

House of Representatives Standing Committee on Employment, Education and Training

Inquiry into school to work transition

Questions arising: Monday 16 October 2017

Please find attached the Department of Education and Training and the Department of Employment's responses to questions arising from our appearance at the House of Representatives Standing Committee on Employment, Education and Training Inquiry into school to work transition.

ATTACHMENT A

Department Responsible	Question	Answers																												
Question 1 Employment	<p>Page 2</p> <p>Ms BUTLER: One of the survey questions will be about status—whether permanent or casual?</p> <p>Mr Manning: My understanding is there's a question about the status of their employment at that time.</p> <p>Ms BUTLER: Whether it's permanent or casual?</p> <p>Mr Manning: I would have to take that on notice—as to whether it's general or specific.</p> <p>Ms BUTLER: Could you. If the question is whether you are employed or not, that's a different question to, 'And if you are employed, is it permanent employment?'</p> <p>Mr Manning: It is a different question—yes. But I will have to take it on notice to check with our evaluation area.</p>	<p>The PaTH Internship Labour Force survey asks job seekers whether they are currently in paid work or whether they undertook paid work with the business that hosted their internship in the last three months.</p> <p>The survey asks job seekers to provide the number of hours per week they currently work in all their paid jobs, and the whether their main job is permanent, temporary, seasonal, casual or whether they are self-employed.</p>																												
Question 2 Education and Employment	<p>Page 15</p> <p>Mr Wallace: On notice, can you supply us with average wages for apprentices? Pick some different trades—the building industry, hairdressing, the steel industry—for the first, second, third and fourth years.</p> <p>David Pattie: Sure, we can take that on notice.</p> <p>Mr Wallace: Could you compare that to average wages for people in their early 20s who are in the workforce</p>	<p>Apprentice wages (examples from various industries) for the first, second, third and fourth years.</p> <p>The rates in Table One are the base hourly rates for selected apprentices, which would be subject to overtime and weekend/shift penalties as per the relevant award:</p> <p><u>Table One: Weekly rates for apprentices</u></p> <table><tr><th rowspan="2">Award/Industry</th><th rowspan="2">Classification</th><th colspan="4">Year/ Stage</th></tr><tr><th>First</th><th>Second</th><th>Third</th><th>Fourth</th></tr><tr><td>Hair and Beauty Award 2010</td><td>Hairdressing apprentice - Started after 1 Jan 2014 - Completed year 12</td><td>\$11.71</td><td>\$13.84</td><td>\$16.40</td><td>\$19.16</td></tr><tr><td>Hair and Beauty Award 2010</td><td>Hairdressing apprentice - Started after 1 Jan 2014 - Did not complete year 12</td><td>\$10.65</td><td>\$12.78</td><td>\$16.40</td><td>\$19.16</td></tr><tr><td>Hair and Beauty Award 2010</td><td>Adult hairdressing apprentice - Started after 1 Jan 2014</td><td>\$17.03</td><td>\$20.08</td><td>\$20.08</td><td>\$20.08</td></tr></table>	Award/Industry	Classification	Year/ Stage				First	Second	Third	Fourth	Hair and Beauty Award 2010	Hairdressing apprentice - Started after 1 Jan 2014 - Completed year 12	\$11.71	\$13.84	\$16.40	\$19.16	Hair and Beauty Award 2010	Hairdressing apprentice - Started after 1 Jan 2014 - Did not complete year 12	\$10.65	\$12.78	\$16.40	\$19.16	Hair and Beauty Award 2010	Adult hairdressing apprentice - Started after 1 Jan 2014	\$17.03	\$20.08	\$20.08	\$20.08
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Hair and Beauty Award 2010	Adult hairdressing apprentice - Started after 1 Jan 2014	\$17.03	\$20.08	\$20.08	\$20.08																									

