



LBR 4/00 An Ombudsman for Apprentices and Trainees: the Training and Employment Bill 2000

On 13 April 2000, the Minister for Employment, Training and Industrial Relations, the Hon P Braddy MLA, introduced the Training and Employment Bill 2000 into the Queensland Legislative Assembly.

This *Legislation Brief* discusses the specific proposal in the Bill to establish an Ombudsman for apprentices and trainees, in the context of the recommendations made in the Schofield Report: *Independent Investigation into the Quality of Training in Queensland's Traineeship System*, presented to the Vocational Education, Training and Employment Commission and to Cabinet in July 1999. The history of the development of the apprenticeship and traineeship system in Australia is also briefly outlined, and details of recent reviews of the system in Queensland, together with facts and figures on Queensland apprentices and trainees, are provided.

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**Legislation Brief 4/00
May 2000**

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LEGISLATION BRIEF

ISSN 1443-7910

ISBN 0 7242 7878 8

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1 INTRODUCTION

On 13 April 2000, the Minister for Employment, Training and Industrial Relations, the Hon P Braddy MLA, introduced the Training and Employment Bill 2000 into the Queensland Legislative Assembly. As explained in the *Explanatory Notes* to the Bill, since the enactment of the *Vocational Education, Training and Employment Act 1991* (Qld), significant changes to the training system have been implemented at state and federal level, as a consequence of which the current legislation is no longer sufficiently flexible to accommodate the new policies and administrative procedures.

The principal objectives of the Bill, as outlined in **Clause 3**, are to:

- Establish a system for the effective and efficient provision of high quality vocational education and training to meet the immediate and future needs of industry and the community
- To provide mechanisms for employees, employers, employer or employee associations and the community to advise government on vocational education and training needs and priorities to address those needs
- To support the continued development of high quality training by and within industry
- To facilitate the provision of vocational education and training that is relevant to employment and encourages the generation of employment opportunities
- To regulate the registration of training organisations within the State
- To meet the State's obligations under national training arrangements about vocational education and training.

The Bill is stated to be based upon the principles of:

- Simplified registration procedures for training organisations in accordance with nationally agreed upon policies
- Simplified accreditation procedures for courses that reflect nationally agreed policies
- Increased flexibility in the registration and administration of Apprenticeship and Traineeship Contracts and the regulation of apprentices and trainees
- Increased emphasis on training delivery in vocational placement
- New processes to enhance the quality of training in apprenticeships, traineeships and vocational placement
- Simplified and transparent appeal mechanisms
- The establishment of the Apprenticeship and Traineeship Ombudsman

- Simplified governance structures.¹

This *Legislation Brief* discusses the specific proposal to establish an Ombudsman for apprentices and trainees, in the context of the recommendations made in the Schofield Report: *Independent Investigation into the Quality of Training in Queensland's Traineeship System*, presented to the Vocational Education, Training and Employment Commission, and to Cabinet, in July 1999. The history of the development of the apprenticeship and traineeship system in Australia is also briefly outlined. Details of recent reviews of various aspects of the apprenticeship and traineeship system in Queensland, together with facts and figures on Queensland apprentices and trainees, are also provided.

2 BACKGROUND

2.1 THE DEVELOPMENT OF THE APPRENTICESHIP AND TRAINEESHIP SYSTEM

Consequent upon recommendations made by the 1984 Committee of Inquiry into Labour Market Programs,² traineeships were established in Australia in the following year, with the aim of filling the then existing gap between the short-term unrecognised training available within labour market programs and the longer-term recognised training which apprentices were required to undertake under their apprenticeships. As explained in the Schofield Report:

*Since their inception, traineeships have been associated with both employment and skills formation strategies and both the Commonwealth and State Governments have set targets in terms of numbers to be achieved. Traineeships were initially a nationally driven mechanism to address youth unemployment, with a supplementary role to expand the skills available to industry. The establishment of a target in 1985 of 75,000 trainees within a three-year period, which were to be in newly created jobs, ensured that traineeships were primarily focused on job creation rather than skills development.*³

The traineeship system initially implemented was called the Australian Traineeship System (ATS). Following on from the Australian Traineeship System, the Australian Vocational Training System (AVTS) sought to accommodate the need

¹ Training and Employment Bill 2000 (Qld), *Explanatory Notes*, p 3.

² *Report of the Committee of Inquiry into Labour Market Programs*, chaired by PE Kirby, AGPS, Canberra, 1985, discussed in Kaye Schofield, *Investigation into the Quality of Training in Queensland's Traineeship System* (Schofield Report), July 1999, p 14.

³ Schofield Report, p 14.

for a training system that would assist in the development of a more skilled workforce, by removing the focus on new jobs, reducing age restrictions and placing a new emphasis on quality. Another aim was to integrate apprenticeships and traineeships in a common framework. The National Employment Training Taskforce (NETTFORCE) initiative, which emerged from the Commonwealth Government's Working Nation policies, was the first initiative allowing adults to access publicly funded workplace training. The NETTFORCE initiative also opened up "fully-on-the-job" training, which as initially implemented, did not require a registered training organisation to be involved.

The Modern Australian Apprenticeship Traineeship System (MAATS), introduced in 1996, required apprenticeships and traineeships to serve the dual purpose of job creation and entry-level skills development. This system also sought to fully consolidate apprenticeships and traineeships under a single framework. In the same year, MAATS was replaced by New Apprenticeships as a strategy to reform vocational education and training in Australia. As explained by the Schofield Report:

The intention was to more closely integrate apprenticeships and traineeships in order to make the system more flexible and responsive to industry needs while maintaining the quality and integrity.

