

**A REPORT TO THE  
BUILDING AND CONSTRUCTION  
INDUSTRY TRAINING FUND  
ON EMPLOYER ATTITUDES AND  
EXPERIENCE WITH EMPLOYING  
APPRENTICES**

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**Strahan Research**

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## BACKGROUND

The Building and Construction Industry (“the industry”) Training Fund (BCITF) is a statutory authority that collects and administers the training levy for the industry working closely with the:

- Minister for Education and Training
- Industry
- The Department of Education and Training
- Other stakeholders and government agencies.

The Building and Construction Industry in Western Australia is comprised primarily of micro businesses due to the growth of sub-contracting. Increased competition has resulted in unpredictable and shorter contract cycles, tight timelines, restrictive contracts uncertainty of continuous work and much tighter profit margins.

In the past, four-year apprenticeships were the main means of entry into the trade. An apprentice is employed under a specific Building and Construction Award and is eligible to receive the same entitlements as full-time employees.

Because of the high level of competition in the industry and the perceived cost of apprentices, employers are increasingly reluctant to enter into the 3-4 year contract involved in the employment of apprentices and don't have the financial capacity to invest in the level of training that they would like. Related to this has been an increasing trend toward the entry of young unskilled people into the industry who learn on the job and get no formal training.

In many cases these young unskilled entrants fail to stay in the industry because they see the pay rates as too low, the work as too demanding or the culture of the industry as intimidatory and inconsistent with their values.

The BCITF is committed to ensuring that distribution of building training levy funds result in quality training outcomes and more skilled people in the industry.

A core element of this funding is a subsidy payment to employers of apprentices in the industry.

In addition to the BCITF subsidy the Commonwealth Government provides apprenticeship and training information on a range of Commonwealth incentives and subsidies and on how to access these incentives through a New Apprenticeships Centre.

The relationship between the variation of the BCITF training subsidy and apprentice commencements and completions has in the past been used as a key measure of the effectiveness of the subsidy as an incentive to encourage employers to indenture an apprentice.

The BCITF intends to use this research to establish further means of increasing the number of indentured apprentices, enhancing the skills of the industry workforce, and assessing the effectiveness of the training subsidy in encouraging the employment of apprentices.

## RESEARCH OBJECTIVES

The primary objectives of this research are to establish:

- Drivers and impediments to an employer employing an apprentice
- The relative importance of and relationship between these drivers and impediments
- The existence of any mismatch between employer expectations and the realities of apprentice indenture (including industry culture and practices), and possible solutions to remove this mismatch.
- The extent to which the BCITF Apprentice subsidy influences the decision to employ an apprentice
- The relative importance of the BCITF training subsidy and other subsidies and drivers and impediments in the employer's decision to employ an apprentice
- Other means (including research and support) to further encourage the employment and retention of apprentices by employers

In particular the research will establish:

- Financial impediments including worker's compensation, wages or award rates and conditions and the nature of sub-contracting
- Administrative barriers.
- Perception of training including attitudes to training and satisfaction with the off-the-job training.
- Contractual considerations involved in employment of an apprentice
- Relative benefits of employing an apprentice
- The effectiveness of the apprentice subsidy in encouraging the decision to employ an apprentice including whether employers perceive a relationship between the size of the subsidy paid and their decision to take on an apprentice.

## TARGET SEGMENTS

The research project targets three employer population segments namely:

- Employers in the Building and Construction Industry in specified trades, but especially small and medium enterprises who employ apprentices (currently, or in the last 12 months)
- Employers with the same characteristics as above, but who do not employ apprentices.
- Employers who are hirers of apprentices through Group Training Schemes.

The research methodology will ensure that statistically valid conclusions can be drawn for each segment.

## RESEARCH OUTCOMES

All data collection vehicles were developed in close consultation with BCITF to ensure that research objectives were achieved, and the research instruments were designed to meet high professional and commercial standards.

In particular the following outcomes were sought:

- Identification of factors that have a negative impact on the decision to hire an apprentice, from which a management strategy to address these factors could be developed
- Employer solutions to problems of employing apprentices that could be used to identify “the way forward” for the industry
- Employer perceptions of the value of the current BCITF apprentice subsidy.
- Assessment of the cost versus the benefit of hiring an apprentice. (from open questioning to elicit useable quotes from tradesmen)
- Commentary on the issues relating to off-the-job training, calibre of apprentice etc. This will include pre-apprenticeships.
- Overall satisfaction levels with the apprenticeship system.

