HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON EMPLOYMENT, EDUCATION AND TRAINING

(Forum)

Reference: Factors influencing the employment of young people

HOBART

Wednesday, 19 February 1997

OFFICIAL HANSARD REPORT

CANBERRA

HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON EMPLOYMENT, EDUCATION AND TRAINING

Members

Mr Charles (Chair)

Mr Peter Baldwin	Mrs Gash
Mr Barresi	Mr Marek
Mr Bradford	Mr Mossfield
Mr Brough	Mr Neville
Mr Dargavel	Mr Pyne
Mrs Elson	Mr Sawford
Mr Martin Ferguson	

Matter referred for inquiry into and report on:

Factors influencing the employment of young people.

WITNESSES

HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON EMPLOYMENT, EDUCATION AND TRAINING

Factors influencing the employment of young people

HOBART

Thursday, 19 February 1997

Present

Mr Charles (Chair)

Mr Brough	Mr Mossfield
Mr Dargavel	Mr Neville
Mrs Elson	Mr Sawford

The committee met at 9.17 a.m.

Mr Charles took the chair.

CHAIR—I declare open this school forum on the inquiry into factors influencing the employment of young people. The purpose of the inquiry is to consult widely and produce recommendations for government action that will help promote the employment prospects of young people. The committee conducted similar school forums at Caboolture in Queensland and at Blacktown in New South Wales, late last year. Students and members of the committee agreed that the forums were a valuable opportunity to share concerns and express views about this most important issue. The committee considers forums such as this to be an important part of the inquiry process.

So far, the committee has received over 90 submissions and has conducted public hearings in Canberra, Sydney, Melbourne, Adelaide and Brisbane. For the most part, the evidence collected has come from employers and government and non-government agencies. Through this school forum, all participants will have the opportunity to voice your views and opinions on this issue. The agenda and issues for discussion have been sent to you, and you have had prior opportunity to study the issues. Some of the issues we wish to discuss today include the effectiveness and appropriateness of the secondary education system; vocational education in schools; employer perceptions of young people; apprenticeships and traineeships; youth wages; income assistance; and any other issues you may wish to discuss. To help structure the debate, I will introduce each section with a few comments based on evidence that has already been provided to the committee. I will then seek your comments and views on the matter under discussion.

PARTICIPANTS

Bridgewater High School:
BROWN, Miss Stacey
COOPER, Miss Kristy
MILLINGTON, Mr Matthew
NOVAK, Mr Phillip

Claremont College:
DEVINE, Miss Allison
FALETIC, Miss Metka

Cosgrove High School:
ALLWRIGHT, Miss Renee
BLANTON, Mr Luke
CLARKE, Miss Miranda
LOGAN, Ms Janelle
SPOTSWOOD, Mr Matthew

Hobart College:
DARBY, Mr Saul
FINDLAY, Mr Kaspar
HODGSON, Mr David
JOHNSON, Mr Beau
NICHOLS, Mr Benjamin
PATHIK, Ms Aarthi
ROTTIER, Ms Riannan
SCHRAMM, Mr Richard
WINSPEAR, Mr Dallas

Rosny College:
JOB, Mr Andrew

Taroona High School:
DENHOLM, Miss Andrea
RAYNER, Mr Geoff
RICHARDS, Mr Nick
SPIERS, Miss Amy
SPIERS, Miss Claire

CHAIR—Thank you all very much for coming. This looks awfully formal with us sitting up here like stuffed pigeons, but it is not meant to be like that. We want to get your views on what you think will help you get jobs. There are really two things we are trying to look at in this inquiry. The first is how we can help you to be more employable. Do you understand that? The second is how we can encourage employers to hire more young people, so that we can do something about this horrible state of affairs whereby, when you leave school, you might have difficulty finding a job. Thank you for agreeing to participate.

This format is not meant to be intimidating. There is nothing whatsoever frightening about it. The other two forums went very well, and the young people really told us what they thought about their schooling, their parents, employers, opportunities—the lot. It was really good, and so we hope you are in a frame of mind this morning to tell us what you really think. If your teachers are here, do not let them intimidate you, either.

Our first topic is the effectiveness and appropriateness of the education system, and it links in with the second topic, which is vocation and education. A lot of young people have told us that the curriculum is a bit out of sync with what they think employers want. All they ever hear from their teachers and from their parents is, 'Go to university. If you do not go to university, there is never going to be any work for you, and you have got a horrible life ahead of you.' They told us that there is not enough vocational orientation for some young people in the school system, and all these sorts of things. Do you think that the schools are equipping you for employment when you ultimately decide to leave school?

Mr Millington—I am from Bridgewater High School. I am 15, and I think that high school gives a good stepping stone to college, which then gets you ready for jobs.

Mr BROUGH—Please put your hand up if you already have a part-time job, so we can get some idea of comparisons with other groups. Only two in the group have a part-time job. How many are in senior grades: grade 12, grade 11 or Grade 10? You are a slightly younger group than the last one.

Mr DARGAVEL—Who here has had a part-time job of some sort in the last 12 months? More than two people? Has anyone else had a part-time job in the last 12 months, such as casual work at Macca's or anything like that? No? Okay.

Mr SAWFORD—Who has got both parents working?

Mr MOSSFIELD—What sort of careers are you interested in? Are any of you interested in becoming apprentices to any occupation? One hand has gone up for hairdressing.

Mr NEVILLE—What is the entry level for that in Tasmania? Year 10?

Ms Logan—I am not sure.

Mrs ELSON—So you have not been told through the school system?

Ms Logan—No. I am from Cosgrove High and I am 15. I have just started with work experience, but we have only had two lessons. I will find more about that as we go on through the year.

Mr BROUGH—Your college system has grades 11 and 12: is that correct?

Ms Logan—Yes.

Mr BROUGH—So how many are in college in this group? We have only got one in the upper school. The rest of you do not really have any contact with grades 11 and 12: is that right? Okay. It is different from the Queensland system, so I am trying to understand how you operate. Thank you.

Mrs ELSON—Do you have any vocational training sessions out there, or is it mainly focused on university? Does nobody comes from outside to let you know what is going on as far as traineeships, apprenticeships or opportunities other than university education go?

Mr Richards—I am 15 and I am from Taroona High School. We have a work studies program which is a 25-hour, A-syllabus course that you do and it teaches you about work experience and it gets you ready for jobs and things. I have not completed the course yet but I will later on in the year. It teaches you how to get ready for courses and gets you ready for work experience. It is a week where you are out in the work force.

Mr BROUGH—In what year do you do that?

Mr Richards—Year 10.

Mr BROUGH—You do one week, do you?

Mr Richards—Yes.

Mr BROUGH—Is that followed on at college—years 11 and 12?

Mr Job—I am from Rosny College and I am 16 years old. Just in answer to your question, they do have that sort of program but it means taking time off school, usually, or doing it in the holidays. It is a rather popular program at Rosny College whereby you just go out and spend a week in the work force in a particular area in which you may be interested. It is basically the same, a continuation of what you were doing in the year 10 placement.

Mr MOSSFIELD—Do you have any career advisers in your schools who are specialising in advising you on the types of careers that you might like to follow?

Mr Job—We have one person who is a careers counsellor who basically will tell you anything you need to know about any scholarship in Australia, any course offered in Australia at various universities, or about various areas of employment, and there is also the head of the department who can advise you when it comes to your placement for work experience.

Mr MOSSFIELD—So you have one counsellor, do you, in your particular school?

Mr Job—There are several people who are quite capable of being able to tell you about it but we have

one person whose basic job is as careers adviser.

Mr MOSSFIELD—How many students would be in your school?

Mr Job—There are about 1,200 people at Rosny College.

Mr SAWFORD—Does that person have teaching responsibilities?

Mr Job—I believe so, yes.

Mr SAWFORD—Do you know how much?

Mr Job—I am not sure.

Mrs Emmett—That person has one line, 4½ hours a week in the AVTS programs. She has 4½ hours a week teaching time and she is involved with the AVTS programs within the college.

Mr SAWFORD—So 80 per cent, for 1,200 kids.

Mrs Emmett—We do have other counsellors as well. There are three APs that are counsellors, as well as a student councillor, and there are two personal counsellors who can answer questions that students have.

Mr NEVILLE—What proportion of grade 10 students stay on for years 11 and 12? Could one of the teachers answer that for me? That the first part of the question? Secondly, are there any apprenticeships available from grade 10 or are they all grade 12 apprenticeships now in Tasmania?

Mrs Emmett—I do not know. This is a students' forum.

Mr NEVILLE—You have a different system from the other states. I just want to get a feel of whether there are entries into jobs from grade 10, or is it the state government policy to try to get everyone to go to years 11 and 12 before they go into jobs?

Mrs Emmett—It is a state government policy that all year 10 students do years 11 and 12 in colleges. However, there are opportunities for students to go into apprenticeships. I know of a young student who was coming to Rosny. However, she gained an apprenticeship in hairdressing so she went off to that. Some students in year 11 doing the AVTS courses go out and get apprenticeships before they finish their courses because they are so employable.

Mr NEVILLE—But not many do it from grade 10?

Mrs Emmett—I would say not, no, the larger proportion is from year 11 and 12.

Mr BROUGH—What percentage of this group hope to go to university? Would you raise your hands? It is about 60 per cent, would that be right?

To follow on from that, do you think that the schools are equipping you for a university career, an academic career? I know there are lot of different schools so perhaps we can hear from a few people at the different schools. Are you more academically driven in a school with a bent of going on to a university, or do you believe that your school is more in line with putting you into the work force afterwards? Can different people from different schools tell us what their thoughts are, please?

CHAIR—Just before she answers the question, I welcome the two groups that just came in. So that you understand the procedure, you are welcome to talk any time you like, and we really want to hear from you. If you would just raise your hand and then, when you get the nod, speak clearly into the microphone so that *Hansard* knows what is going on. Would you please state your name, age and the school you are from.

Ms Logan—I am Janelle Logan, 15, of Cosgrove High. I think that Cosgrove is mainly trying to get us into the work force rather than going on. They do give us information about going on, but I think that they would prefer us to get a job and stuff like that.

Mr BROUGH—Does someone from one of the other schools want to comment so that we get a cross-section, please?

Mr Darby—Saul Darby, Hobart College. I was thinking that Hobart College, in my experience, has been a place where the type of learning you undertake is more from your own point of view. So if you want to go into the work force and that is the way you want to learn, you can do that. But if you are looking at an education in the university system, then you can choose your courses with that in mind.

Mr BROUGH—So you have a wide variety of courses which allow you to stream yourself basically at college; is that right?

Mr Darby—Yes, it seems that way.

Mr BROUGH—And if you wanted to go into the work force, what sort of vocational activities does your college undertake which will assist you there?

Mr Darby—I am not really too sure because I am not looking at the work force, so I do not get into contact with that area.

Mr SAWFORD—Maybe we can follow that question on now. Who is doing vocational courses? What sort of things are you doing?

Mr Job—I am not doing any vocational courses, but a great deal of my friends are and they have found that they find it easy to get apprenticeships. I am not sure whether you have the ABTS system in Queensland or New South Wales or wherever, but basically the course entails giving you skills for life like maths, English and those other skills which are required as well as giving you insight into the work force. For example, there is an automotive one which will give you actual practical experience at a mechanic's or somewhere like that, and many people have got apprenticeships from that sort of course. And there is a wide variety of courses like retail, automotive, catering and so on.

Mr MOSSFIELD—I would like to ask a question on literacy and numeracy. In our discussions with other groups it has been suggested that some of the schools are not adequately training young people in that very basic area because, no matter what career you go into, the question of literacy and numeracy is extremely important. How do you feel you are being trained in that particular area? Do you feel you have good literacy and numeracy skills; do your friends have good literacy and numeracy skills, or could they be improved?

Miss Claire Spiers—I am from Taroona High and I am 15. I think, personally, I am well equipped, and my friends are well equipped, with literacy and numeracy skills. But I believe there are loopholes, you might say, in schools where people can slip through without being well equipped with all the necessary numeracy and literacy skills.

Miss Cooper—I am from Bridgewater High. I am 15 years old. I think that we do have a good literacy program but sometimes the course does not go long enough. Say, for instance, if you are doing basic maths, you can go into something harder but, if someone does not actually understand the course, they will go on anyway. But sometimes the people that do not learn as fast need extra time on the basics.

Mr BROUGH—What about the college students—the same question?

Mr Nichols—I am from Hobart College. I am now part of the work force; I hold a part-time job. I have found that I have not been equipped with proper numeracy skills, nor have a lot of my friends. There are too many loopholes, I have found, to just avoid learning mental arithmetic and learning to be fast. It is all based around the level of mathematics rather than the speed and accuracy, and really I guess we learn too much on calculators and that sort of thing.

CHAIR—Do you know your times tables?

Mr Nichols—No. I am not proud of that, but it is true that I do not know my times table. I have made an effort over the last couple of years but no, I do not know my times table.

CHAIR—You say you have a part-time job. What about your spelling and your grammar?

Mr Nichols—My spelling and my grammar are fine; I have no problem there. It is the numeracy.

CHAIR—How about all your mates?

Mr Nichols—My mates often have the same problem.

Mr Schramm—I am from Hobart College. I am 17 years old. There is quite a good learning background for numeracy and literacy skills, but in grades 11 and 12 I think maths should be compulsory in both years so that all students can get quite a good background there. As they are not compulsory a lot of students do not have the initiative to do the maths subjects so they are dropping out and not getting that background they need for the workplace.

Mr Darby—I would have to argue with that because I do not think in years 11 and 12, when you are

about to go on to university or into the work force, if you choose to do maths that is all very well, but if you do not want to do that and you feel that your literacy and numeracy skills are good enough to do what you want to do in life, you should not have to be doing that. I think that if you have managed to reach high school without decent numeracy skills you have a problem. It should be the primary school's responsibility to make sure that students have that basic grounding in numeracy and literacy skills.

CHAIR—Do you think they are doing it?

Mr Darby—As far as I am concerned, yes, they are. All my friends that I know are fine, and I am fine with both literacy and numeracy. But apparently, from what I have heard here and from what you often see in the media, they are not doing that, so I don't know. If I went to the same primary school as someone who has not got good numeracy and literacy skills, and I have come out of it fine and they have not, would the problem then be with the individual? I don't know.

Mr SAWFORD—Can anyone here tell us what your experiences were like at primary school? Were you influenced very strongly by particular teachers? What were your parents' attitudes to your attainments when you went through primary school? What was your transition like from primary to secondary school? Did that have any influence on the way in which you progressed at secondary school?

Mr Blanton—I am 15 and from Cosgrove High School. Through primary school we had one teacher in year 5 and he was really big on maths. We used to do mental arithmetic for an hour and a half every day, mental sort of stuff. Once I got to grade 6 and into grade 7 the maths really slackened off. Different teachers handle it different ways. I think a lot of the time the problem lies with the teacher, not with the individual.

Mr Spotswood—I am from Cosgrove High School. I am 15. I found that in both grades 5 and 6, when I was at a primary school, both the teachers were more maths orientated than the literacy skills—it was more maths instead of literacy. I think it is more the teacher than the student sometimes.

Ms Logan—I think that the students should push themselves to do the work. The teachers are just there to help them learn and to help them do the work but I think it is up to the individual to be able to say to themselves, 'I want to learn this, I want to be able to understand this', so I do not think that it is all the teachers' responsibility. I think they have as much responsibility as the student because the student should be able to teach themselves and have it in themselves to teach themselves to do that.

Miss Clarke—Just going on from what Janelle said, the students should know themselves where they are lacking, and what they need to know they should be able to push themselves to find out. Also, in primary school they drummed the times tables into you, but in grade 7 the teachers did not really mind if you did not know them. You just know them yourself. You thought, 'I have to learn this times table.' But, if you did not know it, there were calculators or there were friends next to you that you could ask. You did not actually have to know it yourself.

Mr BROUGH—So there was no follow-on—is that what you mean? Grade 7 is high school for you, isn't it?

Miss Clarke—Yes. In grade 5 and grade 6, they drum the times tables into you and give you tests, but in grade 7 they do not test you on the times table because those are just basic.

Mr BROUGH—So if you have not got it by then, you do not get it. Is that what you are saying?

Miss Clarke—I know some of them that were drummed into me, like the fives, the nines and the twos. But with the 12s I sometimes get a bit confused. I just have to resort to counting on my fingers. That is just the way it is.

Mr Millington—I am 15 and I am from Bridgewater High School. I think it has a lot to do with the teachers in primary school. In grade 3 and grade 4 we had a teacher that really was into maths and I knew my times table probably better than I do now. Now, I just use a calculator or look it up in the back of the books. In primary school we really concentrated on maths and my spelling was shocking, probably because of that. Ask my teacher!

CHAIR—You said your spelling is shocking. What do you think the first employer you run into will think about that?

Mr Millington—He probably would not give me a job, because I cannot spell in my resume.

Mrs ELSON—Are you doing anything about improving that? Is anyone in the school system helping you?

Mr Millington—Yes—a few teachers are. Last year, Mr Rennison helped me and gave me booklets—basic things like that.

Mrs ELSON—You do not get any extra help?

Mr Millington—He gave me a little bit of extra help, but it is still not that good.

Mrs ELSON—You are not in college yet?

Mr Millington—I am in grade 10.

Mr BROUGH—Do you see it as important that you get those skills before you go to grade 11 and 12?

Mr Millington—Yes, I think I should.

Mr BROUGH—Do you all see it as important?

Miss A. Spiers—I am 15 and I go to Taroona High School. I found that in primary school, as everyone is saying, that it was drummed into us. We had times tables pasted on our walls and we sang them and all sorts of things. But, through lack of use, in high school the memory and the instantaneous response has faded. One of the problems in high school is that maths is only taught so that you can get to the test, remember it, write it down, and it is done. Then, through lack of use, you lose it all over again. It is unfortunate, because

we do not have the time, like in primary school, to drum all those skills into us and to be able to learn it so that we remember it as well.

Mr Findlay—I am from Hobart College and I am 16. I find that in primary school you have all the maths tables up and the teachers actually check your spelling when you are writing stories. But, when you reach high school, they do not really concentrate on the basics like that. In English, they will read your story or poem, or whatever it is, and they will not correct any spelling mistakes. They just skip the basics and I reckon that is what they should concentrate on.

CHAIR—If you have to turn in an essay or a paper, do your teachers now correct your spelling and your grammar?

Mr Findlay—I find that very few teachers do. They will do one here and there. I can go through it afterwards and really have a good look, and I will see that I have made a mistake here and there. I do not think a lot of the teachers do that.

CHAIR—Do you think the teachers should correct your work?

Mr Findlay—I think so. It is the basics that students need.

Mr Darby—I am from Hobart College. By the time you reach high school, your spelling and your literacy should be good enough so that the teachers do not have to focus completely on the basics of your work rather than on the actual content of it. I have to disagree with what has been said, because all the teachers I have come in contact with through high school and college have corrected all the spelling mistakes in any essays I have had to do. It should be the responsibility of the primary schools to bring your standards up, but a few of these people are right in the sense that the high school should keep it going.

Mr NEVILLE—That might be the theory, but the practicality is that a lot of kids are going into grades 7 and 8 without the skills. Instead of grade 7 being used as the introduction to all these secondary subjects, would it be better to cut the number of introductions to secondary subjects back and use that year as a year of consolidation of skills?

Mr Darby—Yes and no. I found when I was going into high school that it was very much the case that I needed to have the introduction to all these subjects I was going to be doing throughout high school, otherwise I would have been lost. On the other hand, it has become obvious that consolidation of what is learnt in primary school is needed because, from what I have heard here, everyone seems to have done it up until year 6 and then completely and utterly forgotten about it when they got to high school, which could be a problem.

Mr NEVILLE—You realise that, in the other states, kids do not generally have the introduction to secondary subjects until grade 8?

Mr Darby—Yes—they start high school at grade 8 in most states.

Mr NEVILLE—I asked that question because of what occurred with one of my sons. He came through

in the era of the early computers and he was taught by his upper primary teachers that only very basic punctuation would ever be necessary in future. He got into secondary school not having learnt proper punctuation, then he did a journalism degree at a university and struggled for the whole of his first year because he did not have the basic skills in punctuation and some aspects of literacy. So, if there are more people struggling with literacy than with numeracy, is there some case for a consolidation of that?

Mr Darby—That is something I was going to say. One girl here today said that if you are struggling with things, could you not be able to back them up and have a harder go at them in high school. That should be the case, but I do not think it is the case. Within the high school system as it is, you cannot do extra work and get the support for doing that extra work if you need to, if you are aware there is a problem there. That is where the consolidation should come in.

Mr Richards—I am 15 and from Taroona High. I have heard that in South-East Asia, especially in Japan, if a child is struggling in primary school or high school, they will keep the whole class back until that child is up to everyone else's standards. I think maybe that could work. It would be a whole educational change for that to happen. But when you think about it, if someone is not as academically inclined as someone who is getting all their times tables right, or whatever, if that person had extra training and the class knew they were going to get held back because that person was not really good at maths or something, they could even help that kid at lunch time or after school. They could say, 'What is three times eight?' or whatever, and help.

If you did keep the class back, and the teacher knew a child was struggling and brought it up at a staff meeting, then the child would get special attention. It should be important that everyone is brought up with the same skills. Then there would not have to be people who struggle and there would not have to be different maths classes for higher level maths students and for lower people who are really dumb at maths and who think, 'I am in the lowest level of maths. Why am I even bothering to try? I might as well just fail the year. Who gives a stuff!' But I think it is really important that they get the education they require. It should be given to them; that is what they deserve.

