

Inquiry into the delivery of vocational education and training in regional, rural, and remote Queensland

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INQUIRY INTO THE DELIVERY OF VET IN REGIONAL, RURAL AND REMOTE QUEENSLAND

Introduction

Golden West Apprenticeships understands that for our communities to thrive and grow, skills need to be developed and sourced locally. As a community based, not-for-profit Group Training Organisation, we are committed to developing these skills through apprenticeships and traineeships.

Golden West Apprenticeships employs apprentices and trainees across all trade industries throughout the Darling Downs, South and Central West regions of Queensland. In partnership with our host employers, we are committed to connecting local apprentices and trainees with quality and meaningful employment. We provide a dedicated and personal service to support the apprenticeship and traineeship process from commencement to completion.

Improving regional employment outcomes is a key priority for Golden West Apprenticeships. Our team is dedicated to meeting the vocational education and training needs of regional and rural Queensland. We are helping to change lives, create careers and build sustainable communities.

Golden West welcomes the opportunity to contribute to the inquiry into VET in regional, rural and remote Queensland.

Section 27A of the Human Rights Act 2004 says that: Every child has the right to have access to free, school education appropriate to his or her needs. **Everyone has the right to have access to further education and vocational and continuing training.**

Improvements to current practice and legislation will help meet this obligation of Human Rights.

This submission will detail a range of challenges that impact on the successful recruitment, training and completion of apprenticeships and traineeships restraining the growth of economic and social prosperity in these regions.

User Choice Program – Location Loadings

The User Choice Program is the Queensland Government’s public funding contribution to the cost of training and assessment services for eligible Queensland apprentices and trainees.

Training delivered in regional, rural and remote areas attract location loadings. The location loadings currently are split into eight different categories for payments based on regions:

- Cape York – 250%
 - Cherbourg – 175%
 - Country – 115%
 - Palm Island – 250%
 - Remote – 175%
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- Remote – Special Area – 250%
- South East Queensland - 100%
- Torres Strait – 250%

It has been identified these location loadings are not categorising regions equitably.

For example, locations such as Toowoomba are categorised the same as both Roma and St. George – which is Country. As you would be aware this is extremely inequitable and has resulted in ongoing challenges especially around Registered Training Organisation (RTO) attraction into the far south-western regions.

There is an opportunity for the Department of Employment, Small Business and Training (DESBT) to realign location loading funding to improve support and training delivery for our regional, rural, and remote communities.

It is recommended that the Modified Monash Modelling, which is used by the Department of Health, be considered as a more appropriate means of classifying regions.

A link to the Dept. Health website and its use of the Modified Monash Modelling is here: <https://www.health.gov.au/health-topics/rural-health-workforce/classifications/mmm>

User Choice – Gap Fees

Within the current User Choice framework, Priority Level 2 and 3 qualifications are partially funded at 87.5% and 75% respectively. While Priority Level 1 qualifications are fully funded to 100%.

Often Registered Training Organisations charge gap fees to employers to address the shortfall in funding primarily for the Priority Level 2 and 3 qualifications, which is generally understood and accepted by the market. However, for those in rural and regional Queensland, often the gap fees charged exceed the shortfall in funding and have also been applied to Priority Level 1 qualifications.

As a rurally based employer, we have experienced ‘gap fee’ charges for onsite delivery even when training is fully funded, and location loadings apply to the qualification. An example is below:

A trainee was engaged to complete a Certificate III in Water Industry Irrigation (NW30415) traineeship. The traineeship was considered a Priority 1 qualification and was fully funded under User Choice to the value of \$6,590 (at the time of commencement). The trainee was based in St. George, meaning an RTO would also attract an additional 15% in locational loading, bringing the total User Choice funding available to an RTO to \$7,578.50 (at the time of commencement). There were two RTOs who were pre-qualified under User Choice to deliver this qualification as a traineeship in Queensland. One RTO refused to deliver, and the other RTO (Water Training Australia) was charging a gap fee of \$28,470 plus GST.

This is problematic, and is affecting regional, rural and remote Queensland.

It is recommended that the DESBT move to cap gap fee charges invoiced by RTOs. Realignment of location loadings should also mitigate some of this issue as well.

User Choice – Skills Assure Supplier (SAS)

With regards to DESBT’s SAS framework, which is used to approve RTOs to provide training services for apprenticeships and traineeship, the current process approves an RTO for delivery across all of Queensland, however this delivery of training often does not extend into our rural communities. Some RTOs simply refuse to accept a Training Contract for an apprentice or trainee based in rural or remote Queensland (or charge outrageous gap fees to deliver).

As a purchaser of RTO services, an improved understanding on locations of delivery (preferably by local government area), delivery methods and additional charges would be beneficial. This recommendation was outlined in part by Jobs Queensland in their Positive Futures Report:

“Require User Choice training providers to publish specific information about their delivery methods and locations, demonstrating how they incorporate a balance of online, classroom and on-the-job training and assessment”.