## METHODOLOGY

A random telephone survey and web based survey of all trades was undertaken as follows:

1. 752 skilled tradesmen currently (or within the last 12 months) employing an apprentice comprising:

- a) 381 tradesmen employing an apprentice directly
- b) 371 tradesmen employing an apprentice through a Group Training Scheme

2. 491 skilled tradesmen **not** employing (or not within the last 12 months) an apprentice.  
A total of 1243 tradesman.

A random sample of this number of employers allow 95% confidence that sample results will be within 3% of overall employer population values.

It allows 95% confidence that sample results will be within 3.8% of population values of all employers with apprentices (1) and within 5% of population values of direct employers of apprentices (1a) and those who employ apprentices through group schemes (1b).

Finally the sample also allows 95% confidence that sample results will be within 4.5% of population values of employers who do not employ apprentices

Our primary telephone based research approach was supported by a web, email and facsimile survey methodology for employers who:

- Had listed e-mail addresses that were extracted from our data base
- Were unable to complete a telephone survey but were willing to complete the survey on line or by fax and supply an e-mail address or facsimile number to our interviewers

### Questionnaire

The duration of the telephone questionnaires was approximately 25 minutes

### Sampling

A sample was drawn on the basis of ANZSIC categories to identify business type and contact telephone number.

This sample was supplemented by lists of tradesmen and contact numbers supplied by BCTIF.

Quotas were applied in an attempt to survey a representative sample the following:

- Trade including electrical mechanic, plumber and gas-fitter, carpenter and joiner, bricklayer, plaster, tile layer, wall and ceiling fixer, stonemason, painter and decorator, glazer and beveller, roof tiler, roof plumber and sprinkler fitter
- Size of enterprise (small, medium and large)
- Location (rural, remote rural and metropolitan)
- Employing apprentices (current and in last 12 months) and those who are not employing an apprentice
- Employing apprentices directly and employing apprentices through the Group Training Scheme

Overall this was successful but the web and facsimile based element of the research removed some control of quota outcomes.

## **PRESENTATION OF QUANTITATIVE DATA**

Computer rounding produces tables that add up to 100% +/- 1%.

Differences described as “significant” are statistically significant when tested with Chi-square at the 0.05 level.

Other differences described indicate trends but may not reach statistical significance. Cross-tabulations where there are a number of categories having small numbers in some cells are provided as a guide only.

**SECTION I: EXECUTIVE SUMMARY**

## Methodology

A telephone survey was supplemented by a web and facsimile survey of tradespeople in the Building and Construction Industry in Western Australia.

## Sample

A total of 1 243 trades people were surveyed including:

- 381 (30.7%) directly employing an apprentice (currently or within the last 12 months)
- 371 (29.8%) employing an apprentice through a Group Training Scheme (currently or within the last 12 months)
- 491 (39.5%) who currently or in the last 12 months have not employed an apprentice

A total of 237 trades people (19.1% of respondents) have never had an apprentice.

## Motivations to Employ an Apprentice

The three key motivations expressed by trades people to employ an apprentice are:

- Wanting to raise the level of skills in the industry as a whole
- Recognition that the trades workforce is ageing and young people are needed to replace those who are leaving
- A desire to pass on skills to the next generation

Overall, trades people see the need to boost skills to address the immediate and ongoing skills shortage and to create a business advantage for themselves by employing an apprentice.

## Disincentives to Employing an Apprentice

There appear to be a range of disincentives against employing an apprentice but three are consistently identified by trades people:

- Additional costs of employing an apprentice including:
  - High wages and conditions compared with their productivity (especially in the first 2 years) and having to devote a tradesmen to work with them all the time
  - Workers compensation and public liability insurance costs
- Lack of suitability of candidates including:
  - Lack of work effort and avoidance of hard work

- Unwillingness to commit to learn the trade
- Willingness to leave the employer immediately the apprentice has completed
- Time consuming administration and paperwork employers must go through to recruit, appoint and retain an apprentice and get financial support for the apprentice, which is seen as inadequate in any case.

Although these three main disincentives are important for all trades people they are especially important for:

- Micro businesses (1-5 employees)
- Businesses located in country WA
- Subcontractors
- Employers without a trade certificate

Trades people who are not currently employing an apprentice also see these disincentives as important either because of bad experiences but in some cases because of lack of actual experience with apprentices.