CHAIR—I am going to use the chairman's initiative and change the topic a bit. Lots of employers have told us that one of the most important things they look for when they go to hire someone is attitude. They tell us that some young people, if not a lot, have a poor attitude towards work and do not want to work. We have had some of that recently in the debate about work for the dole. What do you think about that? Do you think you and your mates, your friends, have the right attitude to want a job, to want to work and participate that way in society? What do you think about all that?

Mr Nichols—I think that is a bit of a sweeping statement. As with lots of my friends, I try to work as hard as I can. I think there are a lot of ex-students who go into the work force completely unprepared for the attitudes and the initiative required to work. If you are working at a supermarket and something needs to be done, you should not have to be asked to do that but you should just know to do it. You should go and put the garbage out or go and clean up. This is probably what slows employers down and they think we do not have a really good attitude so they think they should employ somebody a little bit older. This is from personal experience from going around looking for jobs and that sort of thing.

Mr DARGAVEL—Let me reverse the question a little, and thinking about the attitudes of employers

and whether you think employers have the right attitude to young people in the workplace. I take it from your response that perhaps not enough attention is paid by employers to giving you proper training so that their expectations and your expectations are met in the workplace. In your work experience with employers, and seeing other people who doing part-time or casual work, do you think the boss spends enough time developing all of you in your jobs?

Mr Nichols—We would mainly be looking at small business. Big business has the resources and they have people to train young people to be employed by such and such a company. When you are looking at small business, you have inexperienced owners who do not always have the ability to train but they have the ability to run a business. They have to run that business as successfully as possible, things can be tight and a young person coming into that business cannot be productive enough for the amount of time the take. Maybe we should be looking at training employers to train students properly or looking at an outside training scheme for students going into particular businesses at the request of the employers—that is, this student needs this, this and this.

Mr MOSSFIELD—On the same question, when you apply for a position, how do you try to influence the employer? What do you put to him? How do you dress? What is your general approach when you apply for a job?

Mr Richards—I am 15 and from Taroona High. I have been looking for a job for about two months now and, being unsuccessful, I decided to volunteer at the Wilderness Shop down in Salamanka. That is because I had no previous sales experience and customer service and that sort of experience. I decided that if I volunteered I could get up that experience so I would be able to put it on my resume and say that I have had customer sales experience and could be of use to them.

The statement that we have a bad attitude to work is very untrue because I really want a job and I am enthusiastic. I get dressed up in my best clothes, have a shower, put on my aftershave and everything, buff up my shoes and walk around with my resume in a special folder. I go in and present myself as best as I can. But when you write out a job application for, say, Harris Scarfe they take your resume and say, 'We will keep it on file for three months.' But after that they throw it away. When I go out to look for a job I try to do my best and basically try to sell myself to achieve a job.

Mr Darby—I am doing year 12 at the moment. I do not think that, given the subjects that I have done this year and last year and out of the jobs that I have seen available to me—and I have searched for jobs—there is one single one that I would like to do, with the qualifications that I will come out of year 12 with. There is no way I am going to be a checkout 'chick'—given that I am not a chick. There is no way that I am going to be working behind a counter somewhere because that will be a waste of my time, given all the years I have spent in education. I will be going on to university. My point is that the jobs I have found to be available to young people after they leave school are absolutely pitiful, compared to what a lot of young people put into school.

Mr Winspear—You have got to bear in mind that the first job you get when you get out of school is probably, 100 per cent of the time, not the job you are going to keep for the rest of your life. Before going into a job at some sort of permanent level, or even a university degree, I would prefer to have a year off

school. When I finish this year, I will have just done 12 straight years of school. I do not want to condemn myself to a job before I have experienced other things. I think I would be much better equipped than somebody coming straight out of year 12 into a job if I had, say, gone out and experienced real life before I moved into a job.

Mr BROUGH—Can I follow that up? What do you intend to do in the 12 months? Do you want to work part-time work and experience different jobs?

Mr Winspear—Yes. I am actually moving to Sydney.

Mr BROUGH—Yes, but you are saying that you want 12 months off before you start looking at a university career or what you would see as a longer-term job strategy. So, in that 12 months, would you like to experience different sorts of work?

Mr Winspear—Yes. I would like to see what is out there rather than just gaining my knowledge of what is out there from the school board. They tell you this, that and that; they never tell you any of this and so you have to experience this and that and decide for yourself what you want to do. Both of my parents got out of school, went into teachers college, became teachers and then realised that they did not want to do it and have never looked back. They have gone on to become actors and whatnot, making bugger-all money. Bring back Gough!

Mr Darby—My point was more that, given the jobs available to young people, I think it would be stupid to leave school and get a job that you are likely to need to support yourself with. Who in their right mind would want a job rather than a career? There just does not seem to be any sort of career available to anyone who has not done a university degree and I think that is a sad thing.

CHAIR—That is an interesting statement. Let us try to follow up on that. No careers, except for a university degree. Do all of you think that is true, that the only careers are university oriented? Let's see hands.

Mr BROUGH—Give them the question properly so that they know what the question is? Put your hand up if you think you have to go to university to get a good career?

CHAIR—And those that disagree?

Mr SAWFORD—Tell us why you disagree?

Mr Job—Basically I disagree for the simple fact that there are many courses available. As I mentioned earlier, the AVTS courses are for people pursuing apprenticeships, and there are a great deal of apprenticeships still out there; it is basically a case of you getting off your butt and doing something. It stems back to what the Chair said earlier about attitude. Many disagree with what I am about to say but I think attitude is all important. If you say, 'Okay, I really want this job' then you will go and research outside of school hours instead of being spoon-fed what you need to know. It is basically up to you as to whether you want a career after university or after year 12, and it is quite possible to do either. I know of many people who have finished

year 12, and have become plumbers and are quite successful. They do not have had a university degree. They are earning more money than people who have university degrees and are getting a lot more out of life. So it is basically up to you.

Mr Findlay—I find that you do not really need a university degree to get a job. Thirty years ago, if you were not smart enough and you dropped out of school at year 10, there were jobs in factories making clothes and stuff or just odd jobs. The difference now is that they have replaced those jobs with machines and computers and that is why there are no jobs there. I do not know if you agree with me on that, but that is what I think.

Mr Rayner—I am from Taroona High School, and I am 14. I think you are right down here. It is pretty limited but there are careers without university. You have said that there are lots of them; you have said that there are not. In my experience, there are more out of university than in. Unless you are very skilled in something particular, it is probably a good idea to go to university. That is what I think.

Mr NEVILLE—Can I just add another question to this. Whether we agree or disagree with the statement about the necessity of having the university degree, would it be fair to say that there is a perception, even amongst parents and in the community, that you need a university degree? That is the first part of the question. The second part is this: are you made sufficiently aware at school of the non-university career strands—apprenticeships, other forms of activity, the public service and so on?

Mr Rayner—I think we are told about the careers without university, but it is sort of like a dream that this could happen if you really, really want it badly. It is just a dream—you never know but it might happen.

Mr MOSSFIELD—I think that point Paul raised is pretty good. Firstly, where does the perception come from that you have to go to university? Secondly—and just to repeat probably what is being said—are you really being advised about what other careers are available to you in the apprenticeship field?

There are quite a lot of those jobs, but they require a fairly high degree of education as well. We should not just accept the fact that people who drop out of university can get an apprenticeship. To be an apprentice, you also require a high degree of literacy and numeracy skills. When we asked before about those who were interested in being apprentices, I think the lady at the front was the only one who put up her hand and she wanted to be a hairdresser. Nobody else indicated any desire apparently to be apprentices. I would like to know why that is.

Mr Darby—Your question was why nobody seemed to show any interest in getting apprenticeships and things such as that. Also, earlier you asked whether or not we were made aware of the jobs that did not require university or higher education training. I think we are made aware of those jobs, but Andrew was saying something about getting off your butt and doing something. Well, Andrew, I do not want to be a plumber. For instance, if I wanted to be a teacher, be a lecturer or have any job like that, I would need to be at university.

I think the majority of students I know these days are looking at careers which do not involve things such as painting, plumbing or such stuff. They are looking at more intellectual careers. At the moment high

school and pre-tertiary education at college gives you the sorts of requirements to lead to an intellectual career. But I do not think I have really answered your question.

CHAIR—In ten years when your hot water service breaks down, what do you think you are going to do?

Mr Darby—I am sure there are many people out there who would like to be a plumber.

CHAIR—I thought you said there were not.

Mr Darby—Out there in the world. But for people these days, I think the shift is away from the manual labour trades. With the advent of the computer revolution, for instance, that shift is dramatic—huge even. Out of the people I talk to every day, not one of them seems to have any sort of interest in a manual—

CHAIR—So you reckon we are going to have a real shortage of plumbers and painters?

Mr Darby—I have a big feeling about that, yes.

Mrs ELSON—What is your academic level? Is it fairly high? You are talking so positive that you are going to have this tertiary education. Is it of a very high standard at the moment?

Mr Darby—Yes, it is.

Mrs ELSON—It is, is it? So what happens if you do not get this tertiary education? Where do you think your future lies then?

Mr Darby—Well, in that case—

Mr BROUGH—Plumbing is looking good.

Mr Darby—Plumbing is looking very good.

Mrs ELSON—Is the tertiary education to do with money? For instance, if I get a tertiary education, I will get a higher standard of income compared with an apprentice?

Mr Darby—In regard to my motives for a job and a career, not one single part of that is based on money. I am interested in education for education's sake.

Mrs ELSON—Is there anyone else here interested in money? That is, do they think that a tertiary education will bring in more money?

Mr Job—Before I get to your point, I will answer with regard to what Saul said. Basically, he just said that he wanted a tertiary education because it is intellectually stimulating. That is all well and good for him, but what about the guy next door who really does not do that well at maths or anything like that? Does he

have to go and do a tertiary education just so he can become a plumber? It is ridiculous. It is what I said before about getting off your butt and doing something. If you think, 'Okay, I don't want to be academically gifted. I don't want to sit in the ivory tower for the rest of my life,' then you become a plumber. As to what you asked before, yes, I am interested in money.

Mr BROUGH—There is something coming out with all of you. When we are talking apprenticeships and traineeships, we are talking plumbers, electricians and painters. What about electronic technicians or all of these technical jobs? I was in radio telecommunications before this, and there were apprentices who worked on computers, mobile phones and all this sort of stuff which was very stimulating to them. It was not stimulating to me because it was not my cup of tea, but these people were very academically driven and they also worked with their hands. Do we see these sorts of apprenticeships and traineeships as being an option? No-one has spoken about those. They have only spoken about the real traditional style of manual labour. Have we considered those things? Are we aware of those things? Where do you sit on that?

Mr Darby—Those options are there but all of these things—plumbing, electronics or whatever—require some further form of higher education, whether it be a traineeship, a university degree, TAFE or whatever. My point, which got a bit confused, was simply that there does not seem to be many jobs out there that do not require some form of higher education, whether that is a traineeship, an apprenticeship or anything like that. Yes, those jobs are taken into consideration, but they also require further training.

Mr BROUGH—Is this a general thing? Are we all aware of these jobs and how you go about getting them? I guess that is the point really.

CHAIR—How many of you know of INCAT? How many of you know what they do and how many different occupations there might be at INCAT?

Mr Johnson—A friend of mine just moved out to INCAT. It seems that there are hundreds of jobs there. There are diesel engineers, fitters and welders—there are heaps of different options. Most of them started out with an apprenticeship in something else. A lot of my friends—I know because my father is in the industry—were motor mechanics who moved on to be fitters and joiners and the like out at INCAT. Then you have people like the designers. They all needed some basic experience before they went out there and decided that they were going to build this massive boat. So they were all pretty experienced before that.

CHAIR—Is it a good place to work? Good job, good pay?

Mr Johnson—Yes, apparently so.

Mr MOSSFIELD—Mr Chairman, I think Mr Johnson has brought out a very, very important point. Just because you become a tradesperson, you do not stay in that position for the rest of your life. You can become self-employed in that particular occupation or you could go on to the managerial positions that he has referred to. I think you should look at that when you are considering possible trade occupations.

Mr NEVILLE—Could I just add another dimension to this? I get the impression with one or two exceptions that you are not very much aware of the trades and the new electronic technologies that might be

alternative career paths. Let me ask you this: from grade 10 onwards do you think the schools are offering you enough streaming to equip you for some of the non-university courses? Are you being made sufficiently aware of them in attitude and in the streaming of your courses?

Ms Rottier—I am from Hobart College and I am 17. I was just going to talk about INCAT. One of my friends actually got a job down there and he went. There were about 100 people going for this certain job. He had to get into a TAFE course and they all had to try and get into this TAFE course to learn how to do that. And once they got through the TAFE course, he was told that he would be offered an apprenticeship, but he was not. There have been other incidents there as well, where they are told they are going to get an apprenticeship if they do this and they do that, and then they find out they are not going to get this apprenticeship. They are just being used. I think that is why a lot of people are turning away from apprenticeships, because it is like that.

Mr NEVILLE—They are being exploited?

Ms Rottier—Yes, they are being exploited. He had high hopes of becoming an apprentice there and found out later on that he was just being used.

Mr Winspear—I know of a similar incident. A friend of mine's parents used to own a floor company. They did the flooring for one of the first sea cat vessels that was built. They basically completely ripped them off and did not pay them. I am not sure whether one would want to get into such a dodgy organisation.

Mrs ELSON—Can I straighten the record out here in case everyone gets an idea that apprenticeships are the pits. I have a very large family of eight children and the youngest one is 17, so they have been and tried many different things. The ones who went to university have come out the other end and their income is fairly good. But can I say that the ones who did an apprenticeship are earning double what the university students earn. They are industrial electricians, plasterers and so forth and are actually bringing home an average of about $1,000 a week after tax. The ones with a university degree are not. That is just to balance that. If you are looking at a monetary career—and you also have to pick a career that gives you a little bit of satisfaction—do not think that apprenticeships are the pits, because if you get into one, you can work it up quite well.

Mr Richards—I have a couple of cousins who do apprenticeships in plumbing and my impression of an apprenticeship is—and it is probably not right—that it is a drop-out thing that you do. I do not think that is right, but it is an alternative. If you do not want to further your education, you can do an apprenticeship. It is not as hard and in most cases ensures you a job later on in life.

Mrs ELSON—Is this because through the schooling system you have been told that, if you do not get a tertiary education, you have to take an apprenticeship and you have not been shown enough about apprenticeships?

Mr Richards—I did not know that you could be in an apprenticeship and become a technician or whatever. I had the view that a plumbing apprenticeship or hairdressing apprenticeship are just basic jobs. I did not think there were industrial electrician apprenticeships. I have a couple of friends who work at INCAT. He is 16 and he is a welder. He has to get right down into the hulls and weld stuff and he gets paid heaps of

money.

Mrs ELSON—Does he like it?

Mr Richards—I think he does. I have heard that INCAT's safety record is a bit shocking. There was a death somewhere, people breaking their legs, falling off harnesses and that sort of stuff.

Mrs ELSON—So your school actually has not been on an excursion there to see the difference?

Mr BROUGH—It has a PR problem, too.

Mr Winspear—While we are on that topic, as you were saying, if you are looking for long-term employment through getting an apprenticeship and then becoming say a plumber, you have to ask yourself, do you want to spend half your life waiting around in septic tanks? Because that is a large part of being a plumber and other jobs have similar such stinky bits to do.

Mr SAWFORD—How important are potential income levels in a job in the future? How important to you are income levels?

Mr Winspear—That kind of a necessity of life, it is something that you have to deal with. But I am 16 and do not really want to worry about that too much just yet. I know I should.

Mr SAWFORD—Perhaps before you respond, can I just simply say that when we are talking about apprenticeships, many people are talking about the traditional trades, such as plumbers, painters and so on, but there are people like road operator engineers who are highly skilled people who get $120,000 or $130,000 a year. You have people who work in abattoirs who are highly skilled who earn $80,000 or $90,000 and people who are specialised road transport operators who earn $110,000.

Now, as someone who is a former teacher—and I know I have some of my former colleagues here—teachers earn $40,000. Teachers have to put a lot into it and work damn hard. In terms of comparable careers, sometimes I often look back and think maybe I should have been like Joe Smith down the road and been the Mobil petrol tanker driver earning $110,000 or more or like Freddie Smith down the road who operates that huge road transport machinery. Now these are not unskilled people. These are highly skilled people, big contributors to the community, and yet they are being remunerated at very high levels that are very attractive.

There are other examples and in the last five years self-employment has grown by 20 per cent. This is people going into business for themselves. We have a huge growth in this country which is not remunerated to as many as it should be, but there are people in the arts, people who become musicians, people who become writers and people who become all sorts of things. The question I was getting at is: are you aware, in terms of the careers counselling, of the huge, vast, untapped opportunities that are not the normal run of the mill jobs like plumbers and painters? There are huge jobs. I do not know anyone here who does design, but if you could design the best cutlery in the world, you would be a mega-millionaire. If you could design more effective cutlery or crockery, ways in which television is received in your house, divide a flat television screen or invent a toilet that does not use water, you would be the richest person in the world. Are you encouraged in your

secondary education to think laterally about careers?

Mr Nichols—I am from Hobart College. No. We are not encouraged to think laterally and I was often discouraged by a lot of the career options I was looking at by my job's officer in high school. I was told, 'Oh, there are a lot of people going into this area. Maybe you should consider something a little bit more mediocre.' I also disagree with this concentration on money because I think job satisfaction is important. If a person is dissatisfied with their job, no matter how much money they are making, it is not a job any more.

Maybe we should be looking at placing students or encouraging them to look at areas they are interested in and concentrating more on the students and less on what is available. Because in any job that a person can study for they can find a place for it anywhere, whether it means staying in Australia or going overseas. Basically you have to look more at job satisfaction and getting students to look at their options. Most of my friends do not know what they are going to do in the future. They are looking laterally but they are not encouraged. There are facilities there to look for jobs, but often they are just not encouraged.

Mrs ELSON—Who do consider is responsible to encourage them?

Mr Nichols—Just teacher support and families.

Mr NEVILLE—On that same point, I ask the question again. Do you believe that your subjects from grade 10 onwards are streaming you to allow you to have these other opportunities?

Mr Nichols—Yes, and very well.

Mr NEVILLE—So it is an attitude thing. It is not in the technical training at school where you are losing it; it is an attitude thing?

Mr Nichols—It is an attitude thing, yes.

Ms Pathik—I come from Hobart College. I think that the university degree is something perceived as being a safe thing to have behind you, with the technology and everything that we have these days. TAFE courses are very important because that is where the money is as well; money is important because it is a necessity. A university degree is safe but everyone has to contribute to the community.

Mr BROUGH—What do people know about TAFE colleges? What are your opinions of TAFE colleges? We have had some views on that in other schools. Compare university to your perception of TAFE and say what you know about it.

Mr Richards—I am 15, of Taroona High. I think TAFE colleges are really good. I have been to the ones in Melbourne and have seen their facilities and the teachers. I think it is more a group sort of a thing, rather than sitting back and being taught things. It is more interactive. But if you say that you have a TAFE certificate for hospitality and the person next to you says he has a university degree for hospitality and catering, the employer is going to say yes to the university degree. I think that it has a better name than a TAFE degree. I do not think people utilise TAFE as much as they do university because when you think about

it university sounds better than TAFE.

Mr Blanton—I am 15, from Cosgrove High. My mother works at ANZ Bank. She always tells me that to get a job in the bank nowadays, you have to have a university degree. They are the kind of people that they are taking on all the time, not the people who may have experience in that field. They are using people with university degrees to do very basic things. Really, if you have a university degree, you have a much better chance than someone who has not. That is the way Mum has always brought me up and that is the way I think.

Mr Johnson—I am from Hobart College. It is my career that I want to follow up. I want to be a chef and to do that you have to go through Drysdale Institute of TAFE. A university degree basically is no good to you in this area. I believe that TAFE is a good option for people who need TAFE but people who need university are better off going to university.

CHAIR—If I said to you that only 25 per cent of you will go to university, would that shock you?

Mr BROUGH—How many wanted to go again?

CHAIR—It was something like 60 per cent. Only 25 per cent of you will actually finish uni. Think laterally.

Mr Winspear—I was just wondering if employers rate people who have done only a TAFE course with any credibility. Is it just a way of proving something to yourself or for the government to say these people are not unemployed because they are doing TAFE courses? Do they actually mean anything or do they actually hold any weight at all?

Mr BROUGH—Are you saying that people perceive TAFE courses as being a second best option or a last option? Is this a general perception or not?

Mr Winspear—I would say so.

Mr BROUGH—The lady next door was shaking her head.

Ms Rottier—I think teachers see it as a second-class choice—maybe it is just in the subjects that I do—but we are expected to go to uni. 'Don't go to TAFE; TAFE is lower-class,' is what I have always been told.

Mr BROUGH—Has anyone else got an opinion on that? We have heard this view before.

Mr SAWFORD—Where do you get these opinions? Do they come from parents? Do they come from friends? Where do those opinions come from?