Within the national VET system, 'New Apprenticeships' is the composite term now used to describe all structured employment-based training regulated by contracts of training, leading to a qualification within the Australian Qualification Framework (AQF). However, Queensland has discontinued use of the term "New Apprenticeships" largely because of marketplace confusion, reverting to the traditional and widely accepted terminology of apprenticeship and traineeship.⁴

2.2 RECENT REVIEWS OF QUEENSLAND'S VOCATIONAL EDUCATION AND TRAINING SYSTEM

As described in the *1998-99 Annual Report* for Queensland's Department of Employment, Training and Industrial Relations, in 1998-99, a number of significant reviews of Queensland's vocational education and training system took place.

- Training trends for apprenticeships and traineeships in Queensland during the period 1989-98 were presented in the November 1998 report: *Apprenticeships and Traineeships: Queensland Trends*, prepared by Dr Larry Smith for the State's Department of Employment, Training and Industrial Relations (DETIR). In particular, his report showed that Queensland had, proportionally, the highest cancellation rate and the lowest retention rate for

⁴ Schofield Report, p 16.

apprentices in Australia.⁵ Updated information for the 1998-99 financial year was provided in the report: *Apprenticeships and Traineeships: Queensland Trends: 1998-99 Update*. Further findings from the reviews undertaken by Dr Smith are outlined in Section 2.3 of this Brief.

- The Cullen Report: *A Workskills Planning Process for Queensland Industries* found major qualifications gaps to exist between Queensland industries and their equivalents in other Australian states. It predicted that approximately 250,000 more Queenslanders would need to acquire VET qualifications by the year 2005 if the skills gap were to be closed.
- Studies or review of skills shortages and future needs in specific industries were undertaken for engineering, information technology and communications, and the construction sector.
- As a result of anecdotal information suggesting that a significant number of trainees in Queensland were not receiving the quality of training required, the Minister for Employment Training and Industrial Relations asked the Vocational Education and Training Commission to examine the quality and effectiveness of the State traineeship system. The report of the study, headed by independent consultant Kaye Schofield, was completed at the end of June 1999.⁶ Concurrently, a project to develop a new model for the administration of apprenticeships and traineeships was undertaken by the Department of Employment, Training and Industrial Relations, Division of Training. The Report: *A Model for an Effective Apprenticeship and Traineeship Administration System* was released in July 1999.

2.3 TRAINING TRENDS FOR APPRENTICESHIPS AND TRAINEESHIPS IN QUEENSLAND

2.3.1 Apprenticeships

In 1998-99, Queensland led Australia in apprenticeship growth, with 11,721 apprenticeship agreements being signed, an increase of 45.1% on 1997-98 figures.⁷

⁵ Dr Larry R Smith, *Apprenticeships and Traineeships: Queensland Trends*, Department of Employment, Training and Industrial Relations (Qld), November 1998, pp vi –vii.

⁶ Queensland. Department of Employment, Training and Industrial Relations (DETIR), *1998-99 Annual Report*, pp 58-59.

⁷ DETIR, *1998-99 Annual Report*, p 3.

The number of apprentices in training was 25008 on 1 July 1999, a 7% increase from the previous year. This figure constituted the greatest number of apprentices in training in Queensland's history. During 1998-99 the number of apprentices in the 15-18 age group significantly increased, while a corresponding decline occurred in the percentage of apprentices 21 years or over.

For 1998-99, the number of apprenticeship completions was 5607, a decrease of 3.4% from the previous year, and was attributable to falls in completing apprentices in the three trade areas of construction, other tradespersons and related workers, and skilled agricultural and horticultural workers.⁸

2.3.2 Traineeships

In 1998-99, 38625 agreements for traineeships were registered, an increase of 46% on the previous year.⁹

The number of trainees reached 32,219 at 1 July 1999, an increase of 41.5% from 1 July 1998. The number of traineeships had risen by almost 1100% over the previous four years, with trainee numbers now significantly exceeding the number of apprentices in Queensland.¹⁰

2.3.3 Completion rates

52.5% of the cohort of apprentices who began their training in 1994-95 did not successfully complete their approved program. According to information for the financial year 1998-99, of the cohort of apprentices who commenced their training in 1998-99, 22% had already withdrawn, cancelled or expired.¹¹

Almost 60% of trainees who commenced their training in 1994-95 did not successfully complete their approved program. According to information for the financial year 1998-99, of the cohort of trainees who commenced their traineeships in 1998-9, 30.8% had already withdrawn, cancelled or expired.¹²

⁸ Dr Larry R Smith, *Apprenticeships and traineeships: Queensland trends 1998-99 Update*: <http://www.detir.qld.gov/vetinfo/reports/smithupdate.htm>, pp vii – viii.

⁹ DETIR, *1998-99 Annual Report*, p 3.

¹⁰ Dr Larry R Smith, *Apprenticeships and traineeships: Queensland trends 1998-99 Update*: p viii.

¹¹ Dr Larry R Smith, *Apprenticeships and traineeships: Queensland trends 1998-99 Update*: p viii.

¹² Dr Larry R Smith, *Apprenticeships and traineeships: Queensland trends 1998-99 Update*, p ix.

