensland are currently investigating the possibility of linking insurance premiums with qualifications. The proposed scenario being that a painter and decorator will receive a reduced premium if they have completed their qualification.

**Life skills training** – Incolink follow a preventative strategy to mitigate the problems of a lack of 'life skills' through training. Incolink offer a 'life skills' course at all major TAFE providers in an attempt to make apprentices more aware of the impact on their body of poor nutrition and alcohol and drug abuse. This is in addition to basic financial advice and where to find support and counselling services.

## 5 CONCLUSION

The aim of this report was to identify the success behind the high retention rate of apprentices in the Fire Protection industry. It is clear that the strength of the industry lies in the close relationship between the organisations that support it, namely the NFIA, PETU, PIC and RMIT.

The advantages that the Fire Protection industry has in maintaining a high apprentice retention rate include the following.

- There are a small number of large employers, a strong employer association and union and one training provider that allows issues regarding training to be identified quickly and easily with strong communication networks.
- Fire protection training traditions have been closely monitored and maintained by industry stakeholders.
- Fire protection is a regulated industry with all workers and work tasks requiring certification whereas the building industry only registers its 'domestic' and 'commercial' builders.
- Good wages and conditions attract good workers and keep them in the trade.

Fire Protection apprentice completion rate is at 85% compared to 70% for other building trades. The main reasons for leaving an apprenticeship are due to poor working relationships, low wages and that the expectations of the apprentice were not met.

The building industry in Victoria would benefit from an evaluation of the Fire Protection industry to determine what, if any, ideas can be utilised to improve the retention rate of building apprentices.

## 6 REFERENCES

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Trendle B, *The labour market and apprenticeship retention in Queensland's traditional trades*, Labour Market Research Unit Department of Education, Training and the Arts Queensland Government, January 2007.

## 7 ATTACHMENT ONE

The following documents are publications relevant to apprenticeship retention rates in the building industry.

<b>Title</b>	<b>Author</b>	<b>Date</b>
National Code of Good Practice for Australian Apprenticeships	Australian Government	Downloaded May 2008
Summary of the Australian Government Australian Apprenticeships Incentive Programme	DEST	1 July 2007
CFMEU On-site 36 Hour Apprenticeship Rates	CFMEU	1 March 2007
Guide to Support Apprentice Retention – Background Paper	Holmesglen Institute of TAFE	February 2007
Training for the future: Master Builders Training Blueprint 2006-2010	Master Builders Association	December 2006
Apprentice and trainee completion rates	K Ball and D John, NCVET	2005
The labour market and apprenticeship retention in Queensland's traditional trades	B Trendle, Labour Market Research Uni, Department of Education, Training and the Arts, Queensland Government	January 2007
Factors that contribute to retention and completion rates for apprentices and trainees	R Harris, M Simons, K Bridge, J Bone, H Symons, B Clayton, B Pope, G Cummins, K Blom, NCVET	2001
Good Start: Great Finish, Improving completion rates for New Apprentices	Group Training Australia	December 2005
Reasons for non-completion and dissatisfaction amongst apprentices and trainees	D Snell, A Hart, Gippsland Apprenticeship Research Project, Monash University Gippsland	December 2007
Guide to Support Apprentice Retention – Literature Review	Holmesglen Institute of TAFE	2006
Apprentices – Building Australia's Future	CFMEU Construction and General Division	Downloaded May 2008
Attrition in Apprenticeships An analysis of apprentices commencing between July 1994 and June 1996	D Ray, W Beswick, C Lawson, C O'Brien, S Madigan, Research and Evaluation Branch DETYA	February 2000
Practical ways to improve the retention rate of your apprentice(s)	DEST, AiGroup	Downloaded May 2008

## 8 ATTACHMENT TWO

Interviews were held with the following people

<b>Name</b>	<b>Organisation</b>
<b>Arthur Mete</b>	RMIT
<b>Carmel Coate</b>	National Fire Industry Association
<b>Earl Setches</b>	Plumbing Trade Employees Union
<b>Jarrold Flannigan</b>	Master Builders Association of Victoria
<b>Liam O'Hare</b>	CFMEU (Construction Division)
<b>Tim Corney</b>	Incolink
<b>David Scannell</b>	Curriculum Maintenance Manager
<b>Alexandra Mannell</b>	Holmesglen Institute of TAFE
<b>Fire Protection employee</b>	Telephone interview
<b>Fire Protection apprentices</b>	Focus group of 10 apprentices
<b>Roger Mason</b>	Holmesglen Institute of TAFE
<b>Carpentry apprentices</b>	Focus group of 9 apprentices