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

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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 NCVER to provide input into NCVER 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’).

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.