In a Ministerial Media Statement issued in February 2000, the Qld Minister for Employment, Training and Industrial Relations stated that:

We are currently piloting in central Queensland and on Brisbane's northside a range of initiatives aimed at ensuring that employers, apprentices and trainees are more aware of what's involved in apprenticeships and traineeships from the start, which will encourage greater commitment to these effective training programs.

*This will help greatly in boosting the number of apprentices and trainees who successfully finish their training.*¹³

Additionally, the Queensland Government has engaged Professor Victor Callan to undertake an extensive survey of former apprentices and trainees who have not completed their training programs.¹⁴

2.3.4 School-based training

The number of school-based apprenticeships increased by almost 400%, from 60 to 296, in 1998-99, with 1.2% of all apprenticeships in Queensland being school-based.

The number of school-based traineeships grew by over 350%, from 296 to 1352 during 1998-99, with school-based traineeships accounting for 4.2% of all traineeships in Queensland.¹⁵

3 SOME KEY CONCEPTS IN THE BILL

3.1 APPRENTICES AND APPRENTICESHIPS

Clause 7 of the Training and Employment Bill 2000 explains that an apprenticeship consists of employment based training which has been declared to be an apprenticeship by the Training Recognition Council under **Clause 183**. **Clause 9** provides that an apprentice is an employee who is being trained in employment based training approved by the Training Recognition Council as an apprenticeship if:

¹³ Ministerial Media Statement, Minister for Employment, Training and Industrial Relations, 'Historic High for Queensland Apprentice Approvals: But Completions Too Low', *Ministerial Media Statements for the period 9 February to 15 February 2000*, 10 February 2000, pp 33-34.

¹⁴ Ministerial Media Statement, Minister for Employment, Training and Industrial Relations, 'Historic High for Queensland Apprentice Approvals: But Completions Too Low', p 34.

¹⁵ Dr Larry R Smith, *Apprenticeships and traineeships: Queensland trends 1998-99 Update*, p x.

- An apprenticeship contract¹⁶ has been signed (whether or not it has been registered), or
- The probationary period for the apprenticeship has not ended.

An employee being trained in an apprenticeship is an apprentice unless the Training Recognition Council has placed a prohibition under **Clause 83** on the employer employing an apprentice. **Clause 83** gives the Training Recognition Council the power to declare an employer to be a prohibited employer if the Council reasonably believes that the employer is not a suitable person to employ an apprentice or trainee.

3.2 TRAINEES AND TRAINEESHIPS

Clause 8 provides that a traineeship is employment based training declared by the Council to be a traineeship. By virtue of **Clause 10**, an employee who is being trained in a traineeship is a trainee provided that:

- A traineeship contract¹⁷ has been signed by the parties (regardless whether it is registered), or
- The probationary period for the traineeship has not ended.

3.3 TRAINING PLANS FOR APPRENTICES AND TRAINEES

Clause 13(1) of the Bill provides for training plans for apprentices and trainees. A training plan must set out the training to be delivered by the apprentice or trainee's employer, and if some of the training is to be provided by a supervising registered training organisation, the training to be delivered by the organisation and the maximum period thereof. The training plan must also indicate what qualification or statement of attainment is to be issued to the apprentice or trainee upon completion of the training.

3.4 REGISTERED TRAINING ORGANISATIONS

Clause 14 of the Bill defines a registered training organisation as a training organisation which is registered under the Bill to provide training or recognition services. Training services include the delivery of training, assessment or recognition of skills and knowledge, and the issue of qualifications or statements of

¹⁶ ie a contract in the approved form for the training and employment of a person in an apprenticeship: **cl 11(1)**.

¹⁷ Ie a contract in the approved form for the training and employment of a person in a traineeship: **cl 12(1)**.

attainment. Recognition services include recognition of skills and knowledge, assessment of skills and knowledge, and the issue of qualifications or statements of attainment: **Schedule 3 “Dictionary”**.

4 AN APPRENTICESHIP AND TRAINEESHIP OMBUDSMAN

4.1 THE SCHOFIELD REPORT

In April 1999, Hon P Braddy MLA, the Minister for Employment, Training and Industrial Relations, requested the Vocational Education, Training and Employment Commission to undertake an independent investigation of the quality and effectiveness of the traineeship system in Queensland, and to make recommendations to the Government on means by which the system’s quality and effectiveness might be improved. The Commission appointed Ms Kaye Schofield to undertake the investigation and the report: *Independent Investigation into the Quality of the Training in Queensland’s Traineeship System* was presented to the Vocational Education, Training and Employment Commission and to Cabinet in July 1999.¹⁸

Chapter 5 of the Schofield Report identified ten broad strategies to improve the quality of the traineeship system in Queensland, together with specific recommendations by which these strategies could be implemented.

At paragraph 5.7 of the Report, “*the need to offer trainees (and probably apprentices) further protection than is now the case under the regulations*” was

identified, based on two factors as follows:

Firstly, ... User Choice, as initially proposed by the Allen Consulting Group in 1994, was confined to apprenticeships and traineeships for a number of reasons.

“We confine this to training, conducted under contracts of training ... or similar formal employer/employee arrangements ... that may be developed ... Our reasons for focusing on this area include that it is the one in which the employer obligation to train is most apparent, and where the interests of the enterprise and the individual most obviously coincide.”