Miss Clarke—I am 15, from Cosgrove High School. Two years ago, my sister finished college. She did pretty well and my parents expected her to go to university. They started finding out about Launceston University and stuff like that. My sister thought, 'This is not what I want to do. I do not want to leave my

boyfriend for five years or so.' She started looking into TAFE but my mother and stepfather thought she was throwing away her life because TAFE was not going to get her anywhere. They thought she was trying to take the easy way out because she wanted to go to TAFE and not university. She did end up going to university. She did one year last year and she failed some of her subjects or did not do as well in some of them. Now she does not know whether she feels like going back to TAFE. She thinks, 'Maybe I will just stop right now and get a job'. She does not know whether she will do university or anything again.

Mr DARGAVEL—Moving off the topic a bit, but we have touched on this before, I have a question about income and wages. Those people who have got a part-time job now or who have had a casual job in the last year might have noticed that often your wages are less than perhaps older people that you are working with. Let us take an example. Say you are working in a supermarket—I think the occupation was described as checkout chick by someone at the back—and someone is working next to you. They are 30 years old. Suppose your wage is half what they are getting but you are just as good at your job as they are at theirs. Do you think that there should be age based discrimination on wages to encourage employers to put more young people on? Or do you think your wages should be based on your productivity and skill level?

Ms Logan—I think that if there is an older person that has to support a family—say she is a sole parent and she cannot get into anything else because she did not have a good schooling or anything—she needs more money because she is older and has to support her family whereas I live with my parents and get pocket money. But if the older person is just looking for a bit of money and lives by herself, I think it would be fair for both people—the younger and the older person—to get the same wage. The older person, if there is a big age difference, should be earning more money.

Mr Nichols—I agree with a reduction in line with both age and productivity. Increased productivity should provide an incentive for more money. Yet at the same time we should be looking at the encouragement of young people to get them into the work force. Therefore it should be a mixture of both. If you say to a young person, 'Right, you are in this job. You can only earn this set amount because you are only such and such an age,' there is no incentive there to work harder. Whereas if you say, 'Right, you are this age so you can earn this much. If you work harder, you can earn more,' they will work harder.

Mr Darby—The girl in the front—I cannot remember your name—was saying that a sole parent who is older should get the job over a younger person. Yes, but do not think that they are going to give them more money simply because they are a sole parent. They are going to try to give the young person less money because they are young. Therefore the wages should be brought into line. I do not see any reason why a young person should be given less than someone who is say 22 or 25 or even 30 for the same job. In addition, this sole parent would be less likely to get the job over the young person because the younger person would be getting paid less for the same job. That is the way it is. If the wages were brought into line that would cut out that sort of thing and the sole parent who needs the money might get the job. Maybe that is a naive view; maybe it is not. I also think that however old I am, for me to get paid less for a certain job than someone who is 25 is stupid, really stupid. **Mr Findlay**—I am from Hobart College. On what Ben said about working hard and getting more money: the harder you work in your job the more promotion you should get. If you are just going to slacken off you are not going to get anywhere; you are going to have just a low pay. You just have got to work hard to get more money.

I find that a lot of friends and people I know, my brother included, think that when they leave school they are going to find a job that pays $1,000 a week and you do not have to work at all. That is just not right. If you are going to get any money in life or got a good income, you have got to put the work in, and that is just the plain fact.

Ms Rottier—I work at McDonald's. I have just been promoted, but I am only 17 and I did not get a pay rise for being promoted. When they are employing at McDonald's—this might just be my store—they do not look at people who are over 15 because they have to pay people who are over 15 more than they have to pay a 15-year-old. I got the job when I was 14 and I am still there. I get pay rises when I get older but I have been promoted and I have got a lot more responsibility than a lot of the other people there. I do not get any pay rise or anything for it—I just get a little badge.

Mr DARGAVEL—Are you saying they are paying you on the basis of age but, even if you increase your skills and your responsibility, you are not being paid in accordance with that? That seems pretty odd, does it not?

Ms Rottier—Because I train and when I train I get a free meal.

Mr DARGAVEL—Wow! I am sure it is very nutritious.

Mrs ELSON—Can I ask why do you keep the job then?

Ms Rottier—Because they have offered me management next year and if I want to take it, it is there.

Mrs ELSON—So you are prepared to take the sacrifices to get the promotion that you want to get later.

Ms Rottier—I am not sure. I do not know if I want to do that.

Mr DARGAVEL—Do you work nights or weekends?

Ms Rottier—Nights, weekends, yes.

Mr DARGAVEL—So what kind of hours at night would you work?

Ms Rottier—It depends. On weekends I can work till 12.30 at night, I can start at seven in the morning.

Mr DARGAVEL—What kind of hours might you work at night?

Ms Rottier—On a school night?

Mr DARGAVEL—Yes.

Ms Rottier—On a school night I do not usually work past 11, but it is usually about three- or four-hour shifts.

Mr DARGAVEL—So you might work up till 11 at night on a school night?

Ms Rottier—Yes.

Mr BROUGH—You said McDonald's put you on at 15.

Ms Rottier—At 14.

Mr BROUGH—Yes, you particularly at 14, but your statement was that they do not employ people over 15. You are now 17, you said?

Ms Rottier—Yes.

Mr BROUGH—So you are getting paid more than you were when you were 15.

Ms Rottier—For sure.

Mr BROUGH—If you went in there today, would you get the job from stage one at age 17?

Ms Rottier—I reckon I would if I had the experience.

Mr BROUGH—No, without the experience.

Ms Rottier—No. I do not think so.

Mr BROUGH—There are two sides to this. The other side is, if everyone was on the same wage so you were getting the wages of, for the sake of argument, 17- or 18-year-olds, do you think that McDonald's would they be employing the 15-year-old, the 16-year-old or the older person?

Ms Rottier—I do not know.

CHAIR—At McDonald's in the United States, almost all of their casual staff are older ladies and a few older men in their 50s and 60s—no young people—and they have no youth wage policy. What would you rather have, McDonald's policy in Australia where you have a chance to get a job at a young age, and the experience, or the McDonald's policy in the United States?

Ms Rottier—I think McDonald's is a good place to start off as a young person. I am not sure. When you turn 18 at McDonald's your shifts get cut—you get one shift a week. That is just wrong.

Mr Spotswood—I am from Cosgrove High. I am wondering, with this age based policy, does that mean that employers will be putting off older people to replace them with younger people because they have

to pay less to them?

CHAIR—That is not the way it works.

Mr DARGAVEL—There is a debate about it.

Mr BROUGH—There are two arguments for it: one is that you get discriminated against because of your age and the other one is that you don't get a start in life because they will put an older person on. There are just two different points of view. It is an ongoing debate, is the way to put it. We are here to hear your views on it rather than ours.

CHAIR—In some industries there is an aged based award; in some industries there is not.

Mr Schramm—In relation to what Riannan was saying, I work at KFC. It is exactly the same situation. The younger you are, the more likely you are to get a job. I am 17 now. I was employed there in grade 10 when I was 15 years old. I started off on a wage of $4.05 an hour which is pretty miserable when you think about it. That could be considered slave labour. I kept the job because I needed the money as a bit of pocket money. I could have tried for a job somewhere else but I was quite happy. The people are nice to work with, but the wage is pretty miserable.

I am working 5½ hours on week nights after school, say, five to 10.30 at night, sometimes not getting out until 11 o'clock. I find that all the new employees are 15-year-olds straight out of grade 9 and in some cases I have to train them. Some of them just do not have the capabilities because they are too young or they do not have the initiative. At KFC it is non-stop work and if you do not go in there and put your full effort in, then you are not going to survive. It is pretty busy and hectic and hard work. Some of them do not want to learn. They have got the wrong attitude and I cannot teach them. You come across that and it is pretty difficult.

Mr BROUGH—Having done that work for two or three years, it obviously is not a career for you—I presume it is not a career for you.

Mr Schramm—It is an option if I want to fall back on it.

Mr BROUGH—Okay, it is an option. For the majority of KFC and Hungry Jacks, it is pocket money to start with. Do you think it helps you to secure more permanent work after you have left school or is it really just the pocket money and has no other relevance?

Mr Schramm—No, it is a good background to have some sort of experience in the workplace. I am sure any employer is going to appreciate that, whether it is in customer service or cooking. I cook and I do some serving so I have got a pretty broad range. You get money handling skills, which is pretty important in most jobs. That is another reason. It is always good to have some background of employment. If you can hold a job for two years—I have been working there nearly two years—you prove that you can hold a job. So employers are going to want you over somebody else who has never worked, maybe, and you have just got that background which is beneficial to you.

Mr BROUGH—Thank you.

Mr DARGAVEL—Can I ask just one last question about the hours. The earlier person spoke about 11 at night. Would you take 20 minutes or half an hour to get home?

Mr Schramm—I am driving now.

Mr DARGAVEL—Okay. But when you were 15 or when you were younger, what time would you get home?

Mr Schramm—It depends on the night, obviously. On a Friday or a Saturday night, I work in the Sandy Bay store of KFC. Each store has a different closing time. We close at 10 o'clock and then you have got the final clean up duties to do until maybe 10.30 depending on how busy the night is. It might be a quarter to 11 or whatever. We close at 11 on Friday and Saturday night and it was usually the responsibility of my mum or my dad to pick me up. So by the time you walk out and lock the doors, or whatever, it could be a quarter to 11, then you take another 10 minutes to get home.

Mr DARGAVEL—I am curious about where you fit in school work.

Mr Schramm—Yes, well, especially at college now I am finishing at 4 o'clock some days and then I go straight to work basically. If I have homework on that night, then bad luck—you stay up late and do that work, especially when you have other things on other nights of the week. You want to play sport and live a healthy lifestyle as well. So it makes it pretty difficult.

Mr DARGAVEL—Thanks.

Mr Richards—I want to say that my cousins and relatives and stuff, they are like, for example, one cousin, she worked at Sizzlers which, as you know, is a sort of binge out food place. She worked there carrying all the dishes away. She would work really hard and got pretty petty wages. When she turned 21 she was fired because when you turn 21, hey, you are considered an adult and that is adult wages. That is maybe $5 to $10 more and they are not going to pay that because they can hire someone who is 16 and it does not cost as much.

Why would an employer keep someone who is 21 and costs them $10 to $15 more when they can hire a gullible 16-year-old who will go, 'Oh cool, a job,' work really hard and get stressed out elbows deep in all this lasagne and stuff while they are cleaning the plates. I think in a way the wage systems, especially in fast food joints, really sort of stink and in some way they should be changed, not such as in McDonald's in America where you have got these old people trying to sell you, and that sort of stuff, because I reckon that is a bad way of doing things. I think everyone should have a chance.

Miss C. Spiers—I am from Taroona High School and am 15 years old. I think the big corporations are not hiring you to give you that start so you have an edge to go on to further employment. I think they are just hiring you to exploit you basically and I do not think that we should really let that go on. I think we should maybe make a push. Okay, we are going to be employees of these big corporations, but I think we need more

pay as well. We get that start, but I think we should not be exploited as well.

Mr SAWFORD—If you feel that way, have you thought of going into business yourself and you being the employer?

Miss C. Spiers—It had not crossed my mind yet.

Mr SAWFORD—If you have that attitude, it might be a good idea.

Mr Richards—I am 15 and from Taroona High School. As you said, my friend and I actually have thought of going into business for ourselves, just opening up a coffee shop. There is a coffee shop where I used to hang out called the Mecca, in Liverpool Street in Hobart. It closed down because—I do not know—for some reason. It was financial troubles or something like that.

CHAIR—Their wages were too high.

Mr Richards—But it was a really nice place. There was a sort of stage there, they had bands and there was a piano there. People would come in and play it for you. There was art around the walls and really sort of weird Art Deco tables, nice food, nice people, good service and everything and it closed down. That was a bit of a tragedy, I suppose. So my friend and I said we could open up a coffee shop and all our school friends would come to it and everything. But there is the problem with money, so it has not got off the ground yet.

Mr Millington—I am from Bridgewater High School and I am 15. I have a couple of friends who used to work at KFC, but the pay was that low at that time they had to give it up. They lived 15 kilometres away and by the time they paid their mum a little bit to come down and get them all the time, there was not enough money and they ended up having to give it up because the pay was so low.

Mr NEVILLE—I want to change the subject just a fraction. There is a new program out—the previous government introduced it, the current government has maintained it—called the jobs pathway program. Have any of your schools got that? The jobs pathway thing is where you are apprenticed from early grade 11 or grade 12 and then your subjects are structured so that you spend, say, two-thirds of your time at school and one-third in the apprenticeship. The third of the time you spend in the apprenticeship you are actually paid and then the amount of the apprenticeship you do over grade 11 and 12 is credited as part of your trade time. Have any of the schools got that system here? If not, do you find that sort of idea attractive, firstly, by creating the start of at least a manual career, secondly, by giving you pocket money while you are studying in grades 11 and 12, but perhaps in a more productive way than KFC or McDonald's? Could I hear your comment on that?

Mr Schramm—I am from Hobart College. I think the only thing down here similar to that—I am not aware of that one you are referring to—is the AVTS courses where you do one day a week of work experience out in the work force in the field you have chosen to study at college. I think that would be a really good incentive to have a work place you could go to and get paid, especially if it is in the field of work you want to get into in your later life because you can gain that experience whilst getting paid for it and enjoying it and studying it at the same time. I think that would be a really good option. I have not been aware of that though.

Mr NEVILLE—Do you think the government should press that sort of thing a bit more heavily?

Mr Schramm—Yes, I think they should and they should keep it open to a really broad range of fields as well. The field I am interested in is computer graphics and design and I have run into a lot of problems. I did the grade 12 course in grade 11 and did quite well and I found that I cannot go any further in it. I have had to resort to other subjects, and there are no other courses I can do to continue with computer graphics. That is quite limited, probably because it is a new subject, as far as technology goes. I have come to a standstill. I cannot go further with it. So, they should not simply limit this to certain fields that are common.

Mr NEVILLE—Would you enjoy six or 12 hours a week with a CAD/CAM drafting office, or something like that?

Mr Schramm—Yes; I would love it. That would be excellent.

Mr NEVILLE—Are there any others interested in that sort of field?

Mr Darby—Yes. I think that is a great idea. As Richard was saying, it could be structured in a way that was not simply limited to the more common fields of practice. For instance, if I could go along and spend one-third of my school time in actual practice at an art school or something like that—doing my photography, or whatever it is that I do—I could also get a good grounding in what it is actually like to be a professional in that sort of field. That would be fantastic. The reason I am not involved with the AVTS program is that I do not think that sort of thing exists at the moment. I am not sure about that. But it would be a good idea if they broadened the field at lot.

Mr SAWFORD—Coming back to the secondary system itself, if you were the Minister for Education or you were the school principal of your school, what additional things would you be considering doing to encourage more employment opportunities for the students in your school?

Mr Findlay—I am not actually answering your question. With reference to the AVTS programs and ones like it, they are really important. You do not get experience by sitting at school. You get experience by actually going out doing voluntary work, doing jobs. You do not get experience by sitting at school. That is why the AVTS program and such things are really important.

Ms Cooper—I am 15, and I attend Bridgewater High School. Principals should advise the larger business community of what students can actually do. We could have really good skills and we could go out and do a really good job at anything, but we just need a go. People need to give us a try, just to see how we can go. They cannot say, 'She is only 15 or 16. She cannot do that,' because we might be able to. They just need to give us a go.

Mr SAWFORD—Have you had people from the business community come to your school and talk to you?

Ms Cooper—I am only in grade 10. Last year's grade 10s had a police officer come in and talk for a while about what you had to do in terms of schooling and stuff; but I have only just started, so I am not really

sure yet.

Mr SAWFORD—Did any of these things happen in primary school?

Ms Cooper—No, they did not. We did not really get advised on anything in primary school. I have known what I wanted to do for a long time now, but I know that a lot of my friends do not know what they want to do. They do not even know if they want to go to college.

Mr SAWFORD—The point is raised about contact between the business community and the school: has anyone got any views on that? It is a good point that you have raised.

Mr Richards—It would help if businesses were to interact more closely with schools in their district. At my old school at Camberwell in Melbourne, an employer who had a job going rang up and said that, if anyone was interested, they should call him. It was announced at assembly, and a lot of people came up to the teacher who was responsible for that sort of announcement and said that they were interested in the job. The teacher gave out the number and asked us to call after school. I rang up and got the job, which was delivering drugs for a chemist. They were prescription drugs, of course! That was $5 every afternoon for five days a week. That was a fun job that I did in 1995. It was more of a social job than an actual work force job.

Getting back to your question, employers could work closely with, say, the principals of the schools. Harry F. Scarf might say, 'We have 15 jobs coming up for casual and part-time positions. We'll give your students the option of having a go before we put it out in the local newspaper and give other people a chance.' I suppose that is a bit selfish, but it would also give students a chance to have a go as well.

Mr SAWFORD—Do you think schools also ought to make some contact? You mentioned business having contact with the school: is the reverse also true? When you go around and visit a lot of schools in the electorate, you get the impression that, in some schools, the principals or particular staff make a real effort to make contacts out there in the business community but that, in other schools, they do not. There are benefits and losses in all of that program.

Mr Richards—A lot of schools are recluses, I suppose. They do not get out into the community and they do not present themselves well.

Mr SAWFORD—Are Tasmanian secondary schools reclusive?

Mr Richards—I know that my school is not. I am sure a lot of other schools are.

Mr BROUGH—Did you say that your school 'is' or 'is not'?

Mr Richards—It is not.

Mr BROUGH—They are out in the business community?

Mr Richards—They will be this year. Last year, you would walk around and say, 'Hang on. That's my

school sponsoring something' or 'It is my school selling raffle ticket ceteras out in front of Purity of whatever.' Having your school known to the community and represented is better than not having any representation whatsoever.

Mr SAWFORD—Have you ever had any self-employed people come in and talk to you in your school at any time?

Mr Richards—I believe that it is happening this year, in grade 10, with the work studies course.

Mr SAWFORD—But until now you have not. What about other people? Have you had people who work out there in business, or who are self-employed, to come and talk to you about what it is like in their particular work area?

Mr Millington—We have not had any yet, but we have just had a couple of lessons of work experience and apparently we are quite regularly going to have different people come in from different work forces. We have not yet, because we have only been back four days.

Mr SAWFORD—Are you a bit shocked by that? You have been going through a school system and are about to make the transition to work, and your contact with the employer community is minimal, zilch, nonexistent or about to happen next year. Do you find that a bit surprising? I know that I do.

Mr Schramm—It is pretty surprising, but one of the good things they do run is the work experience courses. In grade 10, you go out for a week of work experience, and that is really good for you. I benefited a lot from that. I did computer related work in the work force. As far as grade 10 went, that was the only experience I had with the work force, except that the armed forces people came in and talked to our work studies class. There should be more of it. It does shock me, as well. The work experience course was a really good one, and they should follow up on more of that.

Mr SAWFORD—How many people here do work experience? A good number do.

Mr Blanton—I was wondering why there are no opportunities to go and work in the armed forces for a week or whatever. That is a huge employer of people, and I was curious as to why there are not many options for people our age to go and have a look and see what it is like.

Mr SAWFORD—Mr Brough is an excellent person to answer that, having come from the armed forces.

Mr BROUGH—It is certainly something that should be looked at. You are right. I joined the army at 17 years of age. Most people do not have any expectation or understanding of what it is, and therefore they probably shy away from it, and it is something that we could take up. It is a very good point.

Mr MOSSFIELD—On that same subject, do you have what we might call 'career days', where all the major employers in the area come together and set up their stalls and explain to people what employment is available in the area? Do you have that kind of thing? Is that run by the schools?

Mr BROUGH—Who has been involved in it? Who has actually been to one of these days? Put your hand up if you have been to one. So, it only happens in the colleges: you do not do it at the high schools?

Mr NEVILLE—You tend to have that in grades 11 and 12, rather than grade 10. Would it not be better that you also had that at grade 10, so that you could develop your subject stream for years 11 and 12?

Mr Richards—There is a careers expo that happens at Wrest Point Casino. That is the big ugly thing that stands—

Mr NEVILLE—Where most of us are staying!

Mr Richards—The careers expo is held in the middle of the year each year, and employers from the armed forces, legal aid and that sort of stuff come and set up their stalls. You can go and say, 'I'm interested in being a pilot. What's involved?' They say, 'There are all these courses you can do; you go through different licences and things.' But there is an expo that you do, and you go to it in grade 10.

Mr BROUGH—The whole school goes down or do you go down as individuals?

Mr Richards—There are excursions that go. It is an open public thing that anyone can just cruise up to. I am not sure whether there is an admission fee, but you can walk in there and have a look around.

Mr NEVILLE—Do any of your schools have old boys or old girls that come back to give talks on careers, perhaps kids who went through five, six or seven years earlier—

CHAIR—The ones that failed three or four years in a row!

Mr NEVILLE—Yes, that is right; they need about seven. Do any of your schools have that situation where kids who have gone to your schools come back early in their careers and give you talks on what they are doing and what the opportunities are in that field?

Mr Johnson—My last school did that. It was Hutchins. They had an old boys club that you joined after you had finished at Hutchins and you stayed in it. You played football and went out to the pub and things like that with the school. I do not know about any other schools, but that one did.

Mr BROUGH—Was that a private school?

Mr Johnson—Yes.

CHAIR—We are going to have to wind this up. In the last few minutes, do any of you have any ideas about these issues of youth employment, employers, your education system, training, vocations, jobs and all of that? If there is something you would like to say or issues you would like to bring up before we close, let us see your hand and go for it.

