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Ms Sally Heycox  
Senior Project Officer  
Review of Apprenticeships and Traineeships  
in New South Wales  
NSW Department of Industry  
[vtu@industry.nsw.gov.au](mailto:vtu@industry.nsw.gov.au)

Dear Ms Heycox

The Public Service Association of NSW welcomes the opportunity to comment on the consultation paper released in July 2016 on proposed changes to the Act and Regulation related to Apprenticeships and Traineeships in NSW.

The Association endorses the detailed submission put together by Unions NSW and wishes to raise some specific additional concerns, based on input from our members:

- the impact of ever-increasing contestability in vocational education and training (VET)
- inaction by government agencies in not taking on apprentices and trainees
- failure to sufficiently act on government policy on indigenous training and employment.

The PSA notes that the Act needs to tighten references to training and accreditation to reflect a system that is becoming increasingly privatised and deregulated. Previously, quality assurance was provided through accountable TAFE provision of training. The greater range of private providers and incentives for them to cut costs and reduce the quality of their services needs to be addressed in all relevant government policy and legislation.

The PSA has grave concerns over the massive cuts to TAFE since 2012 and the impact of the associated 'smart and skilled' reforms. TAFE student numbers have dropped and many students who would have gone to TAFE have not enrolled at all given high fees and/or limited alternatives to TAFE such as in regional areas. Data from the National Centre for Vocational Education Research (NCVER) is showing that the numbers of people taking on training in VET is dropping substantially, and this is reflected in the numbers entering apprenticeships and traineeships. The further expansion of the contestability of vocational education and training funding risks the suitable supply of properly skilled workers.

I note that the NSW Auditor General has recommended that the Audit Office be given "follow the money" powers to conduct performance audits of non-government organisations and private sector companies operating public services. This is relevant for the training sector.

Government based apprenticeships and traineeships have severely dropped off over the past decade or so as many government agencies that employed and trained workers have been corporatised, privatised or altered the way they managed their services.

The Association notes the actions of Ausgrid recently in shutting its electrical trades centre and making the decision to cease employing apprentice electricians. The majority of government apprenticeships and traineeships dealt with maintenance and support such as for the electricity grid, roads and public works. The government has now decided to apply minimum apprenticeship levels to companies employed on major NSW government contracts but this does not replace the loss of maintenance and support apprentices.

The PSA is concerned that consultation paper makes no reference to the NSW Public Sector Aboriginal Employment Strategy 2014-17. This strategy identifies the need for government agencies with low levels of Aboriginal employment to boost their recruitment strategies. Despite this, no effort has been made in this document to consider the effects of changes to apprenticeships and traineeships on the ability of agencies to meet their goals and aspirations in this area. At a time when the Aboriginal population is one of the youngest within the State, any policy affecting the education and transition of young people into work should be required to consider Aboriginal people's needs.

In addition to supporting the recommendations put forward by Unions NSW in its separate submission, the PSA recommends that the Department of Industry:

1. Acknowledge that the changes to training delivery has created a deregulated marketplace that requires a more regulated legislative response to protect the quality of training.
2. Support the PSA position that TAFE should be restored to its former position as the pre-eminent vocational education and training provider in NSW.
3. Ensure changes to the Act and Regulation don't exacerbate the decline in numbers of apprenticeships and traineeships within government agencies and identify strategies to reverse the decline.
4. Acknowledge the role that apprenticeships and traineeships have in meeting government targets for Aboriginal employment and ensure that this issue is incorporated into the policy response.
5. Recommend 'follow the money' powers for the Auditor General in relation to private vocational education and training providers receiving public funds directly or where they benefit from student subsidies.
6. Recommend continued State registration of group training providers to ensure that these important services provide quality outcomes for apprentices and trainees (note page 10 of the consultation paper asks if this registration should continue).

The PSA thanks the Department for the opportunity to comment on this consultation paper and trusts that you will review our concerns in detail.

Yours sincerely,



Anne Gardiner  
General Secretary

23 September 2016