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Siobhán Leyne
Inquiry Secretary
Standing Committee on Regional Australia
Parliament of Australia

Dear Siobhán,

Fly-in, fly-out and drive-in, drive-out apprentices (FIFO/DIDO)

As previously discussed the National Apprenticeship Collection was not designed to identify this type of apprenticeship. However, a group of apprentices in Western Australia has been identified that is likely to have a high proportion of FIFO/DIDO apprentices. These apprentices have a residential location in the Perth region and a workplace location in the Pilbara region. This group is referred to as the FIFO/DIDO group.

The FIFO/DIDO group was the focus of a case study which compared them to a group of apprentices that had both their residential and workplace location recorded as being in the Pilbara region (referred to as the Local group) and with all apprentices in Western Australia. The analysis shows that apprentice completion rates between 2004 and 2008 are trending upwards for the FIFO/DIDO group, going against an underlying downward trend for the Local group over this period.

It is important to note that this analysis is a case study only. Western Australia's remoteness and centralised population is not reflected in other state such as Queensland for example. Thus it would not be valid to assume that the data reported in this study would necessarily be representative of data for other regions. Furthermore, this study is only a report of the group differences, not an analysis of the causes of the differences. However, the differences found support the argument for further research into this issue.

If you need to discuss any issues to do with this matter, please feel free to contact me at any time.

Yours sincerely

Brian Harvey

Attachment

Completion rates for 'Fly-in, Fly-out' and 'Drive-in, Drive-out' Apprentices

Introduction

The data submitted to the national apprenticeship collection does not contain any data that would specifically identify apprentices that could be termed as 'fly-in, fly-out' (FIFO) or 'drive-in, drive-out' (DIDO). As such, NCVER cannot provide definitive or comprehensive information about this group.

However, Western Australia, the high degree of centralisation of the population does provide an opportunity for a case study of apprentices that might come under the FIFO/DIDO category. Data on the location of the workplace and of the apprentice's residence is collected so it is possible to check if these locations are close or not. For the purposes of this data request, statistical subdivisions, as defined by ASGC 2011 (refer to the Australian Bureau of Statistics website for information) were used to define the regions/locations where apprentices were recorded as residing/working

In particular, those recording a Perth residential location and a Pilbara workplace location might be thought to be FIFO/DIDO, or at least contain a high proportion of such. This is not a foolproof method of identifying the required apprentices since, from the data, the best that can be established is that at some time(s) during the term of the contract the apprentice lived in Perth and at some time(s) worked in the Pilbara. It cannot be guaranteed that this situation remained the same at all times during the contract.

There are similar problems with identifying those apprentices that have been recorded as residing and working in the Pilbara region (i.e. Local). In addition, the Pilbara region encompasses a large area and it cannot be known for certain if some of these 'locals' fit the definition of a FIFO/DIDO or not.

An underlying assumption is that changing economic conditions in the region have the same effect on both groups. It should also be noted that, as highlighted in Table 4, that the FIFO/DIDO group have a higher proportion of apprentices who are male and existing workers² but a smaller proportion of indigenous¹ apprentices compared to the Local group. These factors are known to affect apprentice completion rates and would need to be taken into account if any research beyond this reporting exercise is to be undertaken.

Recognising these limitations, it is felt that using 'reside in Perth/work in Pilbara' group is likely to contain a high proportion of FIFO/DIDO apprentices and can be used as an indicative if not definitive case study. The March 2012 national apprenticeship collection was used as the data source for this case study.

Completion Rates

In order to get reliable estimates of completion rates, enough time has to pass for the contracts to complete and for the information to be recorded in the national collection. From 2009 to the present, there are too many contracts yet to be concluded to be able to report completion rates. Thus only completion rates for the years 2004 to 2008 are reported. The number of ongoing contracts for 2008 is still 5 – 10 percent of contracts so the proportions for that year could change slightly as more information is reported.

Table 1 shows that the percentage of completions has improved over time, from just over 40% to over 50% for the FIFO/DIDO group (2007 is high at 60% but being based

on only about 100 contracts warns against placing too much importance to this figure). At the same time, the percentage of completions for the Local group has declined from about 65% to under 50%, see table 2. Similarly, the percentage completing for all of Western Australia shows a decline from nearly 60% to about 50% over that time, see table 3. Although based on relatively small number of contracts, there is some evidence that the completion rates for the FIFO/DIDO group are trending up whilst the the completion rates for the Local group are trending down, reflecting the fall in the state figures.