Miss Cooper—I was talking to my dad last night about this youth forum and he brought up a good

point. His dad was a mechanic and he used to work at a place where he fixed cars, of course. He said that his boss could not afford to give many apprenticeships because of money—having to pay them. But some of my friends think, 'I don't need to work; I can just go on the dole.' So if they cut the money from that and gave it to the people that can give apprenticeships, then youth unemployment could go down. Then they would get experience and it would give them something to look forward to rather than sitting at home watching football on TV.

Mr MOSSFIELD—Subsidise wages?

Miss Cooper—Yes.

Mr Millington—A good thing that we do at Bridgewater is that later on this year there will be interviews for jobs. Employers come in and quite often there are four or five people from grade 10 who want the same job. They dress up in all their posh clothes and they come in. Then the employers pick the best person and the people show their resumes and all that. I think that is a good thing to have. Also at Bridgewater I am pretty sure our work experience is compulsory. It goes for a quarter of a year or something.

Mr BROUGH—Is that one day a week? You said it is over a quarter of a year or whatever, but is it in one-week blocks?

Mr Millington—It is 25 hours.

Mr Darby—It seems to me that the whole thing here has been about using your education to gear you towards getting a job once you leave school. There are courses available both in high school and in college at the moment which you can do that with, but not enough. So if you want to use your time at high school and college to gear yourself up for a job, then I think there should be a wide range of courses available for you to do that, including getting out into the community and seeing employers—but if you do not, then there are already the courses available for you at college. So that is a suggestion.

Mr Nichols—With the points about employers not being able to afford to take on extra staff, there are a lot of small businesses that need to take on extra staff but cannot afford it due to things such as payroll tax and hard taxes on starting small businesses. Maybe if we reduced the restraints on small business and reduced the restraints on employment due to little things like payroll tax, then maybe we would reduce a lot of our problems for youth unemployment and unemployment in general.

CHAIR—Well said.

Miss Clarke—I do not know if it is appropriate, or if I am just being nosy, but I have noticed that there are eight of you here and there is only one female. Is that opportunity or what? How come there is only one female? Was it hard for you to get in, or what?

Mrs ELSON—No.

CHAIR—The answer to your question is that the members of the committee are members of the

committee because they want to be. There are not as many women in parliament as there are men, but there are more this year than there were last year—by heaps. Those that are here came because they volunteered to come. There is no roster list and nobody tells us we have to go. So the people that have been talking with you came here today because they wanted to come.

Miss Clarke—So females have still got the same opportunities.

CHAIR—Absolutely.

Mrs ELSON—Definitely.

CHAIR—You betcha!

Mrs ELSON—Thank you for the question.

Mr Findlay—On my own topic, a lot of students just leave school and cannot be bothered looking for a job because they can just go straight on the dole and live off that. There are people out there like my mother. My mother is a single mother. My dad passed away last month and we are really struggling. She is looking for a job and we are just getting by, just living off the dole and Austudy. These young people that cannot even be bothered looking for a job are getting this free money and, to be honest, I think it stinks. There are people like me and my mother who are struggling to get by, and that should not happen.

CHAIR—Thank you very much. I want to thank all my colleagues for coming and asking you such challenging questions, and I thank you for your very enthusiastic responses. We appreciate your input. As I tried to say in the beginning, I think we are learning as much or more about the kinds of things we might suggest to deal with this problem, or to propose solutions, than we are from employers. So, once again, thank you very much, and we really appreciate your input.

Resolved (on motion by Mr Sawford):

That this committee authorises the publication, including publication on the parliamentary database, of the proof transcript of the evidence given before it at the school forum on this day.

Luncheon adjournment

CHAIR—I declare open this public hearing on the inquiry into factors influencing the employment of young people. The purpose of the inquiry is to consult widely and produce recommendations for government action that will help promote the employment prospects of young people. The committee has received over 90 submissions and conducted public hearings in Canberra, Sydney, Melbourne, Adelaide and Brisbane.

The committee has also conducted a number of school forums, including one in Hobart this morning, in which young people discussed their views and opinions with the committee. The school forums are proving to be valuable opportunities to gain the views of young people who are central to this inquiry.

I am keen to hear the views of all sections of the community about how we can better equip young people for employment and particularly keen to hear the views of people who are active in commerce and industry for they are the potential employers and the creators of the jobs for the future.

This is a very broad ranging inquiry. Matters raised in submissions so far include: the attitudes of young people; the work ethic of young people and their familiarity with the requirements of the workplace; the adequacy and relevance of the education and training systems; the importance of developing better linkages between schools and the business sector; the need for a more flexible industrial relations system; and the effectiveness and efficiency of government programs to assist young people to find employment.

It is not meant to be an exhaustive list of issues the committee will consider or which might be raised. We are entirely open to the views of everyone who wishes to make an input into the inquiry. We are here to listen, to learn and to help improve the prospects of young Australians.

[12.38 p.m.]

BAKER, Mr Dennis, Manager, Human Resources and Industrial Relations, INCAT Tasmania Pty Ltd, 18 Bender Drive, Prince of Wales Bay, Tasmania

CHAIR—Mr Baker, I welcome you as a representative of INCAT to the inquiry. If you would like to make a brief opening statement, we would appreciate that.

Mr Baker—I was invited to attend this hearing and we have not made any written submissions. INCAT is certainly the largest private employer of employees in Tasmania and verging on the largest overall excluding the public sector. We currently employ, near as I can estimate, 1,060 people. That includes a wide range of trades and the white-collar areas of drafting and clerical. We currently have 150 apprentices, having just taken on another intake of 38. Some of those 150 will be finishing their fourth year within the next few weeks so that will reduce the number to about 136.

We are also training 80 trainees. When we talk about trainees at INCAT, it is a concept that we have introduced to take in the labourer type trade assistant from our work force who shows some aptitude in skills and who wants to advance their skills. We have set them into a training program which is something similar to the apprenticeship scheme without the theoretical type—there is some theory, but not nearly as much because they are coming from generally an older group of our labour work force so there is more emphasis on practical. We have 80 in that. We will be taking in to that group another 40-odd this year. Some of those 80 will complete this year their four-year trade course which has been accredited.

As far as INCAT is concerned, we restrict the apprenticeship scheme to young people from about 17- to 20-years-old, just about school leavers really. We will not take older people into that. We look at those in our traineeship scheme. I should have told you that INCAT is in the shipbuilding industry. We build the fast roll-on, roll-off passenger car ferries. We are considered the world leader in aluminium fast roll-on, roll-off ferries. We currently have probably about 40 to 50 per cent of the world market.

CHAIR—This committee was fortunate to have the opportunity to visit you, I think in 1991, in one of our inquiries. At that time, I recall the company telling us about the difficulties in obtaining aluminium welders and that you had in fact established with TAFE a training system in which the practical aspects were operated on your premises and the theoretical side of things was taught at TAFE. Could you tell us how that has progressed?

Mr Baker—Since 1991 when you were there, from 1994 we were on a fairly huge expansion project. From about 1994, we went from something like 360-odd people—I might mention I had just returned from Adelaide after five years there as a lawyer to join INCAT—to our current number now of 1,060 people. It was a huge expansion program. That threw tremendous burdens on the issues of training so there has been a great focus on in-house training and the TAFE training.

In the last two years, following meetings and negotiations with the state government, a new college of aluminium training has been erected. In fact, the apprentices and trainees moved into that this Monday, and that is immediately adjacent to INCAT in Bender Drive. That has been custom-built specifically to cater for

and train apprentices in metal fabrication but, more importantly for us, aluminium fabrication. It will also cater for our trainees as well.

It will also cater, though, for any other industries wishing to use it for that purpose. It is not just an INCAT facility. It will be utilised by all industry. I might add that INCAT had a fair amount of representation to the federal government on the issue of the new MAATS scheme, particularly as it was going to affect big business. I do not know if you remember, but when that scheme was announced Dr Kemp restricted any subsidies for apprenticeship training and trainee training to what he considered small- and medium-sized business. It excluded big business, which was anyone over 100 people. It immediately excluded INCAT. We were pretty incensed about that, and so were some other biggish businesses. As a result of those representations there has been a hold on that and there is to be a review. The status quo is going to operate now until the end of 1998.

INCAT's view was, apart from our people that we train, that there was no commitment by apprentices to remain with INCAT at the end of their training, that other industries could use them, and really for Tasmania we are the main employer of apprentices. We take on the largest numbers. Some of the others take some—Pasminco and ANM and some of the others—but the smaller people really either cannot, because of financial restrictions or other restrictions on their size, take apprentices.

CHAIR—You hire other youth?

Mr Baker—We hire other youth, pretty much only in the clerical and drafting area. We have a drafting section of 40 people that handles all our drawings and design work, so there are some young people taken into that, although essentially there we recruit from people with either a naval architect background or some experience in naval architect offices. In the junior area, we have taken on juniors at the clerical level. But we have not got a large clerical staff as such.

CHAIR—When you are employing, when you are hiring, can you tell us what it is you are looking for in the young people, and what sort of people you employ and what sort of people you do not—without putting you under the hammer in terms of the discrimination act or—

Mr Baker—Obviously we look at a person's CV if they have got one but, as far as we are concerned, the CV is a piece of paper and we do not place all weight on that CV. It is interesting to see what a person's background is and the experience they have had during their schooling. Particularly for young people we are talking about, aren't we?

CHAIR—That's all.

Mr Baker—To see what they have done—not only at school but in the area of social activities, sporting activities and so on because we find that extremely interesting. So I suppose we are focusing on people that have not got much of an academic record—and we are real about this. We are more interested in the person we are talking to and looking at. We are interested in whether they have got a practical side to

themselves; whether they can provide something for INCAT—for example, whether they know anything about INCAT, whether they have had a bit of a look at any research on INCAT.

We are interested to know what their activities are to see that they are not just restricted to a certain type of activity, they that they are not just a scholastic type. We are very much interested in the person, and the academic side is just a part of it—the way they dress, the way they speak, any references that they have got, if they have done any work experience and where they have done it—those kinds of things.

Mr SAWFORD—So after examination of the CV there is a personal interview. The personal interview is according to your own criteria?

Mr Baker—Yes.

Mr SAWFORD—It is all verbal?

Mr Baker—It is all oral. It is very much myself and the other person, or anyone else we might involve.

Mr SAWFORD—You do the employing?

Mr Baker—No. Quite often it is done by our personnel people but—very much depending on, I suppose, the position—I could get involved. I could get involved if there are some issues or problems, particularly problems that may be thrown up as a result of someone's capacity, either because of a medical condition or a physical condition. Whilst we are fully aware of the issues of discrimination, we are also of course aware that INCAT is a fairly robust area to work. It very much depends where they are going to be located, where they are going to be working, what they are required to do and whether,, for example, they are required to get around the work site, the shop floor, a fair bit.

Mr SAWFORD—So they get a medical clearance?

Mr Baker—Yes. We have our own occupational and health and safety area which is an area which I am involved in. We do our own medicals, and we only follow up on further medicals to a medical practitioner if there are some alarm bells.

Mr SAWFORD—Do you do any aptitude testing of any sort?

Mr Baker—We do audiometric testing. We do not do psychological or other types of testing unless we think there is some need for it. I might mention, though, on the issue of young people, one of the things that we found very useful—and we got a couple of good young people out of it—was the previous Labor government's jobskill program, part of the Working Nation program. At INCAT we found it most beneficial and we used it. Out of a total of 75 long-term unemployed—and they were on average five to six years unemployed—we have now got 45 permanently employed people at INCAT out of those long-term unemployed.

In going into that program, the concerns were the fact that they were long-term unemployed, their social inadequacies and the like, that they were already in a rut, that they did not want to work. I suppose also there was the issue of compensation because, in taking these people, even though they were on a six-month trial period with federal government funding, we were still subject to the compensation provisions of the legislation and liable for any long-term injuries they might sustain, so that was a cost factor we had to weigh up. Having weighed those up and gone into that program, we went into it and we think it was well worth while.

Out of that program we have put two young people on. One is now a secretary out there. She was, I suppose you would call her, a big girl. She had never had a job in her life. She was 25 years of age. She came into the jobskill program and we put her in a secretary type position. At the end of it, we kept her on on a trial basis because we wanted to give her the opportunity. She is still there, and she has been there now for nearly two years, and she is excellent.

Her problem was getting that first chance to impress someone. She had never had a job and, I suppose to be realistic, anyone looking at her when there was a line-up of people to be interviewed or people to be assessed, would have preferred others. She had no experience and I suppose appearance-wise she did not come over really well. That was something we focused on with her and, with our occupational health and safety people, to try to assist her in some weight reduction and to improve her dress sense and things like that.

That also occurred with another young person we had there, a male, who is now in our work force being trained as a skilled tradesman, having been taken on as a labourer. And when I talk about this lady we took on, it is purely to emphasise what I was saying before about the person we were involved with. That is one of the great problems about, I suppose, this issue of recruitment. It is like getting a licence to drive or your university degree or whatever: you do not really start to learn to drive until you get your licence. I think it is the same with a lot of these young people.

Unfortunately, we see them come from the schools and it is a new world for them. In some ways they need a little of a halfway house sometimes, I think, to give them some experience. Certainly I think there has got to more of an emphasis on vocational training in some of the schools. There has got to be more of an emphasis also on the three Rs. I suppose I am a bit of an oldie like that. I go back to the fact that it was drilled into me as a young person, 12 times tables and those kinds of things—for those that can remember it—but at least we seem to know how to spell and we had numeracy and some literacy skills. A lot of the young people we are getting now are deplorable in those skills.

That is one thing that worries us as well—their future advancement at INCAT. We are interested in the well-being and the future of these people. We have a big focus on training, and we want to encourage people to advance themselves. We have career paths set out for our tradesmen, for our drafting people, for our white-collar workers, for every sector, and we want to encourage them to advance themselves in all their skills.

Mr SAWFORD—How do you think the quality of young people stacks up over the last 10 years?

Mr Baker—I think it is excellent. I am constantly amazed at their academic knowledge now as against what it was some years ago but I do think there is a lack of basic skills, the three Rs that I was talking about.

My worry sometimes is that at some stage in the future someone is going to pull the plug on the big computer and everyone will be lost.

I will give you an example. I had a period in Melbourne from 1985 to 1990 and I remember a concern at a swimming pool out in the Prahran area. They had to introduce digital clocks and get rid of the standard type clock because the young people that were attending the pool before school could not tell the time. For some of them, their reason for being late for school or home was because they could not tell the time on that clock. It speaks wonders for the electronic age, doesn't it?

Mr BROUGH—Are you taking many directly out of university?

Mr Baker—No. We do certainly in the drafting area. We do on research and development. At INCAT we regard ourselves as at the cutting edge of technology with the vessels we build and it is very important to have a research and development area and so we have a section which focuses on that. We have currently got a funded project with the University of Tasmania to do with aerodynamics of our vessels.

Mr SAWFORD—Do you do any training of young people? You said you have 40 or 50 per cent of the world's market. Are you training young people in the marketing area?

Mr Baker—No, not at the moment. Frankly, we have only just boosted our marketing section ourself. I suppose our marketing has been pretty much in the hands of Robert Clifford, the chairman and managing director, who plays a main role there. He is currently overseas. But we have now got a specific marketing section with a couple of people in that. We are focusing on other areas. Currently we are talking to Malaysians. We have a group coming down here for the trials of our next vessel on 2nd of next month and we have a group from the USA and Malaysia to go out on those trials because we are currently very close to a sale to Malaysia which opens up an exciting new market for us.

Mr SAWFORD—This is really off the topic but with the Scandinavian countries and Italy, countries that make ferries, is there any exchange at all?

Mr Baker—Yes, we do. We currently have a person on exchange from the firm that produces our jets, that part of the driving force of the engines of these vessels. We have a person from Lipps in Scandinavia who is on work experience with us. We have got somebody else coming over from one of the Stenna Lines fairly soon. So we do have those. It is a type of exchange, work experience for them, that enables them to get to know something about INCAT.

Mr MOSSFIELD—With the young people that we have met at the school forums, in a majority of cases they lean towards university study. What needs to be done to direct young people's interest towards the manual trades area?

Mr Baker—I am glad you asked me that because it is something that we have been concerned about from some time. There was deliberate action taken some years ago to say to young people, 'You have got to have a university education. White collar is the area you've got to go to. Get a university education'. A lot of these people then just went along and got a BA degree which was pretty much useless to them in many cases.

But there was this emphasise all the time.

The problem we had when we had this huge recruiting program between 1994 till the end of last year was in recruiting skilled people because people had not gone into the apprenticeships or the trades. I thoroughly agree that there has got to be a focus on getting people to go into trades, not just to university, to either a TAFE or a technical type of facility for training. I think you need an educational program to say, 'There is a bigger world out there and people do need you. There is real work and money to be earned. You can have a quality trade and a quality life, for example, by working at INCAT.'

I am surprised at the CVs I get constantly from people. They have these beautiful CVs and all the academic qualifications under the sun, but they want to try to refocus and look at some kind of trade qualification—whether it is a job as a fitter with us, in the electronics area or purely in aluminium fabrication.

Mr SAWFORD—Does your company do any work in schools?

Mr Baker—Only to the extent that, from time to time, I go and talk to schools.

Mr SAWFORD—Is that a regular thing or is it irregular?

Mr Baker—Fairly irregular, but we are certainly available for those who want to use us.

Mr BROUGH—Do you think the young people actually know that they can approach you?

Mr Baker—No, I do not think they do.

Mr BROUGH—How do you see your work?

Mr Baker—We see ourselves as having a public duty. We are a high profile Australian company. EFIC lists us now as about 50 in the top 200, so we do have a high profile. Concurrent with that, we consider that we have a duty in this area and also in the area of helping young people where we can in the schools.

CHAIR—Can you expand on that? You say you have a public duty. One of the things this committee has heard over and over again is that young people today, compared with prior generations, do not seem to understand the world of work in two aspects—firstly, what it is like and what they need to be able to do to contribute; and, secondly, what career opportunities, professions, trades or whatever else might be available and what sort of remuneration they attract.

Since there is this huge perception that kids do not understand what is available and you have confirmed that, what are you doing to try and help address it? Do you think it is the schools' problem so the schools should deal with it, or do you think it is your job as industry?

Mr Baker—I think to date the feeling has been that the schools should probably approach us. I have to be honest there. We have not gone out. Amongst the departments that deal with us, I have spoken to groups with DEET and CES on the issues of redeployment of people who are going to be made redundant for one

reason or another. I have talked to schools on and off, but we have not advertised the fact that we are available to talk to their students as required. I suppose we really wait for that approach. We do get a lot of approaches though, not only for talking but for tours and the like.

CHAIR—As Tasmania's largest private sector employer, don't you have a responsibility to be proactive and to think about how you might address this problem, because this committee is trying to think about how to address it?

Mr Baker—I think we have, yes, and I think we can do that. We certainly do in this area with the two unions we have involved.

CHAIR—You have unions now?

Mr Baker—Yes. We have two unions, the AFMEU and the CFMEU. Probably about 35 to 40 per cent of our workers are members of unions. But I would say this: as far as those unions are concerned, we have a kind of enterprise agreement under section 55 of the Tasmanian Industrial Relations Act, and we have what I would regard as an excellent working relationship.

The person we deal with—particularly from the major union, the AFMEU—talks to me a lot and is also pretty proactive in the training areas. He is a member of the TAFE board here and we do a fair amount of work on the issues of in-house training and apprentice training. I suppose we have told them that we will assist if they have groups who they want us to talk to. Certainly, we have not gone to the schools, the education department or anything like that and said that we are available.

Mr NEVILLE—When you do go to speak to those schools, they generally aim you at the grade 12s or the grade 10s?

Mr Baker—Yes, the grade 12s.

Mr NEVILLE—Not the grade 10s?

Mr Baker—No.

Mr NEVILLE—You were saying that a lot of the skills are lacking when kids come out of the schools, especially in literacy and numeracy. Do you get much feedback from the teachers or requests from the teachers as to what subjects you would prefer your potential trainees and apprentices to be learning?

Mr Baker—No, we have not. It has very much been left to their curriculum, what they teach and we have not tried to influence there. I have some views on the issue of education and teachers. In my view it is about time in this day and age that a system was adopted by which teachers were available for 40 hours a day for most weeks of the year, excluding four weeks annual leave. I think there is a big opportunity for teachers during those non-academic periods when school children are on leave to be utilised in other areas, like vocational, specialised or even staggered training hours.

I have been pushing this with TAFE and INCAT and that they look at a contract type of arrangement with their teachers, rather than those teachers being involved in the normal award that applies to the teaching profession in Tasmania and around Australia with all these holidays that are aligned with it. I do not know the reason for it now. I suppose once upon a time it might have been necessary to recharge the batteries. I now think that there should be a complete relook at the procedures, organisation and hours of the teaching profession and what we can get out of those teachers. Of course, if it means higher salaries for them, that is another thing, but I think there is a huge pool of resources there in the teaching area that is not being used and can be used.

Mr BROUGH—Do you see that as a waste of resources or do you see it more of a case that they will get a more rounded approach to the workplace as well, so that they will be able to feed back into the school students?

Mr Baker—Both.

Mr BROUGH—So you are coming from both angles?

Mr Baker—Productivity.

Mr BROUGH—Would you see somebody getting experience in your organisation so that they could speak about it in a far more educated fashion back at the school?