and who aren't on apprenticeships? Ms Jensen: We will do our best. David Pattie: We will do our best. Mr Wallace: I think we need to draw a comparison for someone who does a trade, and for those four years is earning X, and if they worked for McDonald's or Coles where they would be earning Y. I am not limiting it to McDonald's or Coles. David Pattie: We will take it on notice and see what we can do. There may be some limitations in our data, but we will see what we can do.	Building and Construction General On Site Award 2010	Apprentice - 4 years - Started after 1 Jan 2014 - Refractory bricklayer – did not complete grade 12	\$13.19	\$15.55	\$19.09	\$22.63
	Building and Construction General On Site Award 2010	Apprentice - 4 years - Started after 1 Jan 2014 - Refractory bricklayer – did complete grade 12	\$14.36	\$16.72	\$19.09	\$22.63
	Building and Construction General On Site Award 2010	Adult apprentice - 4 years - Refractory bricklayer	\$22.60	22.60	\$22.60	\$22.63
	Building and Construction General On Site Award 2010	Apprentice - 4 years - Started after 1 Jan 2014 - Electrotechnology training package – did not complete grade 12	\$11.96	\$14.11	\$17.34	\$20.56
	Building and Construction General On Site Award 2010	Apprentice - 4 years - Started after 1 Jan 2014 - Electrotechnology training package – did complete grade 12	\$13.04	\$15.19	\$17.34	\$20.56
	Building and Construction General On Site Award 2010	Adult Apprentice - All years/stages - Electrotechnology training package	\$20.64	\$20.64	\$20.64	\$20.64
	Manufacturing and Associated Industries and Occupations Award 2010	Apprentice - Started after 1 Jan 2014 - Did not complete year 12 Full-time & part-time	\$10.65	\$12.78	\$15.97	\$18.74*
	Manufacturing and Associated Industries and Occupations Award 2010	Apprentice - Started after 1 Jan 2014 - Completed year 12 Full-time & part-time	\$11.71	\$13.84	\$15.97	\$19.53*
	Manufacturing and Associated Industries and Occupations Award 2010	Adult apprentice - Started after 1 Jan 2014 - Full-time & part-time	\$17.03	\$18.29	\$18.81	\$19.53*
	*\$20.44 for higher engineering and \$21.92 for advanced engineering					
Comparison of apprentice and non-apprentice wages in industries such as retail, fast food and hospitality industries						
Table two shows the minimum rates of pay for adults (over the age of 20) in the selected awards. Additional penalties may apply at certain times, e.g. weekend or night. No enterprise bargaining agreement may pay less than these rates.						
<u>Table Two: retail, fast food and hospitality hourly rates</u>						
Award		Classification	Hourly rate			
General Retail Industry Award 2010		Retail employee level 1 – e.g., Shop Assistant, Check-out Operator	\$20.08			
Fast Food Industry Award 2010		Fast Food Employee Level 1	\$20.08			
Hospitality Industry (General) Award		Food and beverage stream attendant grade 2 – e.g., waiter	\$19.53			

		<div>2010</div> <p>It is difficult to provide direct comparisons between industries as apprentice wage structures vary by award. Minimum rates of pay for apprentices and trainees are set by the Fair Work Commission, and are considered each July as part of the annual wage review. Rates of pay and conditions for specific types of apprentices are generally found within modern awards.</p> <p>There is some variation in pay rates depending on the age of apprentices, and whether apprentices are school-based. There is also the principle of competency-based wage progression for most apprentices, which means they can progress to higher pay rates as they are able to demonstrate skills, rather than by time served. Some awards have additional allowances for apprentices.</p>
Question 3 Employment	<p>Page 15</p> <p>Ms LAMB: I would like to go to a couple of questions around regional areas of Australia and youth unemployment. To go back to the PaTH internship: Mr Manning, you mentioned on 8 October that there were 2,291 placements of which 930 were completed and 643 have gained employment since. Can we get a breakdown of how many of those placements, including those who have been completed and employed, are in regional areas of Australia? Given that we have upwards of 20 per cent unemployment in regional areas that increases when we look at youth unemployment, I am very keen to see where PaTH internships are being rolled out in Australia, and how many are in those regional areas where we have the most need to deal with unemployment. Do you have that data on you now?</p> <p>Mr Manning: I don't have it with me now. Do you want it simply as a regional-metro split, or we could break it down by employment regions</p>	<p>As at 8 October 2017:</p> <ul style="list-style-type: none"> • 1,300 internship placements commenced to date in Metropolitan areas. <ul style="list-style-type: none"> • 409 young people were still undertaking an internship in a business. • 537 internship placements successfully completed, of which: <ul style="list-style-type: none"> • 358 resulted in employment with the host business or another business (67% of placements that successfully completed) • 151 (28%) did not result in employment • 28 (5%) ended early with no offer of employment with agreement by the host, intern and provider • 291 ended early without employment • 63 were pending an end reason. • 991 internship placements commenced to date in Regional areas. <ul style="list-style-type: none"> • 302 young people were still undertaking an internship in a business. • 393 internship placements successfully completed, of which: <ul style="list-style-type: none"> • 285 resulted in employment with the host business or another business (73% of placements that successfully completed) • 95 (24%) did not result in employment • 13 (3%) ended early with no offer of employment with agreement by the host, intern and provider • 251 ended early without employment • 45 were pending an end reason.

