VACC Submission to the Victorian Parliaments' Education and Training Committee

Inquiry into Geographical Differences in the rate in which Victorian Students Participate in Higher Education

18 March 2008
1. Introduction

The Victorian Automobile Chamber of Commerce (VACC) is a federally registered employer organisation that represents some 5,000 retail motor industry employers throughout Victoria and Tasmania.

Most of VACC’s members are small businesses with less than ten employees. Our membership is divided into fifteen divisions that cover a diverse range of sectors within the retail motor industry including towing services, automobile repairs and panel beating, vehicle dealerships, service stations, component manufacturing, and farm machinery dealers.

In Victoria, the industry employs 53,000 people located in around 16,500 retail businesses (2007).

The retail motor industry suffers severe skill shortages from a lack of skilled tradespeople available to its business operations. The industry relies heavily on trade based or traineeship qualifications as its underpinning skills development platform. The technology within the industry is changing at a fast pace, as are the skills required to service and repair new vehicle models.

VCE students and VET teachers are often unaware of how far the industry has developed, in particular, in the last couple of decades. An outdated but typical view held in the schools sector is that the industry involves difficult and dirty manual work, with little to offer in the way of career development for individuals. In the past, entrants to the industry were at year 9 standard, whereas increasingly entrants must now have at least year 11 or 12 standard to cope with the demands of technology and a customer service driven environment.

Driven by the effects of severe skill shortages in the industry, VACC has supported and encouraged key strategies designed to raise the levels of awareness regarding industry career paths both in schools and in the broader community.
Participation in school based work experience programs in the automotive industry is common amongst school students. Through the award system, the availability of school based apprenticeships and traineeships are being delivered in partnership with schools and TAFE Institutes.

A key function of VACC operations is the provision of education and training programs for the retail motor industry. Through its Group Apprenticeship Schemes in Victoria and Tasmania (which employ apprentices, trainees and school based trainees), VACC aims to facilitate skills and knowledge growth and career path development for individuals in entering the retail motor industry.

**VET-Career Teachers**

The VET sector plays an integral role in the education system in providing pathways other than higher education. VACC recognises the importance of higher education but also feels that there is more needed to be done in the promotion of trade careers and VET programs within our schools and community. VET should not be seen as a poor cousin for the more articulate and academic student, but rather an alternative career option of equal standing.

Many secondary school students do not wish to pursue higher education studies. VET provides students an opportunity to gain skills in other vocations rather than higher education. There are many students who embark on study at University after completing their VCE only to find that this type of academic education is not really what they wish to pursue. The option to pursue a VET program provides an opportunity for the students to pursue, providing there are no barriers for this to occur.
Many school career teachers offer VET options as a second choice after higher education options. Many schools still see VET as a lesser career choice than higher education. VACC sees this as a major barrier in addressing the skill shortage.

Many career teachers are not qualified to offer career advice and lack understanding of the opportunities that industry has to offer. Career teachers are not engaging enough with industry and need to have a greater awareness of the opportunities and career pathways that industry can offer.

Schools are putting more pressure on their students in making career decisions in year eight and nine. Many students at this early stage of their education are unable to decide on a career pathway due to the lack of exposure to industry. VACC encourages greater use of industry partnerships to provide current and accurate industry advice to aid students in their career choice.

**VET-Programs**

Many schools delivering VET programs concentrate more on the underpinning knowledge. Industry believes that it is just as important that students also gain the practical working knowledge as well. Programs delivered in partnership with industry produce practical and contextualised training, in a structured program where students become more engaged with industry whilst have the incentive to complete the fundamental academic standard at school.

VACC works closely with TAFE institutes in the promotion of career pathways to students studying pre-vocational courses. The industry views these activities as important and vital in the overall schools to work transition for youth. In addition, it should also be noted that the industry views work experience as important not only for those students that choose to pursue a career in the industry, but also for those that, as an outcome of their experiences, decide that the retail motor industry is not where their career aspirations lay.
A VET program incorporating underpinning knowledge and a practical work program as a pre apprenticeship program enables more young people entering the industry to have a realistic view of the work environment and its expectations; therefore are less likely to cancel out of their apprenticeship agreement at an early point in their employment.

In our experience we have found that a large percentage of the students sent to pre-vocational programs by Centrelink appear not to have a commitment to the trade. In our view It is important that these organisations such as Centrelink have in place a more stringent matching process, in order to feed candidates to programs.