Employers in country WA identify off the job training that takes apprentices away from productive work as a key disincentive against employing an apprentice.

## **Benefits of Employing an Apprentice**

There are three key benefits from employing an apprentice:

- Training the apprentice to suit the standards and needs of their business
- Creating their own source of skilled workers
- Establishing a stable and loyal employee group providing a strong foundation for the success and survival of their business

There appears to be a feeling that apprenticeship provides a basis for building the skills and capacities of a business especially for micro business, businesses operating outside the Perth metropolitan area and where the employer does not have a trade certificate.

Apprenticeship is also seen as a source of skilled workers who can help with work and get things done quicker especially in some trades including plumbers and carpenters.

## **Making the Administrative Process Easier**

Trades people want administrative processes in the recruiting and employing of apprentices to be simplified by:

- Reducing paperwork and red tape

- Simplifying the process
- Establishing a one-stop-shop where everything involved in employing an apprentice could be done or preferably would be done for the employer

Those who more than other groups see simplifying the administrative process including reducing paperwork as important tend to be micro business and those not employing an apprentice.

## **Previous Experience with Apprentices**

Employers' most recent experience of employing an apprentice had been mixed.

Almost 50% of apprentices (48.7%) left their employer after they finished their apprenticeship (30.4%) or before they completed (18.3%)

But 51.3% had retained their apprentices after they completed (44.3%) or after they failed to complete (6.9%).

Those who retain their completed apprentices tend to be:

- Small (6-20 workers) rather than micro businesses (1-5 workers)
- Employing apprentices directly
- Operating in the commercial sector
- Not subcontractors

Those who have their completed apprentices leave tend to be:

- Sole operators
- Located in country WA
- Subcontractors

Those who had apprentices leave before they completed tend to be:

- Sole operators
- Located in a regional centre
- Employers that don't have an apprentice

Notwithstanding the number of apprentices leaving employers, 68.9% said that their most recent experience with employing an apprentice had been positive. Only 13.1% said it had been negative.

Those who more than others say that the experience had been negative tend to be:

- Sole operators
- Located in a regional centre
- Employers that don't have an apprentice
- Employers who don't have a trade certificate

## Group Training Schemes

### Consider Using

Almost two thirds of respondents (62.7%) said that they would consider employing an apprentice through a Group Training Scheme although 26.9% said that they would not consider it.

Those who more than others groups would consider it tend to be:

- Employers already hiring through a GTS
- Carpenters/joiners (73.1%) and painter/decorators

Those who more than others groups would not consider a GTS tend to be:

- Employers that don't have an apprentice and those employing apprentices directly
- Electrical mechanics
- Sole operators

### Reasons for Not Using a GTS

The key reasons why those respondents would not consider employing through a GTS are because they;

- Had a bad experience of a GTS or felt they had a bad reputation
- Felt a GTS was too expensive
- Believed apprentices learned bad habits from other employers
- Were satisfied with direct indenture

Respondents who said that they had a bad experience of a GTS or they had a bad reputation included employers who employed directly and those who hired through a GTS; micro businesses; and those located in country WA.

### Improving GTS

The main improvements identified are for employers to have

- More input into apprentice training
- Apprentices for longer periods
- Lower cost of GTS services
- Improved incentives to employ apprentices
- Improved organization and management of GTS
- Access to GTS apprentices with better skills and attitude

## Female Apprentices

45.2% of respondents had considered and 46.5% had not considered employing a female apprentice.

79.4% of respondents said that they would consider employing a female apprentice if she demonstrated the aptitude for becoming a good tradesperson.

Employers in a regional centre are more than others willing to consider employing a female apprentice with aptitude while those more than other groups who would not tend to be:

- Employing an apprentice through a GTS
- Carpenter/joiners
- Located in country WA
- Subcontractors

## Issues Deterring Young People from Becoming an Apprentice

Respondents see three main issues that deter young people from taking up apprenticeships in the Building and Construction industry:

- Community perceptions that it is more prestigious and preferable to go to university rather than enter a trade and related to this, that the trades are a second class option involving difficult and dirty work
- Young peoples' preferences for quickly stepping into a high paying career without a long and difficult training period
- Low wages that apprentices receive while training

The groups who more than others believe young people are deterred for these three reasons tend to be:

- Micro businesses
- Located in country WA
- Subcontractors
- Employers without a trade certificate

## Industry Issues Affecting Employers

The lack of skilled workers in the industry is seen by respondents as an important driver of their decision to employ an apprentice and the availability of a subsidy (both Federal and State) as important in supporting that decision.

