

The comments in this submission refer primarily to aircraft maintenance personnel.

Aviation Australia is now the leading provider of Aeroskills or Basic Aircraft Maintenance training in Australia, and one of the leading aircraft maintenance training organizations in the world.

In the last 5 years Aviation Australia has been responsible for a 1,000% increase in the annual employment of aircraft maintenance apprentices and trades assistants in Queensland.

The maintenance sector of the aviation and aerospace industry in some parts of Australia is now thriving however there are many pockets in serious trouble. Some of the primary issues are:

- Traditional 4 year apprenticeships are no longer relevant for the needs of today's workforce and industry.
- The level of skills must be greater for new people joining the industry – particularly apprentices;
 - Greater need for prevocational training.
 - Greater need for training programs to include an educational structure designed for the learning characteristics of today's generation of students.
- The skills and training must articulate to industry requirements such as CASA licences, in particular licences under the new CASR part 66.
- Need for standardization of workplace assessment processes across the country.
- Different levels of training standards, in particular curriculum in different states.
- Ability to attract quality applicants for aircraft maintenance trades is very difficult;
 - A lot of career choices for the pool of applicants.
 - Relatively low starting salaries.
 - Perceived high risk (due to ongoing uncertainty in the airline industry such as media coverage of Qantas sending jobs overseas).
- Lack of commitment by smaller employers.
- Continued cost of maintaining training that addresses new technology.

The issue of declining numbers of skilled maintenance personnel is being addressed in Queensland, however this has been industry led with strong Government support. In other states the issue is being discussed by training providers and industry, however there is no coordinated strategy or particularly strong state Government focus due to the relatively small demand in terms of raw numbers. Industry has endorsed the concept of all underpinning off-the-job training requirements being delivered in advance under a pre-vocational arrangement, however most states have been hesitant to adopt other than Queensland and one Melbourne based institution.

Furthermore, certain Australian Government policies and restrictions have quite significant impact – for example the means test (for parents) has a major impact on access to youth allowance for potential students undertaking full time Aeroskills prevocational training, this one restriction makes it very difficult to attract school leavers whose parents have a combined income greater than \$52,000 per year.

Current and future employment trends in the industry

Historically the major airlines and the military were the major trainers and employers of aircraft maintenance apprentices and related trades. Qantas, Ansett and even East West Airlines trained a surplus to their own needs. This changed significantly in the late 1980s when economic rationalist consultants were brought in to make the airlines run more like

businesses than public service enterprises. Some easy targets for the cost cutting were training and maintenance.

For example, in 2006 Australia's two largest airlines appear to have only recruited 4 new apprentices.

What this means is that the airlines have changed from supplying a surplus of skilled workers, to now being a harvester of skilled workers. Many smaller aircraft maintenance companies, and in fact airlines, today (particularly in regional areas) are now reluctant to train apprentices because of the likelihood of losing them, once trained, to the larger companies.

Furthermore, we now see many military positions filled by civilian contractors. This has seen the ADF reduce the numbers trained, yet there has been a substantial lag in apprentice uptake by the civilian contractors, as initial positions were filled by former (already skilled) ADF personnel. The trend is now reversing, but not at a sufficient rate to overcome the shortfalls of the late 1990s and early 2000s.

The current and future trends show that companies are extremely reluctant to hire traditional apprentices. There are many reasons including the time to qualify, separation rates, no guarantee of loyalty once qualified, time away from the workplace to undertake training often conflicts with work schedules, and costs. The cost is particularly relevant to operators in regional and remote areas where there are substantial travel and accommodation costs and the apprentice is away from the job training for up to 10 weeks per year, often at times when the workshop workload is at its highest.

There is now a very strong, and growing, demand for pre-trained apprentices and skilled workers.