User Choice is thus intended to be a system in which employers and trainees are joint clients and jointly share the decisions about the training to be provided – who provides it and how and when it is provided. Given however that marketing is directed to employers; incentives are targeted to employers; and employers have the ultimate power to dismiss a trainee, then it is highly unlikely that training decisions

¹⁸ Schofield Report, p i.

are always made jointly in practice, even though the outcomes affect both employer and trainee alike.

Secondly, a recent Queensland study has confirmed long-held assumptions and what many other studies around Australia have found about unacceptably high levels of workplace violence. In a survey undertaken by DETIR in the second half of 1998, 61% of apprentices and trainees surveyed indicated that they had experienced some form of workplace violence ranging from verbal abuse (56%), bullying (31%), physical violence (7%) and sexual harassment (6%).

When asked their reasons for not complaining, trainees and apprentices indicated, among other reasons, that they did not believe they would be taken seriously, they were afraid that they would lose their job and they didn't think that anyone would do anything to help them. Those who had taken up an issue with their employer felt that they were not taken seriously. Very few people indicated that they had contacted DETIR.

A traineeship system which turns a blind eye to this pervasive problem cannot lay claim to quality. Therefore, as part of an overall strengthening of quality in all aspects of the system, there is a need for an independent mechanism to deal with complaints from trainees.¹⁹

The report recommended that there should be established by statute a position of Trainee Ombudsman:

... to provide a free, impartial and independent office of last resort for resolving trainee complaints about the nature, scope and quality of the training they receive and the environment in which they receive it. The extension of this position to encompass protection of apprentices should be considered.²⁰

4.2 THE OMBUDSMAN, BOARD AND COUNCIL.

Chapter 5 of the Bill provides for the creation of an Apprenticeship and Traineeship Ombudsman, together with the establishment of a Training and Employment Board and a Training Recognition Council. The role and functions of the Board and Council are briefly outlined before turning to a detailed discussion of the provisions relating to the Apprenticeship and Traineeship Ombudsman.

¹⁹ Schofield Report, pp 73-74. The citation for the study referred to in the quotation above is Business Improvement Group, *Evaluation of the Impact of VET Reforms on Old Apprenticeships and Traineeships*, Report 3 – Outcomes, DETIR, 1999, pp 11-12. In 1998, the Department of Employment, Training and Industrial Relations's Division of Workplace Health and Safety issued guides for employers and employees addressing the issue of workplace bullying.

²⁰ Schofield Report, p 74.

4.2.1 The Training and Employment Board

Clause 146 provides for the establishment of the Training and Employment Board (the Board) which is to replace the existing Vocational Education, Training and

Employment Commission.²¹ Under **Clause 147**, the Board's functions include:

- To provide the Minister with up-to-date and strategic advice on current vocational education and training issues and strategies, and current employment strategies as they relate to vocational education and training
- To provide advice to the Minister on the continued development of a high quality vocational education and training system and the appropriate development of vocational education and training infrastructure
- To recommend to the Minister an annual training plan including priorities for vocational education and training, and guidelines for the Board or the Training Recognition Council to exercise their executive or regulatory powers
- To recognise industry training advisory bodies and group training organisations
- To perform the functions of an approving authority under the *Workplace Relations Act 1996* (Cth) and the *Industrial Relations Act 1999* (Cth)
- To perform the functions of the State Training Agency for the *Australian National Training Authority Act 1992* (Cth).

The Bill makes the Board subject to the Minister: **cl 148(1)**, and provides that the Board must comply with the Minister's signed directions about exercising its powers or performing its functions: **cl 148(2)**.

4.2.2 The Training Recognition Council

Clause 167 establishes the Training Recognition Council (the Council), which is to replace the existing State Training Council and the Accreditation Council.²² The Council's functions include:

- If requested by the Minister, to make recommendations to the Minister about national training systems of qualifications: **cl 168(1)(a)**
- To advise the Training and Employment Board on policy and guidelines for registering and regulating training organisations and training contracts, accrediting courses and regulating accredited courses, training requirements for apprentices and trainees, and vocational placements: **cl 168(1)(b)**
- To register and regulate training organisations and training contracts: **cl 168(1)(c)**
- To accredit courses and regulate accredited courses: **cl 168(1)(d)**

²¹ Training and Employment Bill 2000 (Qld), *Explanatory Notes*, p 104.

²² Training and Employment Bill 2000 (Qld), *Explanatory Notes*, p 104.

- To recognise vocational placement schemes and register and regulate vocational placement agreements: **cl 168(1)(e)**
- To regulate the issuing of qualifications and statements of attainment: **cl 168(1)(f)**
- To declare apprenticeships or traineeships: **cl 168(1)(g)**
- To declare a calling to be a restricted calling: **cl 168(1)(h)**
- To decide probationary periods and nominal terms for apprenticeships and traineeships: **cl 168(1)(i)**
- To issue recognition certificates: **cl 168(1)(j)**
- To perform other functions requested by the Training and Employment Board: **cl 168(1)(k)**.

The above section of the Bill does not limit the Council in performing another function conferred upon it by the Bill: **cl 168(2)**.

In performing the function set out in **cl 168(1)(a)**, the Council is subject to the Minister; in performing the functions listed in **cl 168(1)(b)** to **(k)** above, the Council is subject to the Board: **cls 169(1) & (2)**.

The Council is required to comply with signed directions by the Minister or the Board given under either **cl 169(1)** or **(2)**.

