



MEDIA RELEASE

Apprenticeships good for individual prospects and the nation – National Skills Week

Apprenticeships help de-risk career paths and business decisions

29 AUGUST 2022 – National Skills Week’s Chairman Brian Wexham notes that investment in apprenticeships and traineeships has never been more important than it is now. The latest data from the National Centre for Vocational Education Research (NCVER) shows there were 349,235 apprentices and trainees in-training as at 31 December 2021, 16.8 percent higher than at the same time in 2020 and only slightly lower than at the end of the September quarter 2021. This is largely attributed to the Australian Government’s Boosting Apprenticeships Commencements wage subsidy, introduced last October to help recovery from the COVID-19 pandemic.

Mr Wexham said, “On the flipside, when compared to the December quarter 2020, commencements in trade and non-trade occupations were down 31.1 percent and 32.9 percent respectively. Within this decline, industry sectors with the largest absolute decreases were construction (36.7 percent), manufacturing (48.5 percent) and accommodation (28.4 percent) (Source: NCVER media release, July 2022).

“The productive capacity of our economy remains constrained because of border closures that were needed to slow the spread of COVID-19. The Australian Government plans to grant up to 110,000 skilled migrant work visas in 2022-23 to make up some of the shortfall but uptake is always uncertain. If the pandemic has taught us one thing it is that greater home-grown capability in the manufacturing, construction and health care sectors especially is needed to place our economy on a stronger footing.

Mr Wexham added, “The transition from school to work is not necessarily linear today. ‘Gap years’ have become popular with young people who can take this opportunity, while others move in and out of a range of education, training and work activities after school. Attitudes toward work have also shifted amongst mature age workers in recent years, with many now having more than one career. However, young people who don’t finish secondary school continue to be more vulnerable to employment instability than the wider population if they don’t get off to a good start in at least one chosen occupation.”

The Chief Executive of Apprenticeship Support Australia (ASA), Lee Xavier, said, “The best way to lead a strong nationwide economic recovery is through highlighting the diverse career pathways available through apprenticeships. By backing the newest generation of skilled workers, Australian businesses will not only future-proof themselves but our economy at large. ASA is proud to be backing apprentices and employers alike who both benefit

through the process of skills transfer, adaptation and innovation. At a micro level today's learner is tomorrow's master, and our society is all the better for this."

What do aged-care workers, diesel motor mechanics and stone masons all have in common? These are just three of the 77 skills areas appearing in the Australian Apprenticeships Priority List. The list identifies priority occupations for the Australian Apprenticeships Incentive System (Incentives System) that commenced on 1 July 2022. It identifies occupations classified by the Australian Bureau of Statistics as either Technicians and Trades Workers or Community and Personal Service Workers, that were included on the Skills Priority List published by the National Skills Commission on 30 June 2021.

An individual may complete their training under more than one contract if they change employers or take a break from their training. Contract completion rates for apprentices and trainees commencing in 2016 were: 48.3% for all occupations (down 1.4 percentage points from those commencing in 2015); 42.5% for trade occupations (down 2.3 percentage points from those commencing in 2015); 53.8% for non-trade occupations (down 1.1 percentage points from those commencing in 2015) (Source: NCVER, Completion and attrition rates for apprentices and trainees, 2020).

What does this mean? In a period of very low unemployment, demand for the services provided by apprentices and trainees is high, sparking greater job mobility. This is particularly so in the eastern states where record infrastructure spending is creating many employment opportunities in construction. It has also been suggested that the impact of the Australian Government's wage subsidy on the completion rate will not be fully known for some years as worker cohorts complete their Australian Apprenticeship. (Source: Australian Apprenticeships Pathways blog, July 2021).

Sharon Robertson, CEO Innovation and Business Skills Australia (IBSA) Group says: "Skills development is fundamental to our ability to address current labour shortages and realise the opportunities in manufacturing. National Skills Week plays an important role and IBSA is proud to be one of its partners.

"IBSA Group held its **Manufacturing Skills Forum** on 17 August that brought together business leaders and key manufacturers from Australia and around the world. It included the Minister for Skills and Training - The Hon. Brendan O'Connor MP, Innes Willox CEO Ai Group and Andrew Dettmer National President AMWU, amongst others, discussing how to address labour shortages, new technology and new skills along with the Skills System response. Some of the key topics covered were the need for skills qualifications and training to keep pace with the rapid advancements in technology and mechanisms like micro-credentials and professional returnships for combating labour shortages.

Outcomes from the event will be provided to Government, the Jobs and Skills Summit and progress the conversation to support the needs of the manufacturing sector"

Now in its twelfth year, **National Skills Week 2022** was held last week, August 22 to 28, inviting Australians to explore the Universe of Skills on offer through Vocational Education and Training.

A key objective of National Skills Week is to identify and highlight industries with the most in-demand jobs of the future as well as sectors forecast to see the biggest growth in coming years, to ensure Australians can gain the training and education they need to secure those jobs and maintain stable long-term employment.

For further information, visit nationalskillsweek.com.au
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