	<p>potentially?</p> <p>Ms LAMB: Maybe it is an extension of Ms Butler's request where we are continuing to try and look through the types of employment that is being offered. It would be good to have another intersection there that does it by regions, in particular regional areas of Australia, to see and do the comparison of PaTH internships and how they are playing out in regional versus metro.</p> <p>Mr Manning: Yes.</p>													
Question 4 Employment	<p>Page 15-16</p> <p>Ms LAMB: I was wondering whether you can speak a little more to encouraging entrepreneurship and self-employment that your submission goes to, in particular—again, around the regions—programs being run in Cairns, the Hunter including Newcastle, Launceston and north-east Tasmania. Can you talk to us about what we have found since its introduction in 2016?</p> <p>Mr Manning: Unfortunately, I didn't bring that data with me, but it goes back to the premise of your original question in the sense that employment facilitators were chosen in areas with high youth unemployment. I suppose their role is to disseminate information generally and make connections generally about what's possible in terms of becoming self-employed. Specifically with people, they will also work with them to do a whole range of things</p>	<p><u>SelfStart</u></p> <p>SelfStart is an online hub designed to be a starting point for young people who wish to explore and develop their ideas into a successful business. SelfStart is located at https://www.jobactive.gov.au/selfstart.</p> <p>From 5 December 2016 to 30 October 2017 there were 108,374 SelfStart page views.</p> <p><u>Exploring Being My Own Boss Workshops</u></p> <p>Exploring Being My Own Boss Workshops are designed to provide participants with a greater understanding of what is involved in running their own business and what skills they may need. The Workshops are run by NEIS providers nationally and assist up to 1,000 participants each financial year.</p> <p>Exploring Being My Own Boss Workshops – 5 December 2016 to 31 October 2017</p> <table border="1"> <thead> <tr> <th></th><th>Total Participants</th><th>Youth (<25 years)</th></tr> </thead> <tbody> <tr> <td>Metropolitan</td><td>311</td><td>38</td></tr> <tr> <td>Regional</td><td>145</td><td>34</td></tr> <tr> <td>Total</td><td>456</td><td>72</td></tr> </tbody> </table> <p><u>Entrepreneurship Facilitators</u></p> <p>The Entrepreneurship Facilitators are located in three regions where there is high youth unemployment and low rates of youth self-employment — Cairns, Hunter (including Newcastle) and Launceston and North East Tasmania.</p> <p>The Entrepreneurship Facilitators promote entrepreneurship and self-employment and support potential</p>		Total Participants	Youth (<25 years)	Metropolitan	311	38	Regional	145	34	Total	456	72
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depending upon the need of the people they're working with. Everything from encouraging them to have the courage to make something they might be interested in; connecting them with others in the area who might be able to mentor them with existing state, Commonwealth or local government programs to get support; giving them tips about how to approach everything, like finance and the structure of their business; and then, potentially, also connecting them with other services, like the New Enterprise Incentive Scheme. It's a program whereby jobseekers can receive practical and financial support to establish a small business.

Ms LAMB: How many people are taking up or using this funding? There's an extra \$92 million on top of the existing funding envelope. How many young people in regional areas are picking up?