Current and future skill and labour supply issues

Obviously the supply of sufficient people, with the required skills, that are prepared to locate where they are required is the first priority. However, coupled with this are a number of very significant underpinning requirements:

- It is not just sufficient to have just enough people, with the required skills. These people need to be highly productive, and they need to be flexible which often requires cross skills training and work applications. In the future these workers will need to be far more accountable to the business they are working for than being simply task oriented workers.
- Under pending CASR part 145 regulations, task orientated workers shall attain the privilege to certify for the tasks which they are competent in. This will require assessment across a range of AQTF competencies not necessarily relevant to a single qualification.
- The skills and knowledge required will need to address new technology and the application of that technology, they will need to address how workers obtain and maintain their skills to perform tasks on aircraft systems that are so reliable that they may never actually perform that task.
- Workers will need to be far more aware of the regulatory environment in which they operate, and be conversant in a globalised air transport system that is often dictated by multiple international regulatory requirements.

- Workers will need a much greater level of discipline, and hold greater responsibility, in adhering to specified procedures and tolerances, than in the past.

As airlines continue to reduce costs, work practices will need to adapt and work value will need to be enhanced. Although the prospect of airline maintenance work being taken overseas will continue to be a very real prospect, it is counterbalanced by the opportunity for expanded third party maintenance repair and overhaul businesses by well run organizations.

However, if we see a significant loss of base maintenance or heavy maintenance work to foreign countries, there will be a need to put strategies in place to ensure line maintenance technicians are able to obtain and maintain skills that can only be achieved in a base maintenance environment. The current and pending Aeroskills training package requires all trade based pathways to gain experience and be assessed in base maintenance environments. This is becoming an issue in particular for Defence engineers who are primarily employed in line maintenance as base maintenance is predominantly outsourced to civilian contractors.

Strategies for enhanced recruitment, training and retention

One of the biggest challenges facing recruitment is the amount of choice young people have today. It is very difficult to attract quality young people to aviation careers.

The aircraft industry in Australia is relatively fragmented with diverse and disparate interests represented. The aircraft industry traditionally has been very cyclic with downturns occurring every ten or eleven years. We have seen many airlines come and go, with some very spectacular and well publicized failures.

The only message conveyed in the media is negative. The good news stories do not make headlines therefore providing a poor public perception, particularly in the area of job security in the aviation industry. In recent years the media coverage of Qantas job cuts has created a very low level of public confidence in aviation careers.

Furthermore, with enhanced security, public access to operational environments is highly restricted, and with the decline in general aviation over the last decade the public image of GA is quite poor, providing little attraction for anyone other than the most avid aviation enthusiast.

Long term solutions to these issues are possible but really need government intervention, ideally in a coordinated manner.

- Firstly, there are many industry groups who have highlighted that the Federal Government does not have an overarching Aviation policy.
- Government agencies and industry need to engage more closely (as they have done in Queensland to create Aviation Australia).
- The strategies need to provide for end to end education, with involvement that links the community, industry, schools, vocational training providers, universities, and employment services providers.
- The strategies need to engage all levels of industry with the community and with schools.
- Training programs, funding, and strategies need to be coordinated nationally.
- Training programs need to meet industry needs – for example, in the past the Certificate IV in Aeroskills did not align or articulate to CASA licence outcomes.

This appears to have been addressed in the draft 07 Aeroskills Training Package but is yet to be tested.

- Training programs must capitalize on the educational characteristics of today’s young people, because old educational delivery systems quickly disengage ‘Generation Y’ students leading to high attrition. Yet new generation delivery methods keep students engaged, they learn quicker and absorb more information, leading to much higher deliverable outcomes.
- We need to streamline restrictive Australian Government policies – for example, as noted above, the means test (for parents) has a major impact on access to youth allowance for potential students undertaking full time Aeroskills prevocational training, this one restriction makes it very difficult to attract school leavers whose parents have a combined income greater than \$52,000 per year.
- Travel and accommodation assistance should be provided for people from regional areas. This assistance should not be restricted by state borders. (The future supply of aviation technical training will require very substantial assets and resources. These resources are very expensive and would not be feasible to replicate to service regional areas, therefore it will necessitate students to travel to undertake training).
- There will also need to be much greater levels of workplace assessment and ongoing mentoring provided to apprentices employed in regional areas. Employers need to become more involved in the assessment process to ensure the validity of tasks assessed in the workplace.
- Ideally there should be future programs in place for continuation training, through distributed learning vehicles.
- There needs to be enhanced recognition for the qualification and skills of people in the aviation industry.



Signature:

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