

**INQUIRY INTO VOCATIONAL EDUCATION AND
TRAINING IN NEW SOUTH WALES**

Organisation: All Automotive Training Services Pty Ltd
Date received: 13/08/2015



Registered Training Organisation Code: 91500
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LEGISLATIVE
COUNCIL

Tuesday 11th August, 2015

Attention: To whom it may concern

Submission: Inquiry into Vocational Education and Training in New South Wales

Re: Reinstatement of Government Funding - Smart and Skilled Contract

Introduction

My name is Mr Steven Long I am the CEO of a Registered Training Organisation, All Automotive Training Services Pty Ltd, RTO Code 91500.
I have been in the Automotive Industry since 1977 providing 38 years of service.

As the Chief Executive Officer of All Automotive Training Services Pty Ltd, I am seeking reinstatement of Government Funding under a Smart and Skilled Contract. Many RTOs underwent a Tender Process in June - July 2014 the results of which were not made available until October 2014. I feel the tender did not allow a fair and equitable assessment of not just my RTO but many other respected RTOs in the Automotive Industry to which we have been a part since 1997.

All Automotive Training Services has been providing high quality training to Apprentices in the Automotive Industry since 1997. Prior to this we were LP Gas Training and Technical Services and our role was the design and development of the factory approved LPG System training for General Motors Holden's Limited.

Our duties included the development of all training materials along with facilitation on a National Basis of all ongoing Fitment, Technical and Maintenance Training Programs for the National Dealership Network.

We were the first private provider to work with a Major Car Manufacturer, Mazda Australia Pty Limited to design, develop and deliver an In-house Certificate III Light Vehicle Apprenticeship Training Program. We developed the program as per the National Training Package of the time. The program became very highly recognised and other Manufacturers saw what we were doing and contacted me regarding a program for their organisation.

So I believe that this made All Automotive Training Services Pty Ltd as a Private Provider the pioneers of the In-house Certificate III Apprenticeship Training Program for light vehicle apprentices within the Automotive Industry.

The loss of funding has had a major effect on the operation of our business and is now costing our clients more to train their apprentices.

The actual tender was never designed to give a clear, valid, fair and equitable assessment of RTO's such as ourselves. At no point was there an area for us to provide further information that would have more than adequately answered the question. The original document we received prior to the tender states that an appeals process would be put in place. A reviewer would be assigned to discuss the outcome, this has never taken place and we have contacted smart and skilled regarding such an appeal.

They referred us back to NSW State Training Services who in turn said, they would review our tender outcome, that was in April this year and we have only just been able to get a face to face meeting to be held on Monday 17th August 2015 some 4 months later. We have however, noticed as of July 2015 that some of the other Automotive RTO's in NSW are now being given an extended Smart and Skilled Contract. I believe as a committed Australian Company and Automotive RTO with the years of experience within our industry that we should be given the same opportunity.

Key Issues:

The key issues at the moment are how do we have more enrolments into the Automotive Industry?

One of the biggest problems facing the Automotive Industry today when compared to other vocations is:

- a) The Rate of remuneration an apprentice is paid especially when they are expected to purchase their trade tools to carry out their duties.
- b) The now lack of user choice regarding an RTO to attend to complete their chosen studies.
- c) The number of students they have to compete with when attending a TAFE College. They are not receiving the attention required during the day or days of attendance.
- d) The fact that a Student has to actually carryout self - paced learning and virtually teach themselves.
- e) Far too much reliance on Computer and E Learning for a Trade were the Technician is actually dealing with **People's Lives on a daily basis.**
- f) The fact that to many of the Motoring Organisations, Factory Programs and a number of RTOs rely solely on the workplace carrying out the training and relying on a workplace foreman / supervisor to be the trainer when they are not suitably qualified.

g) The lack of actual Practical Testing being conducted to see if the student is actually competent or not.

h) The School Based System isn't working as there are far too many Schools taking advantage of these programs to source government funding as additional income into the school. Far too many students are being signed off as competent when they really have no comprehension of the subject and performance criteria within the competency.

Evidence:

Evidence can be provided by simply conducting RPL (Recognition of Prior Learning) or RCC (Recognition of Current Competency) Test and noting the outcome. I have tested apprentices from school based programs that have completed 10 – 19 competencies in a 12 month period. When tested they would not be able to pass 50% of the questions asked.

This is very disturbing when a potential employer is under the impression from the School Based Results that the apprentice is of a Second Year Standard and they are somewhat shocked to learn that the apprentice has very little knowledge and understanding. Then it compounds when given a Mechanical Reasoning Test and they are unable to achieve 50%.

Unfortunately from my experience in the industry there are a lot of apprentices attending TAFE that are also well below the standard required. When you consider we give them a duty of care and great responsibility when working on a vehicle that takes children to school and families on holidays.

Recommendations:

a) Rates of remuneration in the Automotive Industry for Apprentices need a dramatic overhaul to bring them in line with other trades and the cost of living of today. If there is a sensible pay rate which will require and should receive Government assistance, then more School Leavers would be attracted to the Automotive Industry to continue its growth at the moment numbers are not where they use to be.

b) The Smart and Skilled Contractual arrangement has now eliminated a large group of RTOs from being a viable option and are being priced out of the market some have already closed down. This now gives the few that have a contract a complete monopoly on the Automotive Training Market.