Mr Manning: I will take that on notice and get that for you. The entrepreneurship facilitators provide periodic reports about the number of people they've helped, specifically and generally—that is, was it just general information or was it specific, more targeted assistance? I don't have it with me, but we can take that and get it for you. In addition, there was a range of measures announced at the same time. There were the three entrepreneurship facilitators and then

entrepreneurs to establish their own businesses, including connecting them to existing services and programs such as NEIS.

Entrepreneurship Facilitators – 5 December 2016 to 30 September 2017*

Location	Total Individuals Assisted	Comprehensive Support		General Assistance	
		Youth	Other Clients	Youth	Other Clients
Cairns	3,436	26	105	1,008	2,297
Hunter (including Newcastle)	1,807	17	126	1,320	344
Launceston and North East Tasmania	5,559	52	128	1,242	4,137
Total	10,802	95	359	3,570	6,778

**based on information provided in quarterly Entrepreneurship Facilitator progress reports*

	<p>there were also a number of workshops called 'Exploring Being My Own Boss' workshops. They were two-week workshops to, again, get people thinking about self-employment as a career option and to tease out whether they're suited to it, and to gain a better understanding, again, as a precursor to perhaps going into things like the New Enterprise Incentive Scheme. It can also give you the figures for how many people have attended those workshops, broken down by region, if that will assist you. For the sake of completeness, the third aspect of that package was a self-start website, which we won't be able to break down by region in terms of how many people have accessed it.</p>	
<p>Question 5 Education</p>	<p>Page 16 CHAIR: I have a snapshot that came yesterday. I note some summaries of Gonski 2.0 in this publication, which has come from the CIS, and their assessment that class size is not a significant factor in school outcomes. Is that a view that is held anywhere more broadly? It seemed to be quite an absolute statement. Is there any work that you're aware of being done in our jurisdictions around class size? Ms Bloor: I'm not specifically responsible for teaching and classroom practice, but I can say that their finding is certainly consistent with findings out of the OECD. Internationally, investment in class sizes doesn't necessarily lead to</p>	<p>While the Australian Government plays a leadership role in school education, it recognises that states, territories and the non-government school sector are best placed to provide information regarding work being undertaken in their jurisdictions around class size.</p> <p>Recent research, however, on student-teacher ratios in Australia (2015, ABS Cat. No. 4221.0 <i>Schools, Australia</i>, 2009-2014 releases) indicates that across the government and non-government sector, student/teacher ratios have fallen in primary schools from 1993 to 2014, with a 15 per cent reduction in the number of students per teacher (i.e. more teachers per students) and in all secondary schools, again from 1993 to 2014, with a 3 per cent reduction in the number of students per teacher (i.e. more teachers per students). The inclusion of class size limits is a feature of state and territory industrial agreements.</p> <p>Findings from the OECD Programme for International Student Assessment (PISA) show that school systems prioritising higher teacher quality over smaller classes tend to perform better. The Government supports the OECD finding that the amount spent on education is less important than <i>how</i> those resources are used. The Government's <i>Review to Achieve Educational Excellence in Australian Schools</i>, chaired by Mr David Gonski AC, is examining evidence, and will make recommendations, on the most effective teaching and learning strategies and initiatives to improve student outcomes. The final report and recommendations will be provided to Government by March 2018.</p>