Mr Baker—Why not? I have not thought of what you would do with the additional time that is going to be freed up, but certainly there would have to be a lot of time and a lot of teachers there that can be properly utilised, particularly in the public schools. It seems to me in Australia—and not just in Tasmania—there is more and more of an emphasis on getting the children to a private school, if you can afford it and people are affording it if they possibly can.

I think that quite a few children—and this is a perception from interviewing people from certain schools in Tasmania—suffer as against others. This is a very real problem in the areas of literacy and numeracy where too many children are just left back, taken up to the next year and taken up to the next year, because that is the way things go. They have not learnt a thing, of course. They are suffering and they are not learning anything. Because of teacher size, because of complacency and because of the system those kids are suffering.

CHAIR—Can you quantify the literacy and numeracy problem?

Mr Baker—No, I cannot. I can only do it from the amount of correspondence I get from the work force, from those trades, apprentices and like, and it is substantial.

CHAIR—How about the ones who enter here for apprenticeship and traineeships?

Mr Baker—Yes. We are interviewing the last group of 38 apprentices. We advertised and CES Glenorchy short-listed them for us. Then my personnel manager, a teacher from the TAFE facility and the

manager of CES Glenorchy interviewed them. But those that were short-listed were of a fairly high academic standard overall, because there were a huge number of applications. There is no problem in getting applications for apprenticeships of whatever kind now.

CHAIR—Since you paid CES to give you a short list, it is reasonable for you to ask how many were rejected out of the total number of applicants because of literacy or numeracy inadequacies. You might add one more to the list which might be attitude. If we went and asked CES that on a public sector basis, we would probably not be entitled to an answer, but as a private sector employer who paid them to do the job for you, you certainly are and we would really love to get that information.

Mr Baker—Except that I did emphasise to CES in the short-listing that we were very interested—apart from the academic side—in the practical application of that person that they were looking at.

CHAIR—If they interviewed 300 to get down to 38—

Mr Baker—Yes, I know where you are coming from.

CHAIR—I would like to know roughly how many are rejected because of poor literacy or poor numeracy.

Mrs ELSON—I would like to know out of your 1,060 employees, how many would be under 18?

Mr Baker—There would only be about 50 to 60 and they would be very much the latest and recent apprentices.

Mrs ELSON—So the apprentices are getting older as you take them in.

Mr Baker—Yes.

Mrs ELSON—For what reason?

Mr BROUGH—You are not taking apprentices under 17?

Mr Baker—No. It is normally at about 17 and over we would take them. We have a couple that currently are 16-year olds but not apprentices. They were taken on as juniors and as labourers. We looked at them. They were good types and in fact they are going well but that is about all in that area. The others are apprentices who are around 17 to 20 years old. They are an older group.

Mrs ELSON—And for what reason are you taking them on at an older age?

Mr Baker—Very much because they are finishing year 12 before they apply now. I would not have the figures on how many are now going on to year 12, but I think there are more now than there were.

Mrs ELSON—You do use a lot of technology in your industry. Would that be the reason why you are

taking them in?

Mr Baker—What, for older people?

Mrs ELSON—For older students. Years ago the apprenticeships were between 15, 16 and 17 years of age.

Mr Baker—Yes. I suppose also it was a conscious thing because of the type of person we were looking at. We wanted a person who could immediately come in and start to have to utilise tools that can be dangerous, such as millers, grinders and this type of thing. It is amazing the accidents that can happen even with skilled tradesmen who are highly trained in them. So we are very careful from experience now not to allow them on the shopfloor until the first three months is over and then making sure they are thoroughly trained. But at the same time, the younger people are, the less receptive they are in the use of tools and training.

Mr DARGAVEL—You touched just briefly on the fact that you had really only taken a few juniors on. I take it from that that the junior rate of pay is not actually a particularly substantial variable in the equation. You are actually after skills and stuff rather than the practical application, as I understand in your evidence. Is that fair?

Mr Baker—We do have a structure though for pay that caters for 16-year olds and above.

Mr DARGAVEL—So the 16-year-old would be on, say, 45 per cent of the adult rate or something, but out of 1,060 workers you have a couple who are juniors?

Mr Baker—Yes.

Mr DARGAVEL—I take it that, from your company's perspective, the lower rate of pay is not the variable so much as the skills and the practical experience.

Mr Baker—That is right, yes. It is not a factor for us. In fact, in the job skills groups that we took on and which I told you about before, one of the inducements we gave these job skills people, who were receiving $300 a week from federal funding for the six-month period they were with us, is that we offered those groups the opportunity to work overtime at normal award rates at INCAT to earn more money at normal rates and we paid that. They accepted that. It was also an indication to us whether those people wanted to work. But, of course, most of them used it with open hands to earn some extra money to buy those extra things that they want.

And, in fact, I suppose it is a big factor at INCAT that our work force is required to work a reasonable amount of overtime. We have two shifts, the first starting at 7 o'clock goes to 3.20 of an afternoon, with overtime Monday, Tuesday, Wednesday and Thursday for two hours, and it is a matter of choice. The next shift, the afternoon shift, starts at 3.30 and goes to 11.30 p.m. with overtime Monday, Tuesday, Wednesday and Thursday, and there is a 15 per cent loading, as well, for the afternoon shift. But the purpose, of course, is to make proper use of our technology, tools, welders, plasma cutters, and so on.

Mr SAWFORD—I got the impression from what you were saying that business's connection with young people via schools is irregular, not structured, and I have to say that when we spoke to the schools this morning, we got the same impression from the schools' end. It is all hit and miss, and none of it is structured. How fair is this statement?

In the 1950s and the 1960s the leaders of industry and education had been educated in the 1930s, and many of those young people in the 1930s often waited three or four years before they actually got a job. Employment was part of their psyche, and they saw the impact of it on people around them. They saw people go through a war, and employment was ingrained in them. It just seems to me that when you read and hear people talk about the 1950s and the 1960s, the liaison between educators and industry was much closer than it is now. The leaders of industry and education now are our age. They could get a job anywhere; they did not have to worry about it. For some reason they do not have that empathy, that edge towards opportunities for youth employment. How true is that?

Mr Baker—I think that there is a lot of truth in that. It would certainly apply to me. I suppose that I cannot really talk for young people now, but I think that there is obviously a problem of mentality now about young people. Whether they want to work; whether they do not care, or whether there is no point, there is a problem with their mental attitude.

When I was looking at what I wanted to do in the 1950s, I had a choice. Did I want to be a tradesman—and I remember this now—or did I want to go into the public service or a bank. I went into the Commonwealth Public Service in the department of customs and excise. Then I suddenly decided I wanted to change a bit and I did a law degree and went into the Attorney-General's Department until I joined INCAT, until I came back from Adelaide, and when I was asked to come back in 1994. There were all these choices. Nowadays, young people have not got the option to say, 'I would like to go into banking, or a trade. I would like to be an economist, or go in the public sector.' The public sector is completely different now. They have not got those choices.

We have quite a few people coming to INCAT on work experience. The schools contact regularly on that, and we regularly take people in for work experience, sometimes on the shop floor, but more often than not, in the offices. I always see these work experience persons for the first day, or at the end, and have a chat to them, even if it is only five or 10 minutes. And I ask, 'What do you intend doing with yourselves when you leave school? What do you want to do?' And quite often the answer is, 'I do not know.' They have got no idea. They think that they might go on to university. 'What are you going to do at university?' They say,'I will do a BA course, or something like that. I really have not thought about it.' That amazes me at this stage. You would think that by then, they are starting to focus on what they want to do.

CHAIR—Is that their fault, or our fault?

Mr Baker—It is our fault, as well. It is obviously our fault—

CHAIR—More our fault.

Mr Baker—It is the teachers and the parents' fault. It is a community thing.

Mr BROUGH—When they come to you for jobs at the interview stage, are they equipped to actually conduct themselves in an interview and sell themselves, or is that a skill that is also lacking?

Mr Baker—Some are. Some are very poor. Again, that is a real factor in the schools that I have gone to talk to. A number of young people will be sitting around wearing casual clothes—you expect that now—but they are pretty untidy. Then there is also their posture and that is the kind of thing that you can quite often get in an interview. That makes a big impression—certainly with me. You get some of them who come to see you with a don't care attitude as if they are doing you a favour. You are wasting your time.

Mr BROUGH—How would you rate those three things that you look for in young people? Which has top priority? Do you have anything like that when you do your interviewing?

Mr Baker—I do not know. I think that it is a matter of perception and appearance and what they have got to say for themselves. They do not have to come over as brilliant. They do not have to have a great academic thing. It is a kind of gut feeling you get from people, as well. Certainly, the turn-offs are the types of things that we were just talking about.

Mr BROUGH—The attitude, or the appearance they show?

Mr Baker—The attitude, appearance, their lack of any—

Mr BROUGH—Drive or care—

Mr Baker—Real intelligence, I suppose.

Mr BROUGH—Thank you.

CHAIR—The committee thanks you very much for coming to talk to us. We appreciate your input. I suppose that some time in the future we will be back to talk to International Catamaran, INCAT, once again.

Mr Baker—When do you go back?

CHAIR—Today.

Mr Baker—We have a vessel just being launched. It is in the water out there now. If you are around, I can show you all over it. We start trials at the end of this month.

CHAIR—Anybody able to take that offer up?

Mrs ELSON—Is it in the water now?

Mr Baker—It is in the water now, but we will not be trialling it until 1 March—that is when it starts trials. If you are around, we can show you over.

Mr NEVILLE—Is that one of your vessels that goes from Weymouth to Guernsey?

Mr Baker—Yes. Ours are those wave piercers.

Mr NEVILLE—Very impressive.

Mr Baker—We have got one now in Korea. We have one in South America and others in the northern hemisphere, and we hope to soon have them in Malaysia.

CHAIR—Thank you once again.

[1.25 p.m.]

DERKLEY, Mr Peter, Chief Executive, Tasmanian Hospitality Group Apprenticeship Scheme Inc. (Hospitality Services), 1st Floor, 15 Perry Street, Bellerive, Tasmania 7018

CHAIR—Welcome. Do you have anything to add to the capacity in which you are appearing?

Mr Derkley—Hospitality Services is a group training company. I believe it is also relevant to note some other capacities that I come to this table in. I am a member of Group Training Australia (Tasmania), which is a collective of group training companies in this state. I am also a national board alternative member for Group Training Australia, the national board. I am an executive member of Tourism Training Tasmania, the committee of the industry training board for tourism, and I am also executive officer for the Restaurant and Caterers Association in this state.

CHAIR—Would you like to make an opening statement?

Mr Derkley—I will give a quick background of Hospitality Services. We are a group training company. We currently employ around 170-odd young people and some not so young people in the hospitality and tourism general service industry. We have been in existence for almost 10 years. Our ability to stay in business is really directly reflected on our understanding of the employment market that we work in.

I have prepared a short paper which I will address. I have copies which I am quite happy to pass out. For the purposes of this inquiry I have really looked at the factors influencing the employment of young people from a perspective of market. That may or may not help, but it is certainly clear for me.

I suggest that we consider the young people as a resource or a product or the supply side of the employment market and, further, consider that the industry is actually the demand side. They must need the resource, they must need the young people or else we are not in business, I suppose, in providing employment for young people.

That brings us to a point where we must acknowledge that the employment environment for young people is a market and, as such, will benefit from the application of market principles. I do not propose that I am a market expert, but I will just make some basic points.

The product has to fit the demand. Indeed, to have any hope of success it must be the best fit for that market. If that demand is limited—and we know it is—then the customisation of that product, which is our young people and maybe our education system, to that limited market or opportunity is paramount for us to be able to succeed in putting young people into jobs.

Here we have a very strong case. I suppose it has been spelled out and been worked out over the last 10 or 15 years for vocational education and training, but it does not address the fact that we have an oversupply in product, meaning too many young people, in a diminishing market—we have got a shrinking employment market.

Simply stated, we are talking about a closed cycle of supply and demand. Today the demand side of the employment market for young people is limited. Traditionally, the majority of employment opportunities for young people have been in low skilled entry level employment situations. This is distinct from what we have today, which is entry level training positions. These entry level employment places were, in many cases, the foundation of young people's work.

I heard the questions and the comments made earlier about Dennis's background and probably a lot of people's background around where they entered the labour market. They were the foundation of a young person's working life, with little competition from higher achievers or educational levels and what we now know today as the entry level training positions.

These low skilled entry level employment places have all but disappeared from the market. Yesterday, the school leaver at year 9 or 10—I am not sure how far back yesterday is, but it could be 10 years, 15 years or 50 years—became a labourer, got a job, was offered an apprenticeship or a promotion, and became a technician or a supervisor. They flowed through the labour market and the opportunities were there. I am sure they did not just happen. As this process occurred the new entry level employment opportunities occurred—that is where the flowthrough comes in again.

It was a time of new markets, demand for resources and sustainable innovations. Today a year 9 or 10 leaver is forced to compete against a year 11 or 12 leaver or to complete their years 11 or 12 and go into direct competition with a whole range of apprentice, trainee or simply job opportunities that in the past they did not encounter. The market has not been able to sustain the demand for the product and the resource. Innovations are short-lived because of the technological base. Indeed, many are aimed at reducing labour. The employment market diminishes.

Now we have a growing emphasis on students, therefore young people need to spend more time in education to ensure their skills—be they vocational, employment in training or leading to professional vocations. They need to match employer expectation. If we treat young people as a market product, then we will realise that our treatment of their skills development—therefore employability—is in conflict with normal product development for that market. Indeed, we would be dumping our excess product on some local or international market at fire sale prices, which is a sad thing. And I think we are already doing that; we are already subsidising our labour in our local markets and our national markets.

This paper considers market factors influencing the employment of young people. It does not address any solutions necessarily. However, in identifying those forces I am sure others will identify the social issues and we may move closer to a solution that satisfies our need to be occupied in meaningful activity. Maybe for many that could not be what we have learned to expect. Employment may not mean a job; it is really a statement, I suppose.

This is very much a market rationalist—if I can use that term—approach or look at where we are as employers or a country in providing employment as against maybe a social rationalist, or an educational rationalist or an economic rationalist. But I thought this was probably the most constructive way I could look at it because that is the way I look at my business and how I run my organisation.

CHAIR—Thank you, Peter. You said you have 170 apprentices and trainees at the moment. Could you tell us about your selection criteria?

Mr Derkley—When we go through a selection we look at how they present themselves and what background they bring with them. With an apprenticeship area we are looking at some sort of experience. We believe that an apprenticeship is a greater commitment than—

Mr SAWFORD—Do you interview everybody who applies?

Mr Derkley—We have just actually made a decision in the organisation within the last two weeks that we cannot continue to afford doing that, but we have for the past six months.

Mr SAWFORD—So what are you doing now?

Mr Derkley—We have basically culled it down and we are going harder on applications rather than personal—

Mr SAWFORD—How do you do the culling? Tell us what you do now.

Mr Derkley—We are looking at resumes, the way the resume is presented and whether they indicate some sort of affinity with what the person is applying for. It is very much a subjective look at an application and a short-listing from that base. So that is the culling-to-interview stage. Then we go into an interview stage. I suppose the most important thing that I personally rate amongst the applicants, considering that they have indicated some ability to do the job that is advertised in their resume, is their depth of knowledge of what they are actually getting into. The first questions are very much, 'What do you want to do? What can we do for you? How are you going to deliver to me, I suppose, as an employer?'

CHAIR—What percentage actually gets jobs?

Mr Derkley—Sorry?

CHAIR—You said that you have been interviewing 100 per cent of people who have applied. What is the—

Mr Derkley—I cannot quantify that. I cannot quantify what the percentage is. I could, but I cannot at this stage.

Mr BROUGH—Perhaps you could go through that series that Rod was just mentioning. You have 100 people that apply. How many at this stage are you culling out in that first stage?

Mr Derkley—I could not tell you.

Mr BROUGH—You do not know that at all?

Mr Derkley—No.

Mr BROUGH—What are the failings with them? Is it that their resumes are that terrible? Why aren't they getting to the next stage?

Mr Derkley—Can I go back a step and say why we have got to the stage of culling. We were interviewing every person because we thought we should give everyone an opportunity to present themselves, and we had some pretty ludicrous applications and resumes. But that was the policy that I insisted on in the organisation. There is a definite link between how a resume is presented and how a person will present themselves. I am sure other people will contest that. Taking that into account, we put more credence on the fact that a reasonable resume may indicate a reasonable type of applicant.

CHAIR—One of the things that we have heard constantly through this inquiry is that young people today seem not to be well acquainted with the role of work, both from the practical aspect—that is, showing up to work on time, not leaving early, showering, shampooing, putting on a bit of deodorant and all that sort of stuff—and, more importantly, from the careers aspect. They do not seem to understand what careers are available and what work opportunities there are. Lots of them do not necessarily have any idea of where they are headed. What is your group training company doing to help advertise the hospitality industry and the career opportunities that are available in the hospitality industry?

Mr Derkley—We participate in trade type expos or career type expos, whichever is appropriate, and we get people coming to both.

CHAIR—Do you do many of those?

Mr Derkley—Throughout the state, there is a round in August-September, which takes in all the major centres. That is the main concentrated activity. We will go and set up shop at these expos for careers. We also go to trade shows and young people who are interested in the industry will come to them. We have an activity where we have a direct liaison with most of the schools, from years 11 and 12. We also try to keep a profile with year 10s. But, basically, that is a function that we are not funded to do. It is part of our own product development or sourcing our product. It is something that does not come easy. It is an expensive activity to undertake. So our direct marketing to our future employees involves going to the schools and liaising directly with careers teachers. We also showcase ourselves at any opportunity where there are likely to be young people.

Mr SAWFORD—What is your perception of the level of mutual understanding between industry and secondary school systems?

Mr Derkley—I believe the relationship has got a fair kicking over recent times. I think there is a perception that schools are doing the wrong thing and there is certainly a perception in the schools that industry is doing the wrong thing.

Mr SAWFORD—I remember a forum in my electorate where one businessman was very critical of the local secondary schools. I asked him how many times he had been to one and he said not since he had left school.

Mr Derkley—I find it a bit hard to accept that a lot of criticism is aimed at the secondary schools. The secondary school teacher has a responsibility to develop the education and the knowledge of the student but, at the same time, they cannot build an expectation that let us say INCAT has all the jobs in Tasmania. If they did that, there would be a lot of very upset young people because they cannot all get a job at INCAT. I think part of education is preparing young people to understand that the job opportunity that they think they might have may not be the one that they end up with.

Mr SAWFORD—Bob and I have been on this committee for a long time. I am very favourably disposed to what group training is doing throughout Australia. The more effective group training establishments always seem to be the ones that liaise between local industries and the schooling system or the CES—in other words, they play the broking role very well. You are a broker, basically. You have changed some of your management practices when dealing with applications. In view of your own experiences, you are considering some changes. Will they have an impact on the employment opportunities of young people?

Mr Derkley—The level of liaison or the level of involvement that we can have in secondary school programs and education and training programs will reflect directly on the people we end up employing. If we are talking about vocational training rather than educational training, I think it is very important that industry practitioners get involved in that as much as educationalists. A group training company which is specifically industry based is very well situated for that.

One change that I would like to bring about, if I could resource it, would be a greater involvement with all of the year 11s and 12s and even 10s. We could become part of the training program so that they understand the world of work that they are going into and we understand more about the people who may be coming in. To put it succinctly, we are the broker between industry and the student. It comes back to a product type analysis, it is supply and demand. The supply is the student, the young people coming into the organisation, and the demand is the employers, we have to be proactive in getting in there and sourcing those demands.

Mr DARGAVEL—I think you said that you currently have 170 apprentices and trainees on your books. What is the rough breakdown, without being overly precise, between apprentices and traineeships?

Mr Derkley—Apprentices are 90 to 95, and the balance is trainees.

Mr DARGAVEL—Is that figure of 170 up or down from previous years?

Mr Derkley—It is up from the low hundreds this time last year.

Mr DARGAVEL—And the year before?

Mr Derkley—It was down below the hundreds. I think before that it was a bit higher. It actually went up above the hundred, then dropped and now it has gone up again.

Mr NEVILLE—Do you go into the schools?

Mr Derkley—Not often.

Mr NEVILLE—When you do, are you generally directed to the 10s or to the 12s?

Mr Derkley—Our schools here are segregated. We primarily direct our activities to the 11s and 12s.

Mr NEVILLE—Why do you say you think it is equally important to go to the 10s?

Mr Derkley—It is part of the education process. We would probably be better off going to year 6 or 7.

Mr NEVILLE—Catch them at primary.

Mr Derkley—Yes.

Mr NEVILLE—And do any of the schools invite you or your organisation to participate in curriculum development for trade type subjects?

Mr Derkley—No.

Mr NEVILLE—Not even in tourism courses and hospitality courses?

Mr Derkley—No, and that may not be appropriate. That may be a function of, say, Tourism Training Tasmania rather than us.

Mr MOSSFIELD—I think the point you made about getting to the school kids early is very important. I have a fairly large family and I have found that, even after they leave school, it is very difficult to get them to focus on a particular career path. It is two or three years after they have left school before they make up their minds as to what they want to do. I think it is very important that we get to them very early. But your organisation is governed by the demand side so you cannot go beyond the number of jobs that are available out there in industry.

Mr Derkley—That is correct? We can do some matching and some glueing but we cannot influence the number of jobs.

Mr MOSSFIELD—So it is not the case that if you had a higher standard of school leaver that there would be jobs out there for them?