4.2.3 The Apprenticeship and Traineeship Ombudsman

Clause 133 of the Bill makes provision for the Governor in Council to appoint a person as the Apprenticeship and Traineeship Ombudsman. As explained in the Second Reading Speech to the Bill, the creation of this position “*delivers on a major recommendation of the Schofield Report*”.²³

The term of the appointment is for a period not longer than three years; however, the person may be reappointed.

The Ombudsman’s Functions

The Ombudsman’s functions (set out in **Clause 134**) are:

- To refer on to the Training Recognition Council complaints about:
 - the training being delivered to the apprentice or trainee under the training contract
 - the adequacy of the facilities, range of work and supervision provided by the employer under the contract

²³ Hon P Braddy MLA, Minister for Employment, Training and Industrial Relations, Training and Employment Bill 2000 (Qld), Second Reading Speech, 13 April 2000, p 5.

- the circumstances in which the contract was signed or subsequently amended or cancelled
- the failure by the employer to register the contract within the time-frame required under the Act
- the apprentice or trainee's failure to make progress under the training plan
- the Training Recognition's Council's exercise of a power or performance of a function under **Chapter 3, Part 1** of the Bill, which deals with apprenticeship and training contracts

(The Ombudsman may refer a complaint from a party to a training contract: **cl 134(1)(a)**, or from anyone whom the Ombudsman decides has a sufficient interest in the matter: **cl 134(2)**.)

- If requested by a party to an apprenticeship or training contract, to review the Training Recognition Council's investigation of a complaint
- After reviewing an investigation by the Training Recognition Council of a complaint, to make recommendations to the Council
- To refer a complaint coming to the Ombudsman's attention to another entity having jurisdiction to deal with it.

The Bill gives the Ombudsman the power to do all things necessary or convenient to perform these functions: **cl 134(3)**, and provides that the Chief Executive must ensure that the Ombudsman has the administrative support reasonably required to discharge his or her functions effectively and efficiently: **cl 135**.

Clause 136 allows the Ombudsman to refuse to deal with, or to refuse to continue to deal with, a complaint where:

- The circumstances giving rise to the complaint happened more than three months before the complaint was made
- The Ombudsman reasonably believes:
 - the complaint to be frivolous or vexatious, or lacking in substance
 - the complainant does not have a sufficient interest in the matter raised in the complaint
 - that, in all the circumstances, a review or the continuance of a review, of the matter raised in the complaint is not necessary or not justifiable.

However, if the Ombudsman decides to refuse to deal with, or to refuse to continue to deal with, a complaint, the Ombudsman must, as soon as practicable after making that decision, give the complainant an information notice.

Under **Clause 137**, the Ombudsman must refuse to deal with a complaint that is:

- The subject of an appeal in the Industrial Relations Commission
- Has been the subject of an appeal to the Industrial Relations Commission and the Commission has made a decision.

Ombudsman's powers

Clause 138 provides that the Ombudsman may require the Training Recognition Council to supply all the information and documents in its possession or control about a complaint, or the Council's investigation of a complaint. The Council is required to comply with a signed notice from the Ombudsman.

Ombudsman may recommend further steps in investigation

Where the Ombudsman believes that the Training Recognition Council's investigation of a complaint has been inadequate, the Ombudsman may recommend in writing that the Council take further stated steps to investigate the complaint.

However, the Ombudsman may only recommend that further steps be taken to investigate the complaint and cannot compel the Council to act.²⁴

Ombudsman may recommend exercise of power

Where the Ombudsman, after reviewing the Training Recognition Council's investigation of a complaint, believes the Council should have exercised a power or performed a function under **Chapter 3, Part 1**, the Ombudsman may recommend in writing that the power be exercised or the function performed. As above, the Ombudsman may recommend further action but cannot compel the Council to take action.²⁵

Ombudsman to report findings

As soon as practicable after the Ombudsman has finished reviewing an investigation by the Council of a complaint, he or she must give the complainant a signed notice of the findings of the review: **cl 141(1)(a)**.

The Ombudsman must also give the Training Recognition Council and the Minister a signed report of the review that includes the findings, and may include any recommendation the Ombudsman considers appropriate: **cl 141(1)(b) & (2)**.

Clause 141(3) operates to allow the Minister to oversee the effective implementation of the Ombudsman's recommendations by providing that, if the report does include recommendations, the Minister may ask the Council to advise him or her, within a stated time period:

- of the steps that have been taken or are proposed to be taken to give effect to the Ombudsman's recommendations, or

²⁴ Training and Employment Bill 2000 (Qld), *Explanatory Notes*, p 94.

²⁵ Training and Employment Bill 2000 (Qld), *Explanatory Notes*, p 94.

- if no steps have been, or are proposed to be, taken, the reasons for this.

The Minister's power to give directions to the Training and Employment Board (under **cl 148**)²⁶ and the Training and Employment Board's power to give directions to the Training Recognition Council (under **cl 169**)²⁷ also enable the Minister to ensure that recommendations are implemented if necessary.²⁸

Annual report

The Bill provides, that within three months after the end of each financial year, the Ombudsman must provide the Minister with a report on the discharge of the Ombudsman's functions during the year. The Minister must then table a copy of the report in the Legislative Assembly within 14 days after receiving it: **cl 145**.

²⁶ See also Section 4.2.1 of this Brief.

²⁷ See also Section 4.2.2 of this Brief.

²⁸ Training and Employment Bill 2000 (Qld), *Explanatory Notes*, p 95.