This is an unfair practice and restriction of trade to RTO's such as ourself. This whole process requires urgency in correcting a massive wrong to the RTO's that have been affected and a bigger market is needed to maintain a strong competitive Training Industry.

c) TAFE NSW needs other Training Organisations in the market place so that they do not become complacent and they do have to compete for students and the level of training offered is of a much higher standard than that which currently exists. They need full time dedicated Teachers and not the number of part time teachers that are currently used.

They are made to have to go out in the workplace to actually conduct work in the fields they are teaching so that they meet compliance in relation to remaining current in the industry and its workplace policies and processes.

d) The dependence on the student to carry out self-paced learning is removed and a return to instructor lead training is reinstated. E learning has a place but has become too large a part of this particular industry. How can a student demonstrate what they can actually do practically in relation to Hydraulic Braking Systems, service, diagnosis and repair processes. Get braking systems wrong on a vehicle and the outcome could be fatal.

e) Again in relation to E Learning it does have its place but unfortunately it is used as a baby sitter so the teacher or Trainer can leave the students to their own devices. This is always being spoke about in industry and needs to be reduced. A return as previously mentioned to proper teaching in relation to instructor lead classes and smaller numbers so students receive the high level of training they deserve and are paying for?

f) More responsibility from the RTO in regards to time spent with their apprentices in regards to them achieving competence in the workplace and this is not being left to the workplace supervisor or foreman. Motoring Organisations that wish to be RTO's to conduct training in a more complete manner. Not just drops in, ask a few questions, swap work books and then move on. All responsibility in this instance in relation to training is for the student to do the work book and the workplace to carry out all the training.

The Motoring Organisation is being paid Government funding for very little? I find this somewhat questionable. How do they meet compliance and how do they maintain a registration? If the Motoring Organisation is to be an RTO then they should be the industry Leaders along with TAFE as TAFE is a Government Institution.

g) As previously mentioned more actual practical testing to see if the student can actually perform the task to the required performance criteria. The training packages need to be finalised for a longer period as RTO's just don't have the time to keep re-writing all of the training materials every few years. Time spent carrying out this job impacts on time that could be spent providing the education and standards required.

h) The School Based System needs a major overhaul it is not as successful as people would believe it to be. The other option would be to drop the program all together and allow schools to concentrate on educating their students, so they can make an educated choice when it comes to choosing their future vocation. It is obvious that students are being signed off in the Automotive stream by simply attending and achieving very little.

They are then unfortunately caught out once moving to industry and if they have to sit a test they can't achieve the result required. This result can actually work against them in achieving an apprenticeship.

If school based programs are to exist then the teachers delivering the training need to be trade qualified and held accountable for the competencies they sign off just like any trainer within an RTO. What happens when the student goes home, works on the family car but gets it wrong?

Summary:

In summary I would like to highlight the following points:

Smart and Skilled has not achieved the outcomes anticipated and to be carrying out a survey currently on its first year of implementation is ridiculous when it didn't start until January 2015?

It has only served in the Automotive Industry to allow a small number of RTO's to gain a monopoly on the market. This is now proving to be a restriction of trade to the RTO's remaining and wishing to try and continue training in the industry without a contract. This is making it financially unviable for remaining RTOs to continue, a lot will fall by the wayside and a lot have already closed down as a result. This is devastating when the market is supposed to be a market for user choice? We have to remember that most RTO's are also good Australian Companies and as such should be afforded respect and protection in the decision making process.

- a) Apprentices Wages and remuneration packages to be revised and brought into line with other trades and reflect an improvement in relation to the current cost of living standards.
- b) Smart and Skilled to be reviewed urgently to allow more RTOs back into the Automotive Market to reinvigorate a healthy and competitive market place and provide the user choices of more than 2/3 RTOs to attend for their field of studies.
- c) Student numbers in classes to be of sensible proportions so more time and focus is spent on their Education within their field of study for which they are paying.
- d) Self Paced and E Learning to be a lesser portion of the overall training structure with a return to proper focused instructor lead training and therefore more student interaction. A balance of 75% instructor and 25% other.
- e) E Learning to be a lesser portion of the training structure a practical hand on approach for assessment purposes to be introduced. Trainers, Assessors and any School Based Teachers to be suitably trade qualified and must maintain their currency by being able to demonstrate and conduct all practical exercises expected of the students.

f) More responsibility taken and accountability of the Motoring Organisations wishing to be an RTO. Not just a so called training program where they simply call in for 20 minutes see the apprentice switch over books and go again. Leaving all of the training responsibilities with the apprentice to teach themselves and the workplace supervisor or foreman.

g) A more hands on practical approach when conducting assessments so that the student can actually demonstrate competence. Computer testing should be a lesser portion of the overall training structure.

h) A complete overhaul if not a dismissal of the current School Based Programs as they are clearly not working in their current form. Schools should be allowed to get back to what they do and that is educate the students to allow them to make an informed career decision when needed and industries to get back to educating correctly via RTO's as well as within the workplace environment.

Kind regards,

Mr Steven Long
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