Mr Derkley—We are in a closed market, as I put it. There are finite opportunities out there. The best I can do by having a better quality applicant is to push someone out of a job, which is not really a nice way to look at it. Mind you, there are other sides to it as well. If we have quality applicants and we can, dare I say, patch jobs together—which is what group training companies do; they find lots of opportunities to draw smaller jobs together to make one viable job—that would have some effect as well. So it is not all just push them out of the way—

Mr MOSSFIELD—What are you doing to encourage business to take on more trainees and apprentices? What can you do—that would be a fairer question, I suppose.

Mr Derkley—From the perspective of what we do every day, basically we knock on doors, we talk to employers and to employer groups—those sorts of things—to keep them up to date with what is happening. Most recently, several streams of the hospitality traineeships have now become part-time based. I believe this is the first in the country that has gone to part time, at 25 hours. That was about capturing the casual types of opportunities that happen in the hospitality industry and it has extended into the recreation industry as well—in the catering-hospitality side of that industry.

We have a program which is basically modelled along the lines of a working partnership that says, 'There is the host employer, there is us, there is an employee, dare I say there is DEETYA, and there is our local or state government entity. We are basically a partnership in making all this traineeship and apprenticeship happen.' This morning I sat down with my key salesperson in the organisation. We were working on how we can influence the public to discriminate positively against our employers because they are actually favouring businesses that are taking on apprentices or trainees. I suppose that is a greater marketing thing. There are lots of little things that we can do. But, to come back to your key question, no we cannot pull a new job out of a hat.

Mr NEVILLE—Of the guys or girls who knock you back—

Mr Derkley—Who knock us back? Do you mean the employers?

Mr NEVILLE—Yes—employers who knock you back. What is the reason they give? Why don't they want to take on group apprentices or group trainees? What are their objections to taking them?

Mr Derkley—There is a layered response. There is the perception—

Mr NEVILLE—If I can just interrupt there, I am interested in the factors influencing the employment of young people. If they are knocking you back, there are reasons. You may not be to blame for them, but there may be broader reasons out in the community that you can alert us to. Why are people not taking on apprentices and trainees? Why, in particular, are they not taking on group apprentices and trainees? What are the reasons they give you?

Mr Derkley—Opportunity—the employer has to have an opportunity or has to have a need. If the employer has a need, then he will take someone on; if the employer does not have a need, he is not going to. This is being very simplistic, I am sorry, but I do not think there is any other answer. If I, as an employer, need someone to do a job and I can afford to pay them, I will put someone into that situation. If I cannot see a positive benefit from doing that, I am not going to do that.

Mr SAWFORD—If you examine some of the fastest growing companies in Australia, they have a very different attitude. One of the reasons they are fast growing is because they deliberately get in staff to create a bigger part of the market share for themselves, whether it is domestic or overseas. How much does small-time management in this country restrict opportunities for young people, as opposed to the more entrepreneurial and

the more expansive? You were talking before about substitution of jobs. That is something this committee is very acutely aware of. We, as a society, ought to be looking at additional jobs, not substitution.

How do you encourage people who are expanding to perhaps expand even further? How do you get the message to some people? Some businesses are just mediocre and contractual. Sometimes they are contractual because of their management, or all sorts of reasons, but there is an unwillingness among this big section of business to employ. How much is it due to their own management structure? In your opinion, from a broker's point of view, what sort of factors impact on that that restrict opportunities for young people?

Mr Derkley—As a group training company we work in probably one of the most volatile markets there is in the group training world. We are working in hospitality. It is predominantly small business and most have about five or six employees. They are at the whim of the weather, let's put it that way. If we have bad weather in Hobart, Salamanca cafes that have tables on the streets will have a downturn. They will not have people sitting at the tables on the streets.

I am not trying to be all doom and gloom, but I am saying that these small businesses are the ones that are at the whim of all the elements that could possibly affect them. They do not have buffers; they do not have fat in their systems. They are small businesses. They are the ones that go bust every four years at a rate of 50 per cent. That is the sort of business environment we are working in. If we turn it around and say, 'What can this organisation, Hospitality Services, do in this situation?' we can go out there, walk the streets and find other opportunities and convince employers that—

Mr SAWFORD—Do you have enough funds to do that liaison properly?

Mr Derkley—I was going to get to that.

Mr SAWFORD—I thought you would have got that in before, so I thought I would ask you.

Mr Derkley—We can go out there and find the opportunities, and we can provide a bit of a safety net for those employers. We could say, 'Okay, we might have a bad winter. We will take the responsibility, we will take the trainee. We will be there to help you with that. We will take the person and put them somewhere else. You are not making a long-term commitment.'

The key in relation to your comment is that, yes, we have an opportunity as an organisation and there are lots of small market niches around what our core business is about, which is customer services and customer service types of traineeships and so forth, but we cannot afford to develop them. It costs me $50,000 to put someone on the road for a year to develop a market. We do not cash in on that until one trainee has been in the job for 12 months. Then we receive the full quota of funds from our employers and, obviously, we get some from our Commonwealth and state government partners as well, but it does not address the issue of development.

Mr SAWFORD—A lot of group training companies, as I understand it, build up over a period of time a whole set of reserves. Some of them were just leaving the reserves there and doing nothing; others were utilising them to do exactly what you are saying. How long have you been going?

Mr Derkley—Ten years.

Mr SAWFORD—Have you got reserves?

Mr Derkley—We have a book value of something under half a million dollars. Our debtors, as an organisation, are something under half a million dollars. We do not have such a thing. I do not believe 50 per cent of group training companies actually ever had reserves. That is working capital—the capital we need to do business.

Mr NEVILLE—Do you pay your apprentices and trainees on behalf of the employer?

Mr Derkley—Yes.

Mr NEVILLE—Then you have to have a safety sinking fund.

Mr Derkley—That is right. That is what our asset base is and that is what our debtors are—

Mr NEVILLE—How much is that? What is your fat in that bucket?

Mr Derkley—There is no fat in the bucket.

Mr NEVILLE—If you get stand-downs, if you get an employer who goes bust, you have to have a safety net of some sort.

Mr Derkley—Last year was not a good indication, but as an organisation, whether rightly or wrongly, our margin historically has been something like one to two per cent of turnover. That is not a real lot. We have survived 10 years on that. In the last financial year we actually lost a few dollars—not a substantial amount.

Mr NEVILLE—You must be one of the most efficient there is, because most of them have $200,000 or $300,000 in reserve.

Mr Derkley—I do not believe they have it in reserve. We have got $200,000 or $300,000 supposedly in reserve, in assets, but if you look at—

Mr NEVILLE—Not in assets—in cash.

Mr SAWFORD—I am talking cash when I say 'reserve'.

Mr Derkley—Until less than 12 months ago, we had something like $200,000 in cash. Today, we may have $100,000 in the bank. Tomorrow, we may be under—we may be in an overdraft situation—depending on when our funds come in and when they go out. It is no different than with any other business.

Mr NEVILLE—Peter, in a year, how many employers would a full-time apprentice normally rotate

through? Can you tell me that, firstly, in relation to apprentices, secondly, trainees?

Mr Derkley—On trainees it is easier to answer: it is highly unlikely that we actually rotate them.

Mr NEVILLE—Generally just one?

Mr Derkley—Yes. With an apprentice, I would suggest they move at least twice a year on average, with our organisation.

Mr NEVILLE—Most of your guys and girls are in six months about?

Mr Derkley—Yes. It may be three months and it may be nine. In the nine-year history of the organisation, it first started at about three months and we have built up to about six and a half months. That is what our rotation time is. We strive to have a solid base for employees in the first year of their apprenticeship, so we supervise for a year the first year apprentices. We bed them down, if I can put it that way. We embed their skills, attitudes and all those sorts of things. After that we go into more continuous turnover.

Mr NEVILLE—Do they generally tend to move because of season, or do you try to move them around for cross-fertilising of their skills?

Mr Derkley—We work to manage their rotation on the basis of identifying employers with particular needs. Their need may be a first, second, third or fourth year apprentice, and we will link their rotation to things like annual leave, technical training times and anniversary dates so that we continue to supply the employer with that customised person and rotate them out of that business with the least impact—for example, they may lose them to tech or to holidays. We will replace them at that time so that they are not going through two transitions.

Mr BROUGH—Peter, at what age do you start with them; how old is the youngest apprentice? Are you waiting for the finished senior; is that the optimum?

Mr Derkley—They have to have finished year 10. We would have taken on young people who have not finished year 10 but who showed a particular ability.

Mr BROUGH—Roughly what sort of percentage would that make up—not those who have finished but those who are 15 and 16.

Mr Derkley—It would be lucky to be five per cent.

Mr BROUGH—Would the big percentage be roughly 17- to 20-year-olds?

Mr Derkley—Eighteen to 20—18 to 21 by the time you look at the four-year span. For trainees it is a lot different. There are different demographics.

Mr DARGAVEL—Peter, could you expand on the perceived reasons for that? Is it the employers who

are reluctant to take on an apprentice who has not finished year 12 or 11? Previously, more apprentices had started after they had finished year 10. Is it that the young people themselves are wanting to get more secondary schooling under their belt before they attempt to find apprenticeships, or is it that employers are less keen to take people on who have completed year 10?

Mr Derkley—I do not believe once someone is an apprentice or we make a decision about someone being an apprentice with us that employers necessarily have a problem with their background—whether they went to year 10, 11 or 12. I do not believe that that is the case. Maybe it is the case if they were doing it right from the first instance, but once they commence their apprentice, they are in the cycle.

I believe the reason young people are basically getting into apprenticeships later is that it is taking longer for them to actually achieve what they may have been aiming for. They are not leaving school, because school is a structured thing to do, and they are still developing their skills.

CHAIR—Is it not true, though, that in the very early 1990s—1991 and part of 1992—the retention rates went through the roof and in 1993 and 1994 they started to go back down again slightly as jobs opened up? Is not a lot of it job driven?

Mr Derkley—Was it because jobs started opening up or was it because young people said, 'This is not working; I know that it has not worked'?

CHAIR—The general belief is that as jobs started opening up, which they did, and more jobs became available and unemployment came down—

Mr SAWFORD—Youth unemployment went from 168,000 to 100,000 in that period.

Mr Derkley—I am not aware of those figures, obviously.

Mr SAWFORD—It is still 100,000.

CHAIR—Peter, thank you very much for appearing before the committee. We hope to complete our inquiries by June and issue a report. As is the normal circumstance—I am sure you are well aware—we will certainly send you a copy, too.

Mr Derkley—Wonderful, thank you.

CHAIR—Thank you for your input.

[2.06 p.m.]

COAD, Mr Peter James, Executive Director, Tasmanian Building and Construction Industry Training Board, PO Box 105, Sandy Bay, Tasmania 7006

CHAIR—Welcome. I will take this opportunity to remind people that this inquiry is not about unemployment, it is about employment, and that we are really looking at two things. One is what we can do to make people more employable and the other is what we can do to encourage industry to make more opportunities available for our youth. Mr Coad, we have talked to you before but this is a new topic. Do you have a brief opening statement you would like to make?

Mr Coad—Yes, thank you. I would like to present to the committee a paper which I have tabled for your consideration which I believe addresses those issues that you have put to me. It clearly identifies those factors that influence employment and training. I must preface my remarks by saying that it relates to the building and construction industry and to my experience over the last 30 years in the construction industry and to my 15 years in training and development.

I believe that the industry in Tasmania has a unique opportunity. We are going through some of the worst economic times for our industry, and that is indicated in the paper. I would like to expand on that in more detail later on in my submission. First of all, I would like to thank the committee for the opportunity to make input and I would like to go through each of those points and expand on them, and take questions.

CHAIR—Do you want to do that briefly and then we will ask you questions as we go along?

Mr Coad—Yes, I will briefly go through it. What I have provided to you is a paper which recommends two strategies. The first strategy is that we need to do things differently and I note that there is some emphasis in relation to group schemes. I believe that we need to take a step back from the employment aspect and look at the issues that are really affecting the workplace and affecting young people in particular coming into employment. The first strategy that we need to do is develop programs that advance the separation of employment and training.

The building and construction industry has an inherent problem in that you cannot get trained unless you have employment. An indication of that is in appendix A to the paper that I have provided. As at February 1997 we had 36 commencements for the whole state for the building and construction industry. If you go back to 1995-96 we had 135 and in 1994-95 we had 209. It has been continually declining and there are reasons for that. But we have to be conscious of the problem and the problem is that there is this link between employment and training.

You must have a job before you can get trained. That is unique to the building and construction industry. In other professions you can go to university, train as an accountant, and you can get your qualifications then go out and try to get a job. If you get a job, that is fine, but if you cannot, that is the market forces. But our industry has this inherent problem.

The second strategy that I have proposed in this paper is really to address work availability. If we do

have programs in place that provide the up-front training and give people skills and give them employable skills, then the next thing we need is to actually get them work. We have a crucial problem in Tasmania at the moment. We need to put in place a particular strategy to create that work because we have not got the work at the moment to be able to provide trainees and apprentices with the appropriate industrial experience.

What I have suggested in this paper as the way that we could do that is to pilot a number of programs, new initiatives, that could include those programs that the Commonwealth government has in mind in terms of user choice—working for the dole programs. We should undertake a major project—and there has been a project proposed to build an international sporting venue here in Tasmania.

I am suggesting in this paper that we put such a project together, that we build that project totally with apprentices, trainees and unemployed under a structured training arrangement, and we put in place new training arrangements where we do the up-front training and have this program sequentially put in place. The trainees would go onto that site, get their industrial experience and then come away with national industry standards and qualifications. They would come out as qualified carpenters, painters, bricklayers, concrete workers, et cetera.

I think we need to do those two things to be able to pilot these arrangements, so we need the work. At the moment we do not have the work, and that is clearly indicated by the numbers in training that the industry has been able to take on. I think that is one of the main inhibiting factors—work availability.

The second thing that I mentioned is the length between employment and training. The third thing is the affordability. In terms of the training system of apprenticeships, we have recognised the TAFE training component and there have been subsidies provided by the Commonwealth to assist employers to send apprentices to TAFE, but there has not been any real recognition that there is a cost involved for the employer with the on-site training of that apprentice.

That is why the industry is now saying, 'Well, hang on a minute, before we put someone on we want someone with some more skills.' I believe we have been playing around the edges with pre-employment programs. We are giving some skills but we are not going the full extent and expanding those skills. I believe if we put programs in place that have done that then the opportunities for employment would be greatly enhanced.

So affordability is certainly an inhibiting factor. Productivity is the other one, which I suppose to a certain extent is linked to affordability, the amount of time spent by the employers in supervision and lost work. The basic reality at the moment is that employers cannot afford to have unskilled people in the workplace. That is because of structural changes, the subcontract nature of the industry and all those factors. We are no longer working in an industry in Tasmania. It is a national industry; it is an international industry.

Organisations are now focusing their thinking around that. You will not survive in the building and construction industry in Tasmania if your thinking is purely on working in Hobart. In the future it is not going to be like that. People are coming from the mainland to compete for work here. Our people will actually need to be geared up to compete with work from all over Australia and then in other countries in the future.

In summary, I would say that one of the inhibiting factors in relation to employment is the availability of work to provide the appropriate industrial experience on site. The link between employment and training is one of the major factors that, if addressed, will significantly improve employment within the industry. Certainly, that aspect of productivity needs to be addressed to make people more productive at a much earlier stage to ensure their employability.

What I am suggesting is that the industry puts in place strategies to address those factors. If we had a major project which was phased over a period of time, I am confident that our board would be more than happy to contribute towards the cost of funding some of the training. But I think such a project needs to be a partnership between industry, government and the community because it would have international significance.

For example, if the youth of this country built an international stadium for the youth, imagine what a marketing thing that would be. We would be providing new training arrangements with outcomes that would give them qualifications they could take anywhere within Australia. I believe that, if it was phased over a period of time with a small investment to be able to do that, it would be very worthwhile.

CHAIR—Thank you, Peter. You said you have 36 new apprentices. Does that encompass carpentry, electrical, plumbing, painting, plastics, the whole lot?

Mr Coad—All building trades. That is at February this year. That does not mean there will not be more put on. But at this time in 1995-96 we had 135.

Mr DARGAVEL—So it is almost a quarter of what it used to be?

Mr Coad—That is correct.

Mr DARGAVEL—Are these new engagements or is this the current total?

Mr Coad—These are commencements.

Mr DARGAVEL—I take it from this that the construction industry is doing what it usually does when it goes into a downturn—it is not training people. Is that basically what is happening?

Mr Coad—The point I was trying to make, and I am using this as an example, is that in 1989, 1990 and 1991 we had a recession. What happens when we have a recession is that people drop off from the training. But, when we pick up, people want the skills and we have not got the skills in the industry. Then we get organisations crying out—in particular, the major employer organisations—that we have to import skills from overseas.

Mr NEVILLE—Is that anecdotal or have you done an analysis on it?

Mr Coad—You will find within the report there is a document called *Building and construction skill requirements 1996-97*. We have a comprehensive forecasting model that we have developed here in Tasmania. We validated that information by conducting a survey of 400 companies within this state. We got their views

on what they see as the training needs and the problems that they face.

Mr NEVILLE—And that pattern is emerging again?

Mr Coad—That pattern is emerging again. If you look at any study and take any of these figures, there is a clear relationship between activity levels and employment levels of apprentices. There is no question about that.

CHAIR—In Tasmania, can a young person get a job as a builders labourer without qualifications?

Mr Coad—Yes.

CHAIR—Do they?

Mr Coad—Yes.

CHAIR—But not as a carpenter?

Mr Coad—They can come into the system. There are no forms of registration here in Tasmania, so people can actually enter the industry informally or they can enter it via an apprenticeship.

CHAIR—If they enter the industry informally, do they get paid for their skills or do they simply get paid for being a body?

Mr Coad—You will find now that it is becoming less and less, because the industry is demanding skilled people. Nowadays, people do not employ unskilled people. You might find it coming through, for example, in civil construction where you want a plant operator but, even then, there is a demand now in terms of quality assurance. Clients are demanding a quality product and people are now asking, 'Where are your credentials? Where are your qualifications as an operator?' That is coming through time and time again.

We have now got a system in place at a national level in relation to the credentials of plant operators, so the industry is moving down the path of having no unskilled people in the building and construction industry any more. The number of people coming in other than through apprenticeships or traineeships is becoming less and less—they have to be skilled.

CHAIR—So are you telling me that the industry today has enough people with the skills that are necessary but it may not tomorrow?

Mr Coad—Exactly. It does not have the capacity to respond. I will put it another way. Let us say that I am leaving school and I want to become a carpenter. What do the career teachers tell me? They say, 'You have to go and get a job before you can become an apprentice carpenter.' What if we had in place a system where that person could go and do all their training and become a carpenter? We have the training systems in place; that is not a problem, we can do that. It is just a matter of the wherefore and resources to be able to do it. That person could train to become a carpenter, get a credential, go into the industry and do 12 months or

two years to get the industrial experience, have an assessment at the end of that period and become qualified. At the moment we are saying, 'No, we're going to cut you off. You cannot become a carpenter or you cannot become a bricklayer unless you get a job.' That is the inherent problem for the building and construction industry for the apprenticeship system.

CHAIR—If you think that will work, why don't you just set up a system in Tasmania for a year's worth of off-the-job training for apprentices in the various trades and then go help them find jobs at the end of the year?

Mr Coad—Given the uptake and the acceptance by industry of the pre-employment programs, if we increased and enhanced the skills we would have a substantial increase in numbers because at the moment employers are not prepared to commit to a four-year training period—

CHAIR—Why don't you just do it?

Mr Coad—If the Commonwealth government is prepared to support that strategy too—

CHAIR—No, why doesn't the state of Tasmania do it? Why don't you do it?

Mr Coad—I think it needs the support of the Commonwealth in that.

CHAIR—Why?

Mr Coad—Because the funding arrangements at the moment are not geared and are not related to recognise the cost of on-site training by the employer. If that was done separately, instead of paying the craft subsidy for off-the-job training within TAFE—that person leaves the institution or leaves the training program and goes on-site to get the industrial experience—if that subsidy is arranged around the industrial experience, then you would substantially increase the numbers.

Mr SAWFORD—But why cannot the state education system have a vocational college at year 11 and 12 for a whole range of trades? Why couldn't the state system do that? All these kids in secondary schools, of which many of them have that academic curricula—of which 30 per cent get into university, 25 per cent complete, the other 70 per cent are often left—

Mr Coad—I do not believe the secondary education system would be able to deliver the competencies that would be required by industry. You would need a total restructuring of the secondary education system; but the vocational education training system, the TAFE system, can. We have in Tasmania one of the best facilities in Australia for the training of building trades apprentices. It has been recognised internationally as one of the best practice facilities. To develop the link between the secondary education system and TAFE is certainly well worth while. That is happening already here in Tasmania; we have got programs in place doing that.

Mr SAWFORD—When I say 'vocational college', I do not mean necessarily a secondary school; it could be a TAFE facility or whatever. I do not mean secondary schools as they exist now; I agree with you,

they could not deliver.

Mr Coad—The other thing is that as a nation are we going to go down the path of some other countries of having no TAFE institutions, just have senior secondary colleges and tertiary institutions, or are we going to strengthen our vocational education training system and get greater, stronger links between the two? I think that is an area we could certainly enhance, but we have to break that nexus between employment and training.