APPENDIX A – MINISTERIAL MEDIA RELEASE

The Hon. Paul Braddy MLA, Minister for Employment, Training and Industrial Relations

10 February 2000

Historic high for Queensland apprentice approvals: but completions too low

A new report has revealed that Queenslanders recently signed up the highest number of apprentices in history, following a 43 per cent increase in apprentice approvals in the 12 months to July 1999.

The Apprenticeships and Traineeships: Queensland Trends 1998 - 1999 Update indicates there were 11,767 apprentice approvals in the year to July 1999, 3,536 more than last year.

There were 25,008 apprentices in training in Queensland in July last year. In the same 12 months, the number of Queensland trainees in training jumped by 41.5 per cent to a record of 32,219.

The Update highlighted the Government's \$283 million Breaking the Unemployment Cycle initiative as a major force behind the historic high in apprentice approvals.

Mr Braddy said the increase in apprentice and trainee numbers had been recorded in regions throughout the state and in industries experiencing skills shortages.

"The Queensland Government's employment and training initiatives have made significant gains for many industries critical to the state's economy including building and construction, which recorded a 41 per cent boost in apprentice approvals last year," Mr Braddy said.

"This is a pleasing reversal for an industry that experienced a dramatic decline in apprentice numbers from 1996 to 1998."

Other industries that experienced increases in apprentice approvals were mechanical and fabrication engineering (up 52 per cent), automotive (up 42 per cent), food (up 36 per cent) and electrical and electronics (up 29 per cent).

Mr Braddy said the State Government's push to refocus apprenticeships and traineeships for young people was working.

"Since coming into office, the Beattie Government has remained committed to getting more people aged under 19 years into jobs through apprenticeships and traineeships," Mr Braddy said.

"Our report on Queensland trends reveals the number of young Queenslanders aged from 15 to 18 years in apprenticeships and traineeships increased by a massive 50.8 per cent in the 12 months to July 1999.

"The number of Queenslanders aged from 15 to 18 years on traineeships alone increased by 79.1 per cent."

“This means that traineeships in Queensland are achieving their primary aim: to give young people the skills needed to become valuable employees.”

While the Update reveals record highs, more than half of the apprentices who started their four-year training programs in 1994 - 1995 had failed to complete their training by July last year. Similarly, almost 60 per cent of trainees did not successfully complete their training programs from 1994 to 1999.

Mr Braddy said today he had written to Commonwealth Employment, Training and Youth Affairs Minister David Kemp calling for national investigation of non-completion rates of apprentices and trainees.

He asked that the matter be listed for discussion at the May meeting of the Australian National Training Authority Ministerial Council.

Mr Braddy said an evaluation of national and state studies had revealed that all Australian states experienced low apprenticeship and traineeship completion rates.

He said the Queensland Government had made substantial efforts in the past two years to increase completion rates in the state.

“After an independent investigation into our traineeship system, the Government is working hard to make the system better for employers, apprentices and trainees,” he said.

“We are currently piloting in central Queensland and on Brisbane’s northside a range of initiatives aimed at ensuring that employers, apprentices and trainees are more aware of what’s involved in apprenticeships and traineeships from the start, which will encourage greater commitment to these effective training programs.

“This will help greatly in boosting the number of apprentices and trainees who successfully finish their training.” The Government has also engaged Professor Victor Callan from the University of Queensland to conduct an extensive survey of former apprentices and trainees who have not completed their training.

“These activities will not only assist in lifting completion rates, but also allow us to thoroughly understand why apprentices and trainees have not completed their training programs,” Mr Braddy said.

Media contact: David Burley on (07) 3225 2210/3835 9900 and quote pager 96149 or Valerie Pringle 3225 2210 / 0408 704 526.

APPENDIX B – JOURNAL ARTICLES

‘Queensland leads the way in apprenticeships and traineeships.’

***Enterprise*, April 2000, p 22.**

When it comes to school-based apprenticeships and traineeships, Queensland is leading the other states with over 1700 school students participating across a diverse range of qualifications.

School-based apprenticeships and traineeships allow a business to employ a young enthusiastic worker, of their choice, on a part-time basis. The programs are competency based and offer the employer options when it comes to who delivers the training and what training is delivered.

Students employed are typically in year 11 or 12 and continue to study towards their Senior Certificate. A school-based traineeship may be completed during the two years of senior schooling while a school-based apprenticeship will take longer to complete. The employer must provide ongoing employment until the training programme is completed and the apprentice or trainee can, however, convert to full-time work after completing school.

School-based apprentices and trainees are paid for the time they spend in the workplace. They are not entitled to wages for time spent at school or undertaking off the job training, annual leave, sick leave or public holidays where they are not required to work in such days. Under the arrangement, the apprentice or trainee can work weekend and evenings.

According to statistics provided by the Department of Employment, Training and Industrial Relations on 1 February 2000, the most popular school-based apprenticeships and traineeships are:

1. Hospitality (Operations) Certificate II (287)
2. Retail Operations Certificate II (265)
3. Business (Office Administration) Certificate II (188)
4. Manufacturing (Production Level 1) Certificate II (93)
5. Automotive Serviceperson Certificate II (90)
6. Information Technology Certificate II (65)
7. Rural Skills Certificate II (54)
8. Hairdressing (Ladies) Certificate III (50)
9. Horticulture Certificate II (48)
10. Construction (Carpentry) Certificate III (41)

(The figures in brackets are the number of participants)

Gold Coast firm North Burleigh Plumbing, owned by Bob Watson, is no stranger to the apprenticeship system. Since opening for business in Queensland 15 years ago, Mr Watson has employed and trained some 14 apprentices. According to Mr Watson, the apprenticeship system has seen some changes during this time – one of the changes he is most in favour of is the introduction of school-based apprenticeships.