**Key Recommendations**

1. VACC supports teachers and trainers working closer with industry and manufactures to gain greater awareness of what career pathways industry has to offer.
2. TAFE institutes need to support their teaching staff and take responsibility for upgrading teacher skill sets.
3. VACC recommends that people undertaking VET programs be introduced to actual workplace environments, rather than classroom learning only.
4. VACC recommends agencies such as Centrelink implement better job matching processes rather than sending candidates to courses that they really have no interest in.

**Australian School Based Apprenticeships (ASBA)**

VET in schools and Australian School Based Apprenticeships (ASBA) continue to have an increased uptake, but still there appears to be lack of promotion and understanding about these programs within the community.

While the uptake of ASBA programs is on the increase and offers articulation into full-time apprenticeships, ASBA completion rates can be seen to be poor.
However, completion rates may not reflect positive outcomes. Many ASBA candidates choose to leave at year 11 or 12 to engage in full time apprenticeships which are nevertheless a positive for industry.

Some students fail to complete due to the heavy work loads that are placed on them. Many fail to meet the required 100 days work placement over the structured two year period and the 350 nominal off the job training hours can also be a barrier to the completing the program.

**Key Recommendations**

1. Greater awareness and promotion of this program through schools to parents and community groups.
2. Reduced number of days required on-the-job training to increase the completion rates of the program.

**VCAL Programs**

Many of the VCAL programs while in theory are good, the delivery of these programs in schools can be unaspiring to students. Many teachers who are delivering VCAL programs in schools are not adequately trained, nor do they have experience in these specialised trade areas. Many of the training guides and teaching resources used can be old and outdated.

There appears to be a lack of consistency in the training and coordination across schools that deliver VCAL programs. The VCAL system appears to be designed so that students cannot fail. VACC’s Group Training Company conducts pre selection testing of all its applicants. This test is made up of basic mathematical, safety in the workplace, spatial recognition and mechanical reasoning. We have found recently, that many students applying for positions lack the basic mathematical and literacy skills needed prior to embarking on a working career. It is crucial that a standard is adhered to, to ensure that Industry attracts people of a certain literacy skill level to advance in their chosen vocation.
Where there is a lack of commitment from schools, students can become disheartened and bored. These experiences leave students no other option but to drop out or pursue another area. Where the delivery of programs by teachers without current industry skills and relevant qualifications occurs, students cannot obtain an accurate insight into the industry. In these situations students will drop out of the program or not pursue a qualification within the industry.

**Key Recommendations**

1. More relevant and current assessment processes for student skill levels throughout their VCAL program, should be conducted to ensure basic skill levels are achieved.

2. Facilitators/teachers should be kept up to date with modern industry technology.

3. Testing of skills must be done prior to year level progression.

**Regional Areas**

Many students in regional areas see the associated cost of higher education as excessive and something that their families may not be able to afford.

VACC Auto Apprenticeships for many years has supported its regional members. Over the last few years there has been a decline in the uptake of apprenticeships and work placement in these areas. One of the major contributing factors to the lower level of employment is the major impact of drought conditions throughout the state.

As a result of the drought, many regional businesses have chosen to engage people on a contract basis only, rather than offering full-time employment. This practice alleviates the burden of paying full time staff entitlements and benefits through the quiet economic periods. The consequence of employing contract labour is to meet the immediate production needs, rather than effectively training and mentor new entrants (ie apprentices or trainees.)
Due to the current economic climate facing regional businesses, many school leavers are left with no other option than to move to Melbourne metropolitan areas where there are more opportunities to source employment.

Students that choose to study in regional whether in VET or other higher education programs have to travel greater distances to their place of learning. This can be a burden, as many are earning low wages and the cost of fuel and living expenses are extremely high. Current examples of this are, students living in Taralgon traveling to Moe or Yallorn while many students from outlying regional areas have to travel for up to 3 hrs to TAFE institutes to study. Students who are looking to undertake higher education studies are not willing to travel excessive miles from their homes to do so.

Some students in regional areas have expressed their disappointment with the poor training that some institutes deliver. In many regional towns, there is a lack of choice of training providers which can leave young people disillusioned with the system. Employers also express disillusionment with training providers in regional areas, as flexibility in training generally cannot be provided.

**Key Recommendations**

1. There is a need for more training facilities in regional centres.
2. Recently a new government wage subsidy for mid-career apprentices over the age of 30 was introduced. VACC recommends that this subsidy should be offered to apprentices both in regional and metropolitan areas and should apply to apprentices over the age of 21. This incentive would help alleviate the associate costs that mature age students are faced with.
3. A fuel and accommodation subsidy to be introduced for students in regional areas travelling long distances to study. In many cases public transport can be limited or unreliable for students.