However they see important countervailing issues as the additional costs involved in employing an apprentice and the lack of suitable, high quality candidates.

## Encouraging Employment of Apprentices

Reducing the cost of employing an apprentice is the single most important factor identified by respondents in encouraging employers to employ an apprentice. Complementing this is their view that existing government subsidies need to be increased and/or new incentives or tax breaks created to financially support the employment of apprentices.

They also believe that if apprenticeship is to be encouraged amongst employers there is a pressing need to:

- Simplify the administration of apprenticeships
- Make the apprentice employment contract less demanding on the employer
- Improve the standard of and arrangements for apprentice training

Those respondents who focus more than other groups on the cost of apprenticeship and making employment conditions less demanding tend to be:

- Employers who don't have apprentices
- Sole operators
- Painters and decorators

Those who focus more on simplifying administration and improving training tend to be:

- Employing apprentices directly
- Located in country WA and regional centres

## Effect of an Apprentice Subsidy

### Subsidy Influence Apprentice Employment Decision

62% of respondents say the apprentice subsidy influences their decision to employ an apprentice:

- 11.2% would not employ an apprentice without a subsidy
- 28.6% say the subsidy has a major influence on their decision
- 22.4% say it has some influence

Those who say the availability of the subsidy has a major influence tend to be:

- Employers who don't have an apprentice
- Sole operators
- Located in a regional centre

Of those 37.8% of respondents who say the subsidy has no or little influence, those who say this more than others tend to be:

- Employing an apprentice directly or hiring through a GTS
- Employers without a trade certificate
- Employers who are not subcontractors

### **Importance of BCTIF Subsidy Compared to Other Factors**

BCTIF's apprentice subsidy is a key factor in employers decision to employ an apprentice with over seven in ten respondents saying that it is the most important factor (19.8%) or quite important relative to the other factors (50.3%).

Those who more than others say that it is the most important factor in their decision tend to be:

- Employers who don't have an apprentice
- Micro businesses

Those who more than others say it is quite important tend to be:

- Employing apprentices directly
- Operating in the commercial sector of the industry
- Located in a regional centre
- Employers without a trade certificate

### **Importance of Apprentices' Training**

Respondents overwhelmingly agree that:

- Training is essential to the future of the industry (99.2%)
- On the job training is preferable to off the job training (89.9%) and
- Any training is better than no training (79.5%)

A strong majority are satisfied with apprentice training (65.5%), see it as relevant to their business (62.6%) and see block release as the best approach (58.3%).

A significant minority (34.5%) agree that apprenticeship training should be reduced to three years.

Those who more than others say they are satisfied with off the job training tend to be:

- Employing apprentices direct
- Employ 2-5 workers
- Operating within the commercial sector of the industry

Those who more than others see block release as the best way for apprentices to train tend to be:

- Hiring through a GTS
- Painter/decorators
- Located in country WA

Employers located in regional centres more than other groups tend to feel they would like more say in the training of their apprentice

## **Off-the-Job Training**

Respondents are evenly divided between those who pay TAFE fees for their apprentice (42.1%) and those who do not (44.6%)

Six in ten respondents (60.3%) who pay TAFE fees said that they approved of having to pay a wage to an apprentice while they are at TAFE.

## **Increasing Skilled Workers in the Industry**

The current apprenticeship system or an adaptation of it is seen by 61.3% of respondents as the best basis for increasing the number of skilled workers in the industry with:

- 45.1% preferring a simplification of the current apprenticeship system
- 16.2% preferring the current system as is

RPL for current unqualified workers is preferred by 16.7% of respondents.

**SECTION II: KEY FINDINGS**

## Factors Impacting Negatively on the Decision to Hire an Apprentice

Trades people are faced with a number of major disincentives if not barriers to employing an apprentice:

- High costs of employing an apprentice including:
  - Relatively high award wages and conditions compared with the productivity of the apprentice in their early years
  - Workers compensation and public liability charged at a higher rate because of the apprentice's higher risk status
- Inadequate supply of apprentice candidates with appropriate qualities including:
  - Commitment to learn the trade and complete the apprenticeship
  - Willingness to remain with the employer following completion of the apprenticeship
  - Good attitudes toward work and authority
- Time consuming administration of the apprentice recruitment and employment process including excessive paperwork and having to deal with a number of different parties (except for those who hire through a GTS)

These disincentives are most strongly felt those who are least able to manage or absorb their impact. These most affected tend to micro businesses; operating in country WA, subcontractors and employers without a trade certificate

## Value of the BCITF Apprentice Subsidy

The BCTIF subsidy is important in the industry in that it consolidates the commitment of those who employ an apprentice. It is an important factor relative to all the other advantages and disadvantages of employing an apprentice.