Mr SAWFORD—How many extra apprentices do you expect? Can you make a prediction, in terms of up to 30 June, what will 36 look like? Will it be 70?

Mr Coad—I could not tell you. Based on the current activity levels, we certainly will not make the 135. You might be lucky to get another 15 or 20 maximum.

Mr SAWFORD—I realise it is only one indicator, but it is a very, very worrying indicator from the point of view of the Tasmanian economy.

Mr Coad—Very much so.

CHAIR—What happened to the building industry group training scheme?

Mr Coad—The building industry group training scheme is still operating but that group scheme has its problems also in placing apprentices. That is another issue. Group schemes were set up so that when we had bad times within the industry, when we had suspensions and downturns, that the apprentices would go into the group schemes to continue their employment and training. Now we are finding that the group scheme is also having the same problems in placing apprentices within the industry.

Mr NEVILLE—That would largely fall back on the state government because to do that what the group apprenticeship schemes have been doing is they have been getting, say, a set of units from the state housing commission to complete and their out of work apprentices have been put onto those projects. It is really not a Commonwealth problem, the state creates the opportunity and the group apprentice scheme—

Mr Coad—I believe those sorts of solutions are fine as bandaid approaches but to overcome the bandaid approach what we have got to do is have a radical, new approach to the way that we deliver training to people who leave school and how that is going to be then integrated into the workplace.

Mr NEVILLE—Without trying to oversimplify your submission, which I have not read, are you asking the Commonwealth government to put in the equivalent of the pre-vocational costs of these apprentices and what they would otherwise be getting if they were on the dole, if you like, as a labour component, and the state providing the materials, the two coming together to provide a basis of training and a stadium is the ultimate outcome? You have a benefit at the end of it as well.

Mr Coad—That facility has an economic benefit to the state which is enormous.

Mr NEVILLE—Have you costed the various components?

Mr Coad—It has not been done and the paper is suggesting that we should do a detailed feasibility study into how this would come together, but the impact of that facility on this state in terms of the construction industry and other associated industries would be enormous. It would get confidence back within the industry and also within the community. It would have an enormous impact.

That project is more in line with the other inquiry that is going on at the moment, looking at development that is occurring within the state. There is another inquiry going on at the moment. But the factor that influences employment is work availability and if we are going to address this problem, if we had this facility, we would train literally hundreds of apprentices and trainees through this system.

Mr NEVILLE—Are you are confident that you can place them at the end of this process?

Mr Coad—At the end of this program they will come out as a qualified tradesperson. It would have this project coming on by the year 2000, so it would be over a three-year period. The trainees would do all the up-front training at a TAFE institution, and senior secondary education can do that as well. Then they would come onto this site and get their industrial experience and have an assessment process and come out qualified. Then they are available to the marketplace—

Mr NEVILLE—Would they do the whole of their apprenticeship on that site?

Mr Coad—That is correct.

CHAIR—So we have artificially stimulated the construction industry in Tasmania by using public funds to build a facility. We have trained all these young people in trades but the private sector and the public sector together, in terms of construction, has not changed its output. But once the stadium is finished, it is finished, we cannot build it again. Where do all the trained people go then?

Mr Coad—I have spoken to my colleagues in New South Wales—and I do not know whether we have any MPs here from New South Wales—and there is no reason why, if this project was linked to the Olympics and is phased in at that point in time, why we cannot bring apprentices from New South Wales and put them onto this training project because there is the capacity within New South Wales to train as well. We are talking about a project here of national significance, no only just training for Tasmania but it can be a national project. We would be bringing people down and training them that way.

What this will do is create that confidence, but as an ongoing arrangement in terms of providing industrial skills, that will be left to the marketplace. We would not see these projects being put in place on an ongoing basis to provide apprentices with industrial experience, because I do not think it would be required. What will happen, if you give the people the skills, is that they will be picked up by the employers. As the work increases, they will be picked up anyway, if they have the skills.

CHAIR—Why is the work going to increase?

Mr DARGAVEL—As I understand some of your opening propositions, when the industry slumps, it tends to drop its apprentices or it does not engage them, then when it goes through a boom—construction is inherently boom-bust—it is then scratching around with a shortage of skilled labour. Is that a reasonable assessment?

Mr Coad—That is true, yes.

Mr DARGAVEL—Okay. This proposition is to take the industry through its downside, so that when it is going through its upside, it is not suffering a huge shortage of skilled labour. Is that reasonable?

Mr Coad—That is right, yes.

Mr DARGAVEL—And, in the process, as I understand it, giving young people a bit of a go during that slump, which is fairly depressingly evident on these numbers. I take it the CFMEU are represented on the Tasmanian Building Construction Industry Training Board?

Mr Coad—That is correct.

Mr DARGAVEL—Are you aware of their views on this sort of proposition?

Mr Coad—No, this proposition has not been run past the CFMEU, but we are not proposing anything different in terms of policies, national qualifications or making sure that the people who come through this program meet national industry standards. They will have national industry qualifications as a result of the training.

Mr DARGAVEL—That takes me to my second line of inquiry. On that whole national competency agenda, I think it was Carmichael who was floating the proposition that you could do modules of theoretical and modules of practical. Is that a reasonable understanding?

Mr Coad—No. We are talking about a competency based system. People are either competent or not competent; they can either do it or they cannot do it. We have an assessment process in place and we have an assessment system within the building and construction industry, which is managed through Construction Training Australia and has all the unions and major employer organisations represented on it. What we are talking about here is piloting a new training arrangement that would break that nexus between employment and training.

In terms of the union involvement, that would obviously come when people go on site. Obviously an industrial arrangement associated with the payment of wages would need to be worked out. That is when the trade union movement would obviously be involved.

Mr DARGAVEL—The employer organisations are also, obviously, represented on the board. Have they been canvassed on this sort of proposition? Presumably they have, at various times, had a whinge when there is a boom in the economy in their particular industry and they find it difficult to find skilled labour.

Mr Coad—Employers would certainly support this proposition.

Mr DARGAVEL—Yes, I thought so.

Mr BROUGH—A couple of questions that you alluded to earlier. You said that brickies' labourers and the like are not being used; they want the people with the qualifications. That is certainly not the feedback that I get from the industry. That is that they will get labourers in and use them. The labourers have been there for some time. They do the job almost as well as, if not better than in some cases, a tradesperson, but they have no certificates. Do you believe there is any take-up in some parts of your construction industry down here of that non qualified but highly skilled labourer taking on almost a tradesman's role?

Mr Coad—That to a certain extent is true with the bricklaying trade. The figure is well in excess of 50 per cent of bricklayers who do not hold any formal trade qualifications within the industry. It is around that figure. What you are saying is true. People do come in and they do start off as labourers and they learn on the job. My only question with that is, 'How efficient is that?' It may create employment to a limited extent—a certain percentage—but one of the biggest problems we have in the building industry is bricklayers. When we have an upturn, we cannot find bricklayers. What happens is they name their own price for laying the bricks and who pays for that? We do as consumers. It inflates the cost because we do not have a system in place for people to be able to become a bricklayer. You are saying to me before you become a bricklayer you have got to become a labourer. I am asking is that right? Is it morally right to say to someone that if you want to be a bricklayer you have to be a labourer first?

What you say is true, but I believe that we should be saying to people that you can become a labourer first—there may be some components of labouring which might be good for a bricklayer to know about—but you should not necessarily have to be a labourer before you become a bricklayer.

Mr NEVILLE—Does it not come down to the differential cost between taking an apprentice on with a lack of output for a period of time and putting a labourer on and getting them up to speed to be able to be actually productive? Isn't that the reason that they do not go down this track of apprenticeships?

Mr Coad—Yes, that is one of the points I raised in my initial discussion—quite true. Productivity is one of the inhibiting factors in putting on apprentices. Another is re-work, particularly in bricklaying. If you get someone on doing a corner and you have got to pull the whole wall down because it is not done properly than it adds additional costs.

Mr MOSSFIELD—I think that we have got to accept that from time to time we will have these safety net programs to assist in overcoming our skills shortage but I think really you have gone beyond that now to drop to the level that you have here. I would be suggesting that really we should be talking to the employers in the industry. They are the people that will benefit or will suffer, either way, depending on how the skill shortage goes. What incentives can we give to individual employers to encourage them to take on more apprentices? I know in New South Wales at one stage the state government looked at reducing payroll tax in some areas to encourage employers to take on more apprentices. I suggest that obviously the problem is so serious here that you really need to get employers to accept their responsibility and take on apprentices direct.

Mr Coad—Historically the industry has been very traditional. A lot of the employers always trained apprentices because they were trained as apprentices, but we have found that the industry is now becoming far more articulate in that they know what their costs are and they are saying, 'Before we put on an apprentice, what is it going to cost us?' Commonwealth government grants within themselves can be a problem too because you have to be able to go around to get the funding. I believe the grants should be specifically targeted, so you get paid for a service. I will give you an example of that. Here in Tasmania—bricklaying is one of those areas—we have agreement with the Master Bricklayers Association and its members to engage 12 apprentices through a group scheme. We would be paying out of the training fund for the bricklayers to train those apprentices on site. We would be doing a pre-employment program and giving them a lot of skills up-front, so when they come into the apprenticeship they have the equivalent of their first year of TAFE completed. They are coming on to the site with some usable skills and we will be paying the employer to provide the training.

There is a condition on that. One condition is that they must have done the apprentice instructor course equivalent to the train the trainer course. We are developing a relationship between the employer and the TAFE and there will be assessment processes all the way through the training. It can be completed within three years—we are not talking about a four-year apprenticeship, we are talking about a possible three-year apprenticeship. It could be less; if they acquire the competencies they could do it in less. We are recognising that by providing a grant—no, it is not a grant—it is providing a payment for providing that service.

Mr SAWFORD—Peter, thank you for preparing this information, even though all of us have not read it thoroughly. We only had a chance to skim through it. You are one of the people who have become before this committee who have offered some potential solutions and we thank you for that.

I refer to your concept and strategy about the major project. Your concept is right that Australia is actually ripe when it responds favourably to governments of any persuasion coming up with ideas for major projects. But I encourage you to broaden your options from just this one. Your concept is right. For it to be a little more compelling to people who are going to listen to it, a wider range of options is advisable.

I will give an example of my own state. Bob may or may not want to comment from the Victorian aspect. Both the governments in South Australia and Victoria—remember that there are some similarities for the Tasmanian economy down in the south—got into this idea of building up all these entertainment centres and projects.

It is interesting to note that Victoria in the last 12 months has had the biggest slice of increase in unemployment—almost one per cent—followed by South Australia. I do not think it is a strategy that is viable. I believe the concept is right, and I would encourage you to develop it because I think you are on to something that people will respond to. But broaden your options is my advice.

Mr BROUGH—I want to touch on the construction industry. In Queensland there are no trainee wages. You talk about affordability and productivity. As part of that, if you are only going to work on a piece of plant or equipment, then you have to pay the full wage from day one, even though you have somebody else sitting there who is a trained operator. So obviously the machine is not being as productive and you have to pay two full wages. What is the situation in Tasmania?

Mr Coad—At the moment we are developing a traineeship for civil construction and plant operation in this state. Again, there is an award for that.

Mr BROUGH—You currently have a trainee wage in place now?

Mr Coad—We have a trainee base for that particular traineeship. It is currently being put in place. I suppose the theme of my presentation is that if people want to pay the award rate then they pay for the skills a person has. What better way is there than to put more up-front training in place and get people up to a certain level, which would make them more employable?

Mr BROUGH—Thank you.

CHAIR—With all your forecasting ability, though, and since you seem to know what is happening in the industry and you represent training in the state's construction industry, why is it that you cannot have enough influence within the industry to convince it that if it continues down this path—36—next year it will not have enough bricklayers and it will have to pay through the nose to get a bricklayer?

Mr Coad—It is purely economics. If you run a business—

CHAIR—That is pure economics.

Mr Coad—That is pure economics. Nowadays, the social implications are what government has to take responsibility for. That is my view and not a board's view. I believe that we have to have new arrangements put in place. Certainly, the industry needs to play its part, and we can encourage the industry to play its part if we recognise what those true costs are on site—just recognise them. If we had governments that recognised that there is a cost in training an apprentice on site, doing that one thing alone would be a very big thing for employers.

Mr NEVILLE—You have given us your reasons why you believe that there has been a cutback in apprentices—the inhibiting factors. What are the reasons the employers give you on a one to one basis when you ask, 'Why won't you take an apprentice?' What sort of feedback do you get? Give us a bit of a feel for that. What do they say to you?

Mr Coad—Exactly what I have written there.

Mr NEVILLE—They do not say to you that there is a link between employment and training, do they?

Mr Coad—Yes, they say, 'We want people with skills. We cannot take someone straight off the street with no skills and put them on to a site and pay them the award rate to do that training. It just is not cost-effective. We just cannot do it.'

CHAIR—How cost effective will it be next year if there is an upturn in the industry and there are bricklayers and there are not enough carpenters?

Mr Coad—That is true. It certainly does not help the industry as a whole because we are going to have a shortage, but who should bear that cost? If I train the apprentice, I put that apprentice on and that is costing me, and someone else next to me is tendering for the work and he does not put any apprentices on and he wins the tender, what does that do for my business? So where does that help us? What it does is you go broke—you do not win the job. It is more than just putting on apprentices. It is competing in the marketplace for the available work. Hence those points I have raised—

Mr NEVILLE—I am not trying to be argumentative, but I go into small building businesses. Work availability is a self-evident one, but I have not heard of any of these other ones. The things that they grizzle to me about are workers compensation, constraints on small business—uplift factors and all those sorts of things. They talk about the inflexibility of industrial relations. They give me a plethora of reasons why they will not take on apprentices, but not these broad brush ones. You are the first person that has stated this. You may well be right. That is why I am say that I am not being argumentative.

Mr Coad—Let me give you an example. Recently we got a AVTS program in the senior secondary education system at Rosny College. We had a work experience program as part of that. They did a lot of their training in TAFE and through the college. They went out and did their work experience program. They worked with the employers on site. Two of those students were picked up and given apprenticeships straightaway because of their ability to be able to do the work and now they have got apprenticeships—they have commenced employment.

It was not because of payroll tax or any of those other benefits, it was because those apprentices or the trainees, had a relationship with the employer because they could see they were competent and they had some skills and they had ability. What we need to put in place is training programs that can do those sorts of things and develop a relationship with the employer and then we are going to get real benefits. Until we do that I think it is more symptoms rather than—

Mr SAWFORD—Do you have a training levy on industry?

Mr Coad—We have a levy similar to South Australia's and we find that works exceptionally well. We have not funded the entry level training, apart from the bricklayer training program and some grants for some post-trade courses within TAFE and pre-employment programs. We are conscious of the funding that is being provided for entry level training by the Commonwealth. We do not want that to be offset using our training levy where we use that to provide up-skilling and multi-skilling of the existing work force.

Mr SAWFORD—What is the response of the industry to the levy?

Mr Coad—Very positive. We have 100 per cent support from all the employer organisations within the industry and employee organisations. Since the levy has been operating we have put through about 8,000 people in training programs—I am talking about a work force of 13,000 in 1991. Maybe we have contributed to our own problem within the industry to a certain extent because the industry now, through the programs we run, is becoming very articulate in the way they run their business. Before, businesses used to operate out of the back of a ute or out of a matchbox and what have you, but that does not happen now because they do not survive.

CHAIR—Thank you very much, Peter. We appreciate your submission and we hope to conclude our inquiries by June. We will produce a report and, as is the usual practice, we will send you a copy.

[2.52 p.m.]

LAWSON, Mr William Donald, Director, Beacon Foundation, 17A Main Road, Moonah, Tasmania 7009

PALMER, Mr Barry, Board Member, Beacon Foundation, 17A Main Road, Moonah, Tasmania 7009

TURNBULL, Mr Brian, Director, Beacon Foundation, 17A Main Road, Moonah, Tasmania 7009

CHAIR—Welcome. This committee is dealing with unemployment which, from the brief we have from you, is what you are about. We are trying to come to grips with two fairly simple things. First, how we can help make young people more employable and, second, how we can help and encourage industry to provide more jobs for our youth. I now invite you to make a brief opening statement before we ask you questions.

Mr Lawson—We do not have a document for you at this point but we have prepared some points that we would like to raise with you, and we will give you a copy of this paper. Can I take it from your introductory comments that you are aware of the Beacon Foundation and what we are about?

CHAIR—Yes.

Mr Lawson—That statement of Banjo Paterson's from 1888 that you see there we found very curious because, like a lot of those statements, it is still relevant today. So we put that there and we followed it with a statement of our own that tries to represent what we are on about. We changed that during 1996, after a lot of talking, and you can see there what it is now. We have also listed some issues of relevance which we would like to raise and express some viewpoints.

We are aware of Carmichael, and the changes in education, AVTS and all of that. However, we are still concerned about education's irrelevance to work. We are aware of the need for education to have more input from commerce. I have said there that commerce is unwilling. We have flagged education and its need of this input as a bit of a hazard to us, in the sense that it could consume a lot of our effort, and it is not what we are on about.

But, notwithstanding that, a lot of educationalists are clearly very frustrated at the lack of input that they can get from the frontline of commerce. That is simply because commerce is too busy trying to survive. How that is addressed is a good question but it has a lot to do with the relevance or the irrelevance of education to work.

We have concerns about the issue of continuing or encouraging the continuation of young people's education to year 12, across the board. We say that that is too restrictive. We have held that view for some time. We are also concerned about the issue of education for unemployment. It is no longer a panacea to go and get an education. When I was a young person, it was good advice from my parents, 'Go and get your engineering degree and you'll be right,' and I was.

Mr SAWFORD—But not for your parents?

Mr Lawson—It was not for them, no, they went through the Depression. But you can understand why they wanted an education for their kids. It is no longer a panacea. It is part of the solution. It is part of the issue, but education in itself is not to get a job. We all know that there are a lot of unemployed educated people. It does not matter whether they have come out of year 10, 11, 12, TAFE, university or whatever. There is a relevance in that statement.

Let me go to the issue of financial incentives and disincentives, and I guess I am telling you things that I heard you questioning the previous witness about. We have difficulty accepting the unemployment benefits, the pay for nothing, and the societal rejection that that carries with it for young people. We see the youth wage, and the issue of a youth wage, as a big issue in terms of its affordability. I think there is a huge injustice in age awards versus chronological awards, 16-year-olds standing alongside 18-years-old. The 16-year-old out of year 10, having done the wrong thing—that is, exited education against the advice of all of us and not going into year 12—standing alongside the one having done the right thing. With the age based award, entry level wage at 17 is $18,000 opposed to $13,000 for the 16-year-old. That 18-year-old has a legitimate gripe, in our view.

There are also the issues that you mentioned earlier—that is, the oncosts against the employer of workers compensation, superannuation guarantee and payroll tax, depending on what state you are in. We are concerned that the unemployment benefit, or the dole—that is its unflattering term but it seems to be something that it gets tagged as—is perceived as being a viable alternative to work in a young person's mind. We also have lots of problems with the payback period on training investment being as long as it is. We all know that, whether you are a graduate, or a year 12 student or TAFE or whatever, your employer has to carry a lot for a long time and that overlaps into the relevance of education to work.

We have got some views on the community. We think that the community must own the issue of youth employment. It is no longer the domain of parents. For kids at age 16 on, mum and dad are the least likely people that they are going to listen to. If they do not listen to their parents and if the community is not talking to them nobody is. We have seen a lot of evidence of local ownership in the work that we have done—community groups of all sorts, whether they be rural groups or urban groups, service clubs and, importantly, we think, local government, councils.

We have seen a lot of community support for the work that we have done which is evidenced by money in the mail, money sent to support a program that we are doing. People are willing to make time available and to make personal input. There is also a measure of gratitude and eagerness at the opportunity to do something about this perception that many young people lack of self-esteem, that they are unimpressive to prospective employers. We wonder about the linkages to youth suicide, and a lot of the press talks about that too.

We think that a lot of young people are untrained in work ethic. There is a second generation of public support. They have grown up in a family where they have seen mum or dad not having to go to work. There is a lack of role models. We did some work in Bridgewater High School in 1995, and we were amazed to hear that one in 20 families of year 10 kids participating in that program had a male resident in their home not working. It was as high as that.

We think the family breakdown and the lack of role model that I have just referred to are also very hard to replace by training. We also have some views with respect to public funds. If we look at the application of public funds two decades ago, it was everywhere—in all the professions, in all the trades, right across the board; in universities, in nurse training, in all sorts of things, there were so many people training on the public purse, and there were scholarships and all sorts of opportunities. Today, we have the national competition policy—Hilmer and a whole succession of things that you people would understand better than I.

A lot of publicly funded work is being done by the private sector but, in getting that money, the private sector is not required to train. We see that there is a potential for government to attach some strings to the public funds that are being put into the private sector. We must train the young people and it is very hard to get the private sector to see that as a necessary expenditure if they do not have to do it. A curious thing about it was that 20 years ago, certainly in this state, if you were going to do a government project in the construction industry, for instance, you had to have apprentices to a certain measure, which was tied to the value of the contract. Those things have been loosened off. We find that absolutely curious.