Table 1: Percentage completing, cancelling/withdrawing and ongoing and number of contracts for FIFO/DIDO group.

Commencement year	Complete (%)	Cancel / Withdraw (%)	Ongoing (%)	Contracts ('000s)
2004	42.6	57.4	0.0	0.1
2005	40.7	59.3	0.0	0.2
2006	52.8	46.6	0.6	0.2
2007	60.1	39.9	0.0	0.1
2008	52.1	40.6	7.3	0.2

Table 2: Percentage completing, cancelling/withdrawing and ongoing and number of contracts for Local group.

Commencement year	Complete (%)	Cancel / Withdraw (%)	Ongoing (%)	Contracts ('000s)
2004	64.9	35.1	0.0	0.5
2005	58.4	41.6	0.0	0.7
2006	52.6	47.4	0.0	0.6
2007	57.1	42.7	0.2	0.6
2008	48.4	45.4	6.2	0.7

Table 3: Percentage completing, cancelling/withdrawing and ongoing and number of contracts for all of Western Australia.

Commencement year	Complete (%)	Cancel / Withdraw (%)	Ongoing (%)	Contracts ('000s)
2004	58.9	41.1	0.0	19.8
2005	58.1	41.9	0.0	21.2
2006	53.9	46.0	0.1	22.6
2007	53.7	45.8	0.5	23.8
2008	51.0	42.9	6.1	25.7

Demographics

The characteristics of the groups identified in this case study vary over time and across the groups. The table 4 compares various demographic traits for the groups for apprentices commencing or recommencing a contract in 2008, the latest year for which completion rates were calculated.

Table 4: Apprentices commencing/recommencing a contract in 2008 – percentage of group with trait.

	FIFO/DIDO	Local	Western Australia
Aged 25 - 44	49.1	28.3	27.0
Male	88.5	63.3	61.3
Indigenous ¹	13.9	23.9	7.2
Disability	0.6	1.6	1.7
Existing worker ²	46.1	27.7	20.3
Full time	98.2	95.4	83.3
Duration of contract 1 year or less	37.0	50.6	52.7
Trade occupation ³	42.4	49.1	38.9
AQF ⁴ level 3 or above	84.0	74.9	75.8

From table 4, it can be seen that the FIFO/DIDO group has a tendency to differ from the state profile more than the Local group. Notable exceptions to this can be seen in the ATSI and Trade occupation categories.

The FIFO/DIDO group has an older age profile with about half being 25 to 44 years old. The median age is 27 years old whereas the median age for the local group is 21 and for the state 20. The group is also has a greater proportion of male apprentices and existing workers and certificate level three and above. Also of note is that there are less short term contracts (one year or less) than for the other two groups. The proportion reporting a disability is smaller than for the Local group and for the state.

Concluding remarks

This case study was feasible due to the high level of centralisation in Western Australia and the large distance between the Perth and Pilbara regions. It is likely that this is related to the traits of the FIFO/DIDO group and thus it cannot be assumed that these characteristics are the same in other regions across Australia.

Although conceding the difficulties in identifying 'FIFO/DIDO', there is enough evidence to show that this group is different to other apprentices in Western Australia. This evidence suggests that a properly designed study to get more comprehensive and reliable information would be an appropriate follow up to this reporting exercise.

Endnotes

1. Indigenous
Aboriginal or Torres Strait Islander descent (as reported by the apprentice).
2. Existing worker
Indicates whether an apprentice/trainee was employed by their current employer continuously for more than three months full-time (or 12 months part-time/casual) prior to commencing their training contract.
3. Trade occupation
Refers to those apprentices and trainees employed in trades occupations under major group 3 (Technicians and trades workers) of ANZSCO 1st edition.
4. AQF (Australian Qualifications Framework)
A national framework of credentials that covers qualifications from certificate I through to a doctoral degree. For more details on the AQF, go to <http://www.aqf.edu.au>.