	<p>improved performance.</p> <p>Mr FALINSKI: Is that across all years or just in high school?</p> <p>Ms Bloor: We would have to take that on notice.</p>	
Question 6 Education	<p>Page 16</p> <p>CHAIR: We have also encountered around the country groups, particularly based in universities, that are working on specialist changes to the curriculum and contributing to, for instance, improving the understanding of math and numeracy in Indigenous populations and high-need populations. There's the YuMi Deadly program at QUT. Could you take on notice whether there are any other programs that are run, particularly out of universities, that we might be encountering as part of this inquiry that are working on strengthening the curriculum? Obviously these are state responsibilities, but there's a role for the federal government in the dissemination of best practice and demonstration of projects and the like. Possibly on notice, just some of those programs so the we don't miss them when we're in those relevant cities.</p> <p>David Pattie: Sure. We can do that.</p>	<p>The Department of Education and Training does not currently fund any specialist programs that target Indigenous aspiration and competency in numeracy within the context of the Australian Curriculum.</p> <p>However, there are a number of extra-curricular programs operating in Australian universities, in addition to the YuMI Deadly program at QUT, that focus on boosting the numeracy of Indigenous students and high-need populations. Examples include the Excellence and Equity in Maths (ex.edu.au) program at UniSA, and the National Centre of Science, Information and Communication Technology, and Mathematics Education for Rural and Regional Australia (SiMERR) at the University of New England.</p>
Question 7 Education	<p>Page 20-21</p> <p>CHAIR: Thank you for attending. There are a couple of elements we will be following up on and exchanging information on. We've made that brief reference to the Victorian inquiry into careers. Is it normal for the</p>	<p>There are currently two inquiries related to career education underway in Victoria.</p> <p>An Inquiry into Career Advice Activities in Victorian Schools was referred to the Parliament of Victoria's Economic, Education, Jobs and Skills Committee on 7 September 2017 to report by 30 March 2018. We understand the review is to cover both government and non-government schools in Victoria. Submissions are open until December 2017 and no hearings have been scheduled to date. The Australian Government Department of Education and Training has not been invited to participate at this point in time.</p>

	<p>Commonwealth to be invited to state inquiries? We tend to invite state governments. Do you—</p> <p>Ms Jensen: We often are, yes.</p> <p>CHAIR: Would you mind checking if you were invited to this particular one in Victoria and letting us know?</p> <p>Ms Jensen: Which one was it?</p> <p>CHAIR: It was a careers advice inquiry by the Victorian government.</p> <p>Ms Jensen: We may have.</p> <p>CHAIR: If you could let the secretariat know.</p> <p>Ms Jensen: We are happy to check.</p> <p>David Pattie: We will check.</p>	<p>A second inquiry is being undertaken into career education in government schools in Victoria. The Victorian Department of Education and Training engaged dandolopartners in partnership with Mitchell Institute in August 2017 to undertake the review. The Department has advised they will receive the report later this year. The Australian Government Department of Education and Training was not part of the consultations.</p>
Additional Question Employment	<p>Page 3</p> <p>Mr Manning: Of the 930 who completed their internship, as at that date 643 were in employment—meaning 287 weren't.</p> <p>Ms BUTLER: But, when you say 'in employment', do you know whether that's one hour a week or 40 hours week?</p> <p>Mr Manning: That gets back to the earlier question about a post-program survey. We'll be able to tell that by tracking the people and essentially seeing whether they are in benefit.</p> <p>Ms BUTLER: But right now?</p> <p>Mr Manning: I can't tell you, off the top of my head, no.</p> <p>Ms BUTLER: But right now that could be 643 people on 40 hours a week or 643 on one hour a week or it could be—</p> <p>Mr Manning: There would be a variety of hours; that's right.</p>	<p>Further to the post-program monitoring surveys which will provide an indication of the nature of employment following a PaTH internship, another indicator is the administrative data on paid employment outcomes following a PaTH internship. A jobactive 4-week partial employment outcome is achieved when a job seeker is in employment, unsubsidised self-employment or an apprenticeship or traineeship and has at least a 60% income support rate reduction, or partially meets their hourly requirements, for a four week period. A full employment outcome requires the job seeker to achieve a 100% income support reduction, or meet their hourly requirements.</p> <p>A job seeker would need to be working substantial hours in order to reduce their income support by 60%. For example, a single person on Newstart Allowance, would need to earn \$1,041.67 per fortnight before their income support was reduced to zero. It is therefore highly unlikely that a job seeker would be able to achieve a 60% or 100% income reduction by working only a few hours a week.</p> <p>The department is able to provide early, indicative data on the sustainability of job placements following an internship based on the rate of job placements that convert to jobactive 4-week employment outcomes. Job placements that occurred more than four weeks in the past can be analysed. In addition, before inclusion, the department allows a further 56 days in the past to ensure most outcomes claimed by providers can be reported.</p> <p>There were 197 jobactive job placements with the host business following an internship that were eligible to be analysed for a four week outcome. Of these, 159 (81%) achieved a four week outcome. While it is still early in the program and these are small numbers, it is above the overall four week conversion rate for jobactive, which is 61.6%.</p> <p>The department will continue to monitor these outcomes as more data becomes available.</p>