I will say a few words about Beacon's initiatives. Everything that we have done and that we do, we do as an original; we do not seek to replicate. We seek to address the issue, to try and understand the problem and to address the issue out of that understanding. However, we do that from a viewpoint of not spending too much time talking. I want to leave some reports with you. In one in particular, which I will allude to in a moment, there is a lot of self-criticism of ourselves in terms of our lack of planning, what went wrong and what could have been better—but the fact of the matter is that we did get on and do it. We are mindful of the fact that we can talk and talk and talk, and write reports and reports and reports. What we try to do is get on and do something.

We do not think we have finished thinking this issue through. But our current understanding of it, to put it in very simple terms, is that there are not enough jobs for kids. That is to state the obvious, and is perhaps not worth the breath it takes to say it, but it is such a huge issue that it must be said. We think the issue is that there are not enough jobs for kids.

As I said earlier, we do small demonstration projects and we do what we can, through reports and media exposure, to encourage their replication. I will just touch on a couple of the things we have done. We devised the no dole program and I will give you the five reports of the no dole '95 program. That was run in 1995 not in five schools, as is said there—that is a typo—but in three schools. They were schools in difficult areas of Tasmania. When we say 'difficult areas' we mean difficult socioeconomic areas in terms of the lack of family support and the like.

The no dole program is about saying that no existing year 10 student will need to take the dole next year when they exit year 10—that is the base statement. It seeks to move the ownership of that problem into the community. It seeks to synthesise the supportive family and the networks that a supportive family has. It seeks to try and match up kids one on one—in a mentoring role, if you like—to get them into jobs or, if they are going on to year 11 studies, to advise them in those studies.

From 1995 to the time we finished the program on 31 March last year, we got an 87 per cent success rate—in other words, 202 of the 232 kids did not need to put their hands up for the dole. There were 30

others, and I will come back to those. In 1996, following the publishing of the report and an alliance we formed with the Tasmanian Council of State Schools Parents and Friends Association, we got it into 15 schools. At the end of December—that is, with another three months left to go—we had an 82 per cent result at that point. We look forward to seeing what the position will be at the end of March. We do not know how many schools it will be in in 1997—that is still being determined. But our efforts will go on the job end, and less on the school end; they will be at the community end in terms of trying to prepare the community for the kids when they come out, towards the end of the year, in search of jobs in particular.

I mentioned earlier that 30 kids fell out of No Dole '95. They did not make it to the end of year 10. We tried to keep in contact with those kids, but we could not stop the bus and go back; and so we came along after a while with a program called 'Social Belonging'. We have the report here. We conducted that program with 10 of those kids. They were kids with poor home support and police records—stuff that appalled us, in many respects. It was a five-week program which we devised, and we ran it in October and November last year. We were looking to get a turnaround in their job readiness in a five-week period. We were amazed at the results. There is a lot of media material in the back of those reports. Six of those kids are into jobs now. We are still in contact with the others, and are endeavouring to continue their placement.

With No Dole '95 and Social Belonging, we have endeavoured to try to face up to a problem and not to issue reports that say, 'This is the solution,' but perhaps to try to spread it out into local ownership, as I said earlier. We think the local ownership of the problem carries a lot of solution with it. It is not a problem just for mum and dad; it is for the community. If it is a little country town and they have six kids coming out of year 10, why shouldn't that little country town accept responsibility for those six kids? If it is a big city, with a lot more people, why shouldn't they accept the responsibility for that large number of young people? I know that that is very easy to sit here and say.

As I said a moment ago, we have arrived at the point where we think that the big issue is that there are not enough jobs for kids. We spent most of last year talking about that issue and thinking, 'Where is the solution to this?' We have to break the mould; it has to be different. It is not working in the way we are going. We keep procreating and educating, and they keep coming out at the end of the system. We devised Beacon careers, which is now with Senator Newman. We met with Senator Newman at her request three weeks ago. We put to her a proposal in skeletal form to address the issue of not enough jobs for kids.

That proposal is about job creation; it is about putting something back into the community, with the young people's endeavours, to repay what the young people get out of that community. It is not about a handout. It carries dignity with it and does not cause a dependence upon charity. We look forward to launching it in regional Tasmania this year. We had hoped for February, but we have not made it. It is not work for the dole—and that needs to be said, in the sense that there is a lot written about that lately. It redirects the dole. It seeks still to put the money into the hands of the young people but also to see something going back to the community for the money, and more than that.

We understand that the changes that we are talking about probably have legislative implications. However, I do not think there is a bigger issue than this. That is our belief. I would like to touch on some notes in respect of it, and you will understand that we are still nutting our way through this one. We believe that all school leavers need lifetime opportunities and self-respect. We think that that needs to be done by

acquiring the simple capacity to be self-sufficient in the basic needs of domestic independence, thereby lessening the burden on government funded social assistance. We think they also need to be respected as a participant in the community that recognises an individual contribution and supports a genuine need.

We need to generate a mutual concern between the young and the elderly in the community, for total community welfare and progress. We need to discredit the trend of the young and the elderly migrating to the city, with all the anonymity that that brings, for the only apparent social and economic opportunities—and a lot of those are fallacious. We need to develop a total community entity that provides a comprehensive and progressive infrastructure that cares for the needy, develops a revenue earning infrastructure for the Beacon program, provides basic self-sufficiency training, and affords external opportunities for those that have the potential to progress beyond the core training curriculum. We think we need to call upon community enterprises to recognise the need for passing on basic skills without dependence on external support mechanisms, and thereby we seek to build a cultural respect between those that have and those that have not.

We see that it needs to be an occupation predicated on principles that the community has the capacity to be fed but lacks the capacity to provide occupation that the community recognises is worthwhile and thereby justifies being a claimant on that capacity. We think the occupation should provide meaningful opportunities for young people who have the potential to develop basic skills without demands on the social cost of higher academic education where job opportunities only exist for the gifted.

We think it needs to generate in the community ownership of real assets that underpin career opportunities based on regional potentials and needs, tourism infrastructure, community facilities and service development, regional municipality maintenance services, state and federal contracted local services and special projects under community committee direction. We think we need to have an exposure to a balance of commercial and adventure programs that develop self-esteem and leadership in the young people concerned.

As an employer, Beacon Careers provides certain worthwhile occupations for all school leavers with a genuine interest in reward only by input of community values. We seek a community career path professionalism in advanced management skills, training in do-it-yourself skills, management of properties and economic administration of infrastructure and services, and we note that those who flourish under the program will be the potential seniority to develop the Beacon Careers objectives in other regions. Mr Chairman, I hope that gives you some idea of where we are.

CHAIR—Thank you for that, Bill. One of the things this committee has heard over and over again is that, compared to earlier generations, our young people seem to, in a sense, be partially ill-prepared for the world of work and have a great lack of understanding about what careers are available, what career paths there might be and what work opportunities there are, other than a general admonition by parents and teachers that they must go to university or the world is over for them. You are private sector people. What is the Beacon Foundation doing to try to address this serious outstanding issue?

Mr Lawson—I will make a comment and others may want to say something, too. The Beacon Foundation is a very small organisation; hence, we have to encourage replication and publicity to what we try to do. Some of the answers to what you have said are in what I have said already. The issue of the panacea—education is not the solution—is a big part of that. There is a difficulty there that I think well behoves

government attention—that is, how do you get commerce to be involved in education?

CHAIR—Very good. How do we do it?

Mr Lawson—That is a big issue in the sense that education could consume all our efforts—and they are all voluntary—instead of letting us get on with trying to come up with something that breaks the mould and goes about it in a different way. I cannot give you an answer to your question.

Mr Palmer—The view that Beacon is taking is that there is a social cost out there in regard to the unemployed in any case and that cost can be redirected into a career path curriculum of activities that is supported by industry in the local community and by the community itself. So you are creating a whole new range of job opportunities, not in the basic industry—

CHAIR—But you are talking about the unemployed. Remember, I am talking about all youth generally and their real lack of understanding of what they might do some day.

Mr Palmer—I do not think that comes through as strongly to us because of the programs that we have been involved with so far. They have been addressing the relationship between industry, parents and community interests, and there has been a matching of those things in the school programs that we have been running. So I think we have been addressing that issue. Bill is much better to speak to that program than I am, but that is one way that we have addressed that.

That does not alter the fact that a lot of the 87 per cent success story of the No Dole program has turned kids back into higher education—but for what purpose? Is there a job at the end of the line, or is there no job at the end of the line? What we are about is taking it to that next step and creating a whole new range of jobs.

Mr SAWFORD—But you have not gone to that next step yet?

Mr Palmer—This is where we are now. We are seeking support to get through that stage.

CHAIR—But you are not dealing with the generality of youth; you are dealing with those who are likely to drop out of school or have essentially dropped out of school, is that right?

Mr Lawson—There are other things that we are doing that we have not put in here because we do not think they relate to your—

Mr SAWFORD—Can we just clear that up because I did not get that impression?

Mr Lawson—For instance, we would be pretty interested to be doing a program with some university exit students because we have this image—perhaps it is growing—that we are only concerned with year 10 kids. That is not what we are concerned with. We are concerned about all young Australians. Hence, what I am saying to you about the community is that the community has to face up to owning its own young Australians. I do not think anybody here would disagree with that.

Mr Palmer—Our catchword is 'undeployed', in other words, the kids who do not have an opportunity to get a job, irrespective of their education and training.

Mr MOSSFIELD—I certainly agree with your general comment that there are not enough jobs. That is basically the problem that we have. As you have said, it is almost a waste of time saying it because we all know that that is the problem. I would be very critical of industry—it is not training sufficient apprentices to meet their own requirements. I think they have a social and moral obligation to do that. They have to maintain their machinery and equipment because, if they do not, their businesses wind up. Why, equally, do they not have a responsibility to train skilled workers, to maintain their own businesses? What can we do to encourage business to train more apprentices for their own requirements?

Mr Lawson—I have already given you one big one on that, that is, stop letting people get public money without putting some strings on it. It would not be that hard to do. I do not understand that. I went through university on a public works department scholarship and the vast majority of everybody who was there were apprentices trained in the public sector. Money is still getting spent but government does not put a string on it. Why would the private sector, who are about surviving against each other—and I am in that now—go and train unless we have some passion about it? You make yourself uncompetitive. If your competitor is not doing it, you have a problem.

CHAIR—Do you look forward to tomorrow?

Mr Lawson—In terms of?

CHAIR—Having skilled people to help you do your job?

Mr Lawson—Yes. I think it is a huge problem and I hope you would not be surprised to find that my company has a lot of young people training. When we have finished training them, we kick them out and the opposition thinks that is marvellous. But I think it is pretty darned unfair. I have put it to public sector organisations which we work for as consulting engineers and said, 'You really ought to make our opposition do this too'.

CHAIR—I understand what you are saying.

Mr Palmer—There is another factor too. We noticed that INCAT was on your schedule today. Not all the industries in Tasmania are like INCAT. We have Peter Nixon currently looking at Tasmania and at what are the impediments to growth and development in this state. I am sure he is going to come up with a big list of reasons. The potential to train and the potential for traineeships is limited by the capacity to employ them. You just simply cannot put people into the work force where the job expansion is not there. This is not a developing state.

Mr BROUGH—The bottom line is though, is it not, that the margins are so small in private enterprise these days that, as you say, they just cannot afford to put anybody on in training. It is not bad management necessarily. They would love to have their own people coming through, but they train them and then someone poaches them. So they put all the effort in, do not get the outcome at the other end and they cannot worry

about tomorrow. They have to survive today. Therefore, they do not put anyone on. That is simply the argument that we heard last time and is pretty much what you are saying this time. Is that correct?

Mr Lawson—I think I am trying to say that, but I am also trying to say to you that you guys are the fellows who can change the rules.

Mr BROUGH—Yes, I understand that point. Is that exactly what you are saying?

Mr Lawson—Part of what I am saying, yes.

CHAIR—How about a little lateral thinking. If the productive cost per hour of a trainee was the same as for a long-term employee, would more private sector companies have more trainees?

Mr Lawson—Of course they would, but that is fallacious.

CHAIR—What do you mean it is fallacious? I said 'if'. It is a hypothetical. I know you do not like hypotheticals. I do not like hypotheticals.

Mr Lawson—We are trying to be real, are we not?

CHAIR—My next question would be: how do we go about doing that? How do we get to the point where the productive costs per hour for a trainee is equal to the productive cost per hour for an experienced long-term employee?

Mr Lawson—The technology has got a bit to do with that, hasn't it?

CHAIR—Price has something to do with it.

Mr Lawson—Yes; but young people are more tuned up through their education to technology than are people of our vintage, who have to run to keep up. It is in that area where, if you apply computer technology to a repetitive process, you start to get some advantages. But your opposition has got all of the advantages, too; and that is the issue of keeping up with the Joneses, isn't it? The competitive advantage you have today is one that everybody has got tomorrow.

CHAIR—How do you match the wage and on-cost per hour of a young person, with that young person's contribution, compared with that of a long-term employee?

Mr Lawson—If you want to think laterally, you say to the young people, 'You do a 60-hour week and the rest of us will work 40 hours.'

Mr Palmer—They also have a natural advantage, as well, because young people have the ability to apply a lot more energy to their work than the older ones do, so they have an advantage in that respect. It is a matter of getting the basic skills specific to that job application, because one would assume that the training for their specific category of academic achievement is at least at the standard of the people who employ them.

It is getting the experience that is the disadvantage.

CHAIR—That is part of what I posed as the question in the first place: how do we go about encouraging employers to make more opportunity available for our youth?

Mr Palmer—We have to become more world competitive.

Mr SAWFORD—This is basically the same question, but I will put it in a different way. I have only got this information for English speaking countries, such as Australia, the UK, New Zealand, Canada, United States, and these are only male figures, too; but, over the past 100 years the figures for male working hours per week have dropped dramatically. We got down to 40 from over 100, and it took 100 years to do it. In 1978, which is the last particular year where we had a low unemployment level in this country and in most Western countries, something changed. Work practices changed. What changed was that, since that time, overtime for women has gone up by 110 per cent and overtime for males has gone up by over 70 per cent. There was only time in the past almost 120 years that the working hours per worker have gone the other way.

Business has done that, and there is a whole set of reasons why that has occurred. What is your view in terms of how you turn that around? Certainly, a lot of that overtime is unpaid, but a lot of it is paid overtime. You have a lot of firms in this country who prefer to take the older employee and continue with them—regardless of their productivity, in many instances—because it is easier than bringing on a trainee, an apprenticeship, or any young people.

That is the classic case in every developed country in the world: it is happening not just here but everywhere. When you talk to industry and say, 'You are in industry; you are a consulting engineer. Why are you doing this? Essentially, if you want a bottom line in all of this, that is the bottom line. That is what has happened, and that is where the opportunities have disappeared. How do we change that?

Mr Turnbull—Could I just address that from another direction, Mr Chairman? I have made some notes here that have been basically embodied in the address that Bill Lawson has given you. I believe that Australia, like a lot of the rest of the Western world, lives in an economy and not a society, and that the reason for those figures trending in the way that you have explained is that they are all driven by economic rationalism.

We have forgotten about our societal responsibilities. We look at the bottom line and not the future. If we cared to do that, we could consider the notion that the problems of Australia's position in the 21st century are not economic but are society driven, and the solution is the same. It is not an economic solution at all. It is requiring a shift in our philosophy, our culture, and the mix of all the things that go to make up this nation.

That is what we have got to change, not the payroll tax percentage rate, not the hours that people work per week versus somebody else. We have got to make sure that whatever we do, we get the right mix of cultural values that enables people to have the dignity of contributing back to the society. At the moment all these people we are talking about do not have that opportunity and they do not have that dignity. This is a lot more fundamental than something that can be fixed in two or three years. It is a generational change. It took a generation or more to cause it, and it will take a lot more to fix it. I think that it has got to be addressed from

that angle, too.

Mr BROUGH—So, what do you think caused it?

Mr Turnbull—I could go back to the provision of the dole in the first place. It gave people a viable alternative to work.

Mr BROUGH—So, you say that it is a responsibility thing; it is people accepting responsibility for themselves and us accepting responsibility as a society?

Mr Turnbull—It is not the individual, as much as the community that should do that.

Mr DARGAVEL—Can I just explore that? Am I to understand that your position is that the provision of the dole to people who cannot find work keeps them unemployed?

Mr Turnbull—It is an oversimplification. Yes.

Mr DARGAVEL—So, in a small town in Tasmania, say that out of 100 young people looking for work there are 80 jobs to be found for them—and one of the comments that Bill made earlier was about people drifting towards the city—and those 20 want to stay in their local communities, and there are not jobs to be found elsewhere. I am just curious about how the provision by the community through the state of some subsistence to the 20 who cannot find work is creating a problem?

Mr Turnbull—What we are trying to do—and it is the last point that Bill made—is that this pilot program that we wish to have started in March will address that problem at, probably, exactly that level in regional Tasmania. It will give people who want to work but who also want to stay in their community the opportunity to do something, to contribute, to derive benefit, and, therefore, have the dignity of being regarded as something other than dole bludgers. That is what we are trying to do.

Mr DARGAVEL—I was just trying to explore some of those assumptions because it seemed a little bit peculiar to me that provision of some sort of subsistence—

Mr Lawson—You went on the wrong tack. I saw you throw it about.

Mr DARGAVEL—Okay. It seemed somewhat curious. The other question I would like to explore with you is taking a hypothetical town with 100 kids, 80 of whom can find work. You have got, say, an employer who is looking at hiring 20—he can grab 20 out of the basket that could find paid employment with that employer, or the employer might be able to grab 20 people essentially for nix through a scheme that has variously been described as work for the dole, or contributing back for benefits that you get. One of my interests is where an employer might go with that proposition of being able to get extremely cheap labour, versus—

Mr Lawson—I have got to get you on the other tack.

Mr DARGAVEL—Yes.

Mr Lawson—The second last dot point says:

Give something to both community and the young people—

It does not say anything about giving something to employers.
Our problem is young people getting something for nothing given the fact that a lot of them have grown up in families where they have got mum, dad, uncle, aunt, the lot, and have got something for nothing for a long time. For them, it is normal. We are talking about turning that around and saying, 'You are getting something, but you are putting something back for it.' It is community that they put back into. That is the vital difference and that is why you have gone on the wrong tack.

We are not talking about employers getting a basket of kids for nothing to do things for them. We are talking about the community getting something back out of those kids for what it has put into them. It is for the community to put opportunities in front of those kids, hence the community ownership. It is, if you like, a redirection of the dole, an upstream intervention of the dole, and it is a creation of opportunity that carries with it some dignity and training. It chops off this thinking that it is okay to sit up until 2 a.m. watching videos and get up at 2 o'clock in the afternoon. You cannot blame kids for thinking that if they see it all around them. A lot of them see that. They think it is normal, and it is not normal. What we are talking about is trying to turn that around.

Mr MOSSFIELD—It is the chicken and the egg argument, is it not: which came first, the dole or unemployment?

Mr Lawson—Yes. We can all worry about it, but what we are on about—and this is what I said earlier—is we want to stop talking about it and get on and have a go.

Mr SAWFORD—So, essentially, you are for a complete overview of any form of cash payment and, in its place, you would build the institution. In other words, when there has been a breakdown in terms of what happens in communities, a breakdown of what happens in health, a breakdown in what happens in education, you would put the money into the institutions, rather than individuals. Are you saying that?

Mr Lawson—'Institution' frightens me.

Mr SAWFORD—Well, community is an institution.

Mr Lawson—It carries with it overheads and where does it all go. What we are talking about is front trench lines.

Mr SAWFORD—There is an English language and there is not an English language. The English language word is not a very harmful world—it is very positive.

Mr Lawson—I think you know what I am saying.

Mr SAWFORD—I know what you are saying.

Mr Lawson—What we are seeking to do is, in a regional community, saying to that community, 'These are your young people who, if we do nothing, are going to end up on the dole with little hope. They go to the city and they get arguably even less hope. They are country kids. Have a look around you, community, at what would be useful to you, or what would make life better for all of you.' That will depend on what goes on in that community, whether it be a rural community, a fishing community, a recreational area, or whatever. It will be different in different communities. Having found those things—and we have got some ideas on how you find them—then we set to with the young people to provide those things. The payment for those young people providing those things is derived from an upstream intervention in this thing that we demeaningly call the dole, the handout. We want to stop that, we want to intervene upstream before that happens. We want to see those kids putting something back into their community.

CHAIR—So you want to collect the dole and pay the kids?

Mr Lawson—It is a diversion of the dole.

Mr SAWFORD—You want to realign cash payments?

Mr Lawson—I said there are some legislative problems.

CHAIR—We see that.

Mr Lawson—I am sure you do. I would like you to know that we are aware of it.

CHAIR—I have every confidence, as significant business people in your own right in Tasmania, that you are aware of the problems. We have to go because planes have to be caught and people have to return to their own states. Thank you very much for coming and for your presentation.

Resolved (on motion by Mr Sawford):

That, pursuant to the power conferred by paragraph (o) of standing order 28B, the committee receives as evidence and authorises publication of the submission by the Tasmanian Building and Construction Industry Training Board, and that the committee receive as evidence and include in its records the documents presented by the Hospitality Services, Tasmanian Building and Construction Industry Training Board, Beacon Foundation, the *No Dole '95* and *Social Belonging*.

Resolved (on motion by Mr Sawford):

That this committee authorises publication, including publication on the parliamentary database, of the proof transcript of the evidence given before it at public hearing this day.

CHAIR—Gentlemen, we hope to conclude our inquiry by June. We will certainly send you a copy of our report and our recommendations.

Committee adjourned at 3.34 p.m.