This requirement would provide the Queensland Government with visibility on regions which are under-serviced and overcharged, thus allowing for improved VET investment decisions specifically relating to User Choice and location loadings.

It is recommended that consideration is given to implement Recommendation 7 from the Positive Futures: Apprenticeships and Traineeships in Queensland. It is also recommended that SAS providers are required to outline and publicly display gap fees and other charges for any qualification they intend to charge for delivery of training for apprenticeships and traineeships.

Travel and Accommodation Allowance

In addition to the substantial financial contribution employers already make for an apprenticeship – regional, rural and remote employers must also bear the cost of travel and accommodation for their apprentices while attending off-the-job training. Apprentice travel and accommodation while attending training is an employer cost, as outlined in Modern Awards. Some rural employers have no choice but to send their apprentices to block training, as they are unable to secure an RTO to deliver onsite, or because there are simply no local training options available.

In some centres, accommodation is only provided by moteliers and caravan parks. One local employer expressed, in their experience, the charges for accommodation and travel for block training can cost an employer an additional \$15,000 over the duration of the apprenticeship. This cost impact is rarely experienced by metro employers, as their apprentices are able to return home each day after attending training. We are aware of some rural and remote employers are disengaging from the apprenticeship system due to this cost imposition.

The current accommodation subsidy rate provided by DESBT to apprentices travelling to attend off-the-job training is \$40 per day when required to stay overnight within Queensland. In stark contrast, the ATO rate for reasonable domestic travel expenses to stay in Brisbane is \$317.15 (daily).

The land travel subsidy is \$0.21 per km (100 – 649km return), \$0.26 per km (650km or more return). The ATO cents per kilometre reimbursement rate is \$0.78 per km.

It is recommended that an urgent review of the travel and accommodation allowance is undertaken to provide a daily rate that is more comparable to the ATO reasonable expenses determinations, as this will reduce cost impacts for regional, rural and remote employers and support their continued participation in the apprenticeship system.

Delays to Training Contract Registration

In recent times, Golden West and other rural and remote employers, have experienced significant delays in Australian Apprenticeship Support Network (AASN) providers being able to complete Training Contract sign-ups for apprentices and trainees.

As you are aware, the Queensland Government contracts AASNs to coordinate the execution (also known as the sign-up) of Training Contracts for apprenticeships and traineeships. In some instances, it has taken more than 4 weeks after an apprentice or trainee has commenced for an AASN to complete a face-to-face Training Contract sign-up.

It is understood, that with delays of more than 4 weeks, AASN service delivery standards are currently not being met for rural and remote Queensland, and it is unacceptable that we should tolerate poorer service standards due to our location.

Delays to the registration of Training Contracts also have considerable flow on effects for apprentices, trainees, and employers including interruptions to the commencement of training delivery.

There is an opportunity for Group Training to support the Department with improving service delivery timeframes for our rural and remote communities. As GTOs, we are physically present during our sign up and inductions, and it makes practical sense to allow us to coordinate signing of the Training Contract at the same time.

VET Delivery for Aboriginal peoples and Torres Strait Islander Peoples

Golden West Apprenticeships currently holds a 13% Indigenous participation rate within our apprenticeship and traineeship program.

It has been our experience that successful outcomes for our Aboriginal and Torres Strait Islander apprentices and trainees occurs when training is delivered locally and the apprentices and trainees well supported by our Group Training Pastoral Care process, the RTO's Indigenous Student Support Officer and trainer. It is recommended that the Department consider additional funding measures to ensure that both GTOs and RTOs are well resourced to provide the required level of support of Indigenous apprentices and trainees who are training in regional, rural and remote area.

Efforts to address location loadings and gap fee issues within the User Choice Funding Program will also support ongoing engagement and participation of Aboriginal and Torres Strait Islander People to complete their training locally.

Successful localised VET models – Group Training Organisation Pre-Apprenticeship Programs

Recently, the Queensland Government through the Queensland Apprenticeship and Traineeship Office (QATO) released the Group Training Organisation (GTO) Pre-Apprenticeship Program, which provides Queenslanders a pathway who aspire to undertake an apprenticeship with short-term paid employment while undertaking a Certificate I in Traineeships in Hospitality, Construction, Engineering and Automotive.

Delivery of these pre-apprenticeship programs is currently underway, however there has already been significant positive benefit to our regional, rural and remote communities.

For Golden West Apprenticeships, the demographics of candidates engaged in the programs to date, include 65.22% of young people, 40% Indigenous people, 10.86% female participation and 6.5% of participants are considered culturally and linguistically diverse.

The Department should be commended for their vision to develop this program which has successfully targeted disadvantaged groups to upskill for an apprenticeship. This program will continue to deliver outcomes for people located in our regional, rural and remote communities.

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