

# **Demand for apprenticeships and traineeships: What are the implications for the future?**

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# Background

- 400,000 apprentices and trainees in 2010, a slight rise from 2008 and 2009. Twice as many trainees as apprentices.
- Continued labour shortages in some occupations, which the recent natural disasters will exacerbate.
- Attention paid at policy level to completion rates (which are c. 50%) and to tailoring incentive programs for particular purposes.

# Typical apprentices and trainees





# This project

Project commissioned by NCVET to provide input into NCVET submission to Expert panel on Apprenticeships 2010-11

## Research questions:

- Why do Australian companies take on apprentices and trainees and what factors affect the number of places that they offer?
- What recruitment processes do employers (including Group Training Organisations - GTOs) use for apprentices and trainees? What is the level of interest in available places and the quality of the applicant pool?
- What actions can be taken by companies, by potential applicants and by other parties to improve the quantity and quality of the applicant pool?

# Research method



- 21 telephone interviews (30-50 minute) with managers: 15 with companies and 6 with GTOs
- Metropolitan/rural-regional, large/small companies, range of industry areas
- Interviews questions: recruitment processes, number and calibre of applicants
- Factors which might increase the number of applicants and/or the number of places that they offered

# Reasons for recruiting apprentices and trainees

- Because they had always done so;
  - To address immediate workforce needs;
  - To address future workforce needs including senior management capacity;
  - To lift the quality of work being done within the company, for competitiveness, for accreditation or licensing reasons;
  - To provide a career path for workers;
  - To access extra training input from an external body (ie RTO);
  - To make less attractive work more attractive and/or to become an employer of choice; and
  - To return something to the community, the trade and/or industry and/or the nation (often described as an 'altruistic motive').
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- **Financial incentives were of limited importance**
  - **Companies sometimes recruited above load if a particularly good applicant came along**



# How did employers increase applications?

- Consider mature-aged as well as young apprentices/trainees;
- Use their existing worker pool for apprentices and trainee vacancies;
- Routines recruitment processes eg an annual round, OR recruit at any time;
- Web sites social networking,, videos of success stories (eg ANZ);
- Promotion in schools and careers fairs;
- Target a particular labour market;
- Recruitment processes often quite complex – 4 or 5 steps to ensure correct selection; other cases quite haphazard.

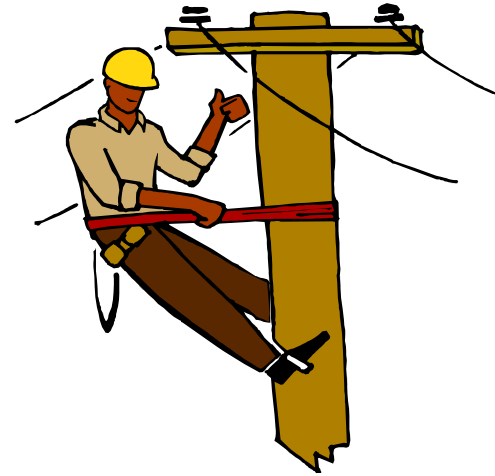


# High quality applicants

- Good communication skills, knowledgeable about the company, show evidence of achievements and motivation;
- Understand difficult working conditions eg baking;
- Have undertaken a pre-apprenticeship;
- GTOs tended to have a wider spectrum of applicants.



# Case studies





# Implications for policy and practice

- **Companies** – can market better, develop more strategic recruitment processes, consider mature-aged applicants;
- **Small companies** -could form recruitment networks;
- **Governments** could standardise pre-apprenticeships;
- **GTOs** could be allowed to recruit ‘above load’ at reduced cost;
- **Schools** could promote apprenticeships and traineeships as high-prestige destinations;
- Greater use of traineeships as **pathway** into apprenticeships –sometimes trade unions prevent this.