He has just hired his first school-based apprentice Matthew Harris, a year 11 student at Marymount College.

Matthew is one of 21 Marymount students who have undertaken school-based apprenticeships and traineeships over the past two years. Other students have undertaken training in retail, business, engineering and hospitality.

Matthew will spend every Thursday and Friday with his employer and spend three days a week at school studying five subjects. This year, he will attend a three to four week block at the Gold Coast Institute of TAFE undertaking formal off-the-job training.

Further information is available by contacting Queensland Apprenticeship Services on (07) 3353 7777.

'Minister responds to BIAQ regarding ill treatment of trainees'

***Baking Business*, June/July 1999, p 6.**

Members will recall a story from the April/May issue, concerning Channel Nine's Brisbane Extra program. Brisbane Extra investigated a person who was allegedly underpaying and mistreating trainees at four different Brisbane bakeries. This story and other incidents has prompted a response from the Employment, Training and Industrial Relations Minister, Paul Braddy.

Mr Braddy said concerns over abuse of the traineeship system in recent years prompted the State Government to commission an investigation into the quality of training in Queensland. The concerns were backed by reports that some alleged traineeships involved little or no training at all. He stressed the inquiry by the Vocational Education, Training and Employment Commission (VETEC) related to traineeships, not apprenticeships.

He said there was a concern Federal and State Government cash training incentives were being collected by some employers to subsidise their wages costs without ensuring the training was actually provided.

"Recent audits of training organisations and training programs have raised concerns that some organisations are not fulfilling their obligations to improve the skills of their clients to an acceptable standard," Mr Braddy said.

"In particular, there is evidence of a rapid growth of 'fully-on-the-job' traineeships under which some trainees were receiving poor workplace-based skills training and theory."

Mr Braddy said traineeship approvals had jumped by 200 percent in the past two years. In the year to April 19, there were 35,927 new traineeship approvals, up 37 percent.

"While the great majority of training providers are performing well, I share concerns that the poor performance of a few could tarnish the image and reputation of the whole training industry", he said.

"Taxpayer funded initiatives for training and employment are not meant to be used to subsidise existing or newly-appointed workers.

"The Queensland Government has already acted to return the program to the target group for whom it was designed – young Queenslanders and those seeking to return to the workforce. However, more needs to be done to overcome the ravages caused by the explosion in competitive tendering in recent years."

The BIAQ has assured senior staff of the Department of Employment, Training and Industrial Relations that its members are encouraged to adopt best practice human resource management policies and procedures. Members should be aware of their obligations regarding workplace skills training, training plans and the trainees' assessment.

APPENDIX C – NEWSPAPER ARTICLES

Title: Tribunal to hear of grease attack.
Author: Metcalf, Fran
Source: Courier Mail
Date Issue: 19 August 1999
Page: 8

Article: A FORMER Mount Isa Mines apprentice, who claims he was the victim of an underground initiation ceremony in which he was stripped, tied up and smeared with grease, has won the right to have his case heard by the Anti-Discrimination Tribunal.

Former apprentice electrician Andrew Hagstrom said the incident in February 1994 amounted to sexual harassment.

He said he had suffered psychological and health problems including depression, asthma and anxiety and, in June, 1995, was certified unfit for work because of post traumatic stress disorder.

The company and four of the staff allegedly involved in the incident made an application in April this year for the case to be struck out.

They argued too much time had elapsed, that witnesses would not be contactable and that the incident amounted to bullying "at most".

But tribunal member Greg Sowden said yesterday the case would be heard in the interests of justice.

Mr Sowden found the incident could constitute sexual harassment through the interference with and removal of Hagstrom's clothing, thereby exposing his genitals, as well as the rubbing of grease over

his body including his buttocks, legs and genitals.

Mr Sowden found such conduct could have been done "with the intention of offending, humiliating or intimidating".

Hagstrom said about 10 fellow workers held him down, tied his wrists and legs and blindfolded him.

He said the men then poured ice-cold water over him before his overalls were torn off and grease rubbed over his body.

Title: State high schools to introduce TAFE-style work training.
Author: Heywood, Lachlan
Source: Courier Mail
Date Issue: 25 February 2000
Page: 12

QUEENSLAND high schools are to become TAFE-style training providers as part of a radical plan aimed at improving school completion rates.

Under the plan, schools will be encouraged to seek accreditation as registered training organisations, which will allow them to deliver nationally-recognised vocational courses alongside traditional academic subjects.

Education Queensland hopes the move will boost the state's alarming school completion rate, which stands at just 68 percent compared with 85 to 90 percent in other industrialised nations.

It has set a long-term goal of having 88 percent of students complete Year 12.

Queensland already leads Australia in offering school-based traineeships and apprenticeships, and many schools currently offer elements of vocational education and training (VET) through subjects registered with the Board of Senior Secondary School Studies.

But an education spokesman said encouraging schools to offer training under the Australian Qualifications Framework would create more direct links from school to work or further training.

“This makes young people more employable, more attractive because the up-front costs to the employer of getting that young person into employment are less,” he said.