	<p>Ms BUTLER: And we also don't know whether it's 643 people in casual jobs or not.</p> <p>Mr Manning: We know that they are not all in casual jobs, but I can't give you the breakdown of the total.</p> <p>Ms BUTLER: So it could be 10 per cent to 90 per cent or fifty-fifty; you just don't know.</p> <p>Mr Manning: I don't know that today, no.</p>	
Additional Question Education	<p>Page 16</p> <p>CHAIR: ... are you aware of any work being done around the country looking at breaking down the barriers between trades, education and formal university education, or examples where TAFE and universities have blended their offerings for that purpose? Is anyone around the country breaking down these barriers?</p> <p>David Pattie: If there are some specific details, we'll probably have to take that on notice to give you some advice... We can look at more detail if you have something specific but—</p> <p>CHAIR: Only if you are aware of states pursuing it more aggressively.</p> <p>David Pattie: I don't have it right on me at the moment.</p> <p>Mr Wallace: Or other countries.</p> <p>CHAIR: Good point.</p> <p>David Pattie: I don't have it in front of me.</p> <p>CHAIR: Okay.</p>	<p>The 2017–18 Budget higher education reform package aimed to improve the coherence of Australia's further education system by:</p> <ul style="list-style-type: none"> • ensuring better connectivity between sub-bachelor and bachelor level courses through stronger articulation requirements • reviewing the Australian Qualifications Review (AQF) Framework which would include an assessment of whether emerging qualifications, such as microcredentials should be nested within the Framework and whether foundation and enabling courses should be recognised as part of a sub qualification credit framework • reviewing the Higher Education Provider Category Standards which will identify what categories of provider are best to support the future development of the Australian higher education system and identify any barriers which are negatively impacting on its ability to meet the Government's and the community's expectations. <p>Some universities and TAFEs are developing innovative courses that facilitate movement between VET and higher education. For instance, Central Queensland University, which has recently become a dual sector provider, has deliberately structured a number of courses to allow for seamless transition from VET to higher education. These include:</p> <ul style="list-style-type: none"> • The Bachelor of Hospitality Management, which requires that entrants have already completed a VET Diploma or Advanced Diploma of Hospitality Management. Students receive credit equivalent to the full first year of the bachelor degree, meaning they complete the bachelor in two years of full-time study. https://www.cqu.edu.au/courses/study-areas/service-industries/undergraduate/bachelor-of-hospitality-management • The Bachelor of Education (Primary) is also designed to enable students who already hold the VET Diploma of Early Childhood Education and Care to enter the second year of the bachelor course. https://www.cqu.edu.au/courses/study-areas/education-and-humanities/undergraduate/bachelor-of-education-primary

Additional Question Education	<p>Page 14</p> <p>Mr Wallace: On page 14 of my document, under programs that are in place to encourage preapprenticeship training, you talk about the multi-industry, school based and preapprenticeship support pilot project. How are the school based apprenticeship programs going?</p> <p>David Pattie: In what sense?</p> <p>Mr Wallace: Are they successful? Are they resulting in young people taking on full-time apprenticeships once they finish school?</p> <p>David Pattie: We might come back to you with some numbers around that. We could talk to our apprenticeship people and get you some numbers flow or whatever for that; that would probably be easier.</p>	<p>As at 10 November 2017, there have been 563 enrolments in the school-based stream of the Multi Industry Project (MIP). Among this cohort 212 MIP participants have completed their training, resulting in 58 apprenticeships outcomes (either an Australian School-based Apprenticeship or full-time Australian Apprenticeship).</p> <p>We expect more apprenticeship outcomes from this group as a result of a number of the participants having only recently completed. Participant survey results indicate that more than 100 of the MIP participants intend to commence an apprenticeship within the next 12 months.</p>
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