“What we’re really doing is ensuring that these young people do have other pathways to follow past Year 12. “If they can’t get a job they walk straight into TAFE and finish things off”.

Education Minister Dean Wells said about half the students in Years 11 and 12 last year included some elements of VET in their senior studies.

But the new programme would give even more curriculum choices and increase post-school options, he said. “With the increased focus on work-based learning, students need the flexibility to mix and match the school and work environments,” Mr Wells said.

“National Training Package qualifications are recognised Australia-wide, so students can take their achievements into all

states and territories and pursue further study and work”.

The programme was launched this week at Marsden State High School, in Logan City, which already has one of the state’s largest vocational education programmes, offering subjects including construction, engineering, furnishing and early childhood studies.

The Queensland Teachers’ Union generally welcomed the move, but union vice-president Steve Ryan said schools would need funding to help them become registered training organisations.

Education Queensland will provide \$15,000 each to high schools to help them reach training organisation status.

Title: Apprentice dropout rate 50 percent: Braddy pushes for national standard.
Author: Cole, Malcolm
Source: Courier Mail (59)
Date Issue: 19 February 2000
Page: 6

MORE than half Queensland’s apprentices and trainees fail to complete their programmes, despite much larger numbers of people entering vocational education.

The State Government has called for better training nationwide, saying quality had been sacrificed in a drive to achieve more programmes.

Employers signed up 11,767 apprentices in Queensland last financial year, the largest number

yet and 43 percent up on the previous 12 months.

The number of trainees rose by 41.5 percent to 32,219 also a record for the state.

But Employment, Training and Industrial Relations Minister Paul Braddy said the vocational education programme completion rate was too low and the Government had ordered an investigation.

More than half the apprentices who started their four-year programmes in 1994-95 failed to complete them and almost 60 percent of traineeships were unfinished over the past five years.

Mr Braddy said Government employment and training initiatives had "made significant gains for many industries critical to the state's economy" and construction had a 41 percent boost in apprentice approvals last year after a four-year decline.

The electrical and electronics, mechanical and fabrication engineering, automotive and food industries also saw strong growth in new apprenticeships.

The Queensland Chamber of Commerce and Industry said it was very pleased at the increased take-up rate for apprenticeships and traineeships, "and our figures would indicate that that is happening right across the state and most industry sectors".

But Employment Services manager Peter Costantini said work was still needed on streamlining administration processes and on attitudes to vocational education among parents and students.

Mr Braddy has issued Queensland's submission to a

Senate committee inquiry into the quality of vocational education and training, which criticises the rapid expansion of the market to include private training providers without uniform controls over course quality.

The submission said providers initially faced tough quality assurance processes, but "very little occurs in terms of assessment verification to ascertain whether or not appropriate standards have been reached".

Mr Braddy called for national regulations for training programmes, saying reforms could only be completed "if the Commonwealth and all states increasingly focus their attention on improving quality".

Australian National Training Authority general manager Chris Eccles supported the Queensland call for central quality assurance, saying it was vital for public and employer confidence in training programmes.

"Australians are entitled to expect quality learning products, quality learning outcomes, relevant information and appropriate support, as well as being able to feel confident in the integrity of training providers," Mr Eccles said.

Mr Costantini said the varying quality standards was responsible for the high dropout rate, but he did not believe a national investigation was needed.

Several measures had begun, including New Apprenticeships Centres, which helped give trainees and employers realistic expectations of on-the-job training.

Title: Queensland Minister calls for consistency.
Author: Illing, Dorothy
Source: Australian
Date Issue: 16 February 2000
Page: 44

The Queensland Government has called for greater national consistency and stronger quality reforms in vocational education and training.

It is also seeking an urgent review of the relationship between Commonwealth and state employer incentive payments for apprenticeships and traineeships.

Queensland Employment, Training and Industrial Relations Minister Paul Braddy this week asked the Federal Government, the states and the Australian National Training Authority to focus on improving the quality of training.

He said a national agreement was needed to ensure all Australians viewed apprenticeships and traineeships as activities to enhance skills, not just generate employment.

“The unfortunate withdrawal of the Commonwealth from labour market programs led to many employers using traineeships as substitute wage-subsidy programs,” Mr Braddy said.

“This has created a situation where many apprentices and trainees have not been completing their training”.

In its submission to the Senate committee inquiry into the quality of vocational education and training in Australia, the Queensland Government cites seven areas where it believes the absence of effective and integrated

implementation arrangements and policy consistency are jeopardising the future of training reform in that state.

These are:

- * Inconsistencies in implementing competency-based training.
- * Lack of clarity about the key objectives of employment-based training.
- * Inconsistencies in approaches to eligibility criteria and incentives.
- * Rapid growth of the training market without the administrative or quality assurance systems in place.
- * Inconsistencies in the application of quality assurance arrangements.
- * Inconsistent approaches to marketing.
- * Improving the capacity of training providers to operate in the national system.

The submission draws heavily on the recommendations of last year's Schofield report into the quality of training in Queensland's traineeship system.



This Publication:

LBR 4/00 *An Ombudsman for Apprentices and Trainees: The Training and Employment Bill 2000 (QPL May 2000)*

Related Publications:

RB 2/98 *New Directions in Vocational Education and Training for Queensland (QPL Feb 1998)*

LB 3/98 *Vocational Education and Training Update: A Comparative Summary of the 1998 Bills and the 1997 Consultation Drafts (QPL March 1998)*