However it is seen of greater importance by employers who don't not have an apprentice or have never have had one compared to those who currently employ an apprentice.

Although the BCTIF subsidy is important to those who currently employ an apprentice, they appear to put more importance on improving administration processes and training arrangements.

However, because the net cost of employing an apprentice is a key disincentive, a significant increase in the amount of the BCTIF subsidy would have a positive impact on the willingness of employers to take on more apprentices

## **Cost versus the benefit of hiring an apprentice**

The benefits of employing an apprentice compared to the costs are limited and relatively fragile.

While there is extremely high demand for skilled workers in the industry and a limited supply there is a clear benefit in the medium to long term for an employer to take on an apprentice notwithstanding the costs. Employers recognize that they can generate their own skilled workforce that is trained to the standards and needs of the business.

However employers know that the high levels of activity won't last forever and that they can fill in with unskilled and unqualified labour. They also know that even if they make the effort to train and develop an apprentice there is a 50/50 chance that they will leave them during or at the end of the apprenticeship.

Employers have to fit a certain profile to retain and reap the benefits that the apprentice can endow. It is the small businesses (not micro), businesses that work directly for clients and don't work as subcontractors and businesses that operate in the metropolitan area rather than the country that are likely to be able to retain completed apprentices.

The costs of employing an apprentice are as previously discussed, tangible and significant.

Some of those costs may be reduced through government taking on the insurance risk (workers compensation and public liability) of employing an apprentice.

Lower wages for apprentices is not a solution since low wages are seen as a major deterrent to young people taking up an apprenticeship in the first case.

Market signals to employers are to not employ apprentices because the costs are unlikely to be recovered.

Given this market failure and that the accelerated training of apprentices is so fundamental to the future economic health of the nation there is a strong case for government intervention to reduce the net cost to the employer and promote the employment of apprentices

## **Issues relating to off-the-job training,**

Off the job training is an imperfect vehicle for most employers. Overwhelmingly they would prefer on the job training.

Many employers appear to see the training institutions as out of touch and insensitive to their needs.

Employers generally see the need for off the job training that reflects current and future industry needs and practices.

To achieve this they want greater input into the content of training and training arrangements including greater flexibility around when the apprentice undertakes training so that there is less disruption to work and the business.

They want more on-going but efficient interaction with training agencies and the trainers.

## **Satisfaction with the Apprenticeship System**

Employers believe that there is much that can and should be done to improve the apprenticeship system.

But they do not want to throw the system away. Many have positive experiences of employing apprentices and have benefited directly and indirectly from being involved in the system.

Employers appear to believe that the system should be simplified and streamlined but that the basic structure should be retained.

## **“The Way Forward” for the Building and Construction Industry**

Apprenticeship numbers need to be increased by:

- Attracting more young people to apprenticeship (supply side)
- Having more employers offer apprenticeships (demand side)

### **Demand Side**

Employers will offer more apprenticeships if the net cost can be reduced through higher apprentice subsidies or a system where government meets all costs of training and possibly wages through a HECS type arrangement

Action to reduce on costs would also provide some assistance.

Action to reduce net costs will improve demand for apprentices across the board by consolidating demand from employers who already employ apprentices and drawing out new demand from those who do not currently employ apprentices

However action is also required on administration of the apprenticeship system to reduce transaction costs and to reassure employers that Government is serious about facilitating the smooth operation of the system.

Finally the demand for apprentices can be enhanced if employers can see an improvement in training and training arrangements that will benefit their business.

This benefit can derive from the greater relevance and usefulness of training so that apprentices become more productive more quickly and through more flexible training arrangements that allow the employer to make better use of the apprentice while they have them at work.

### **Supply Side**

There is a pressing societal problem based around the myth partly perpetrated by government that the only way to a successful and rewarding life is through a university education.

But the building and construction industry contributes to the supply side problem by failing to communicate the strengths and benefits of a career as a tradesperson.

Industry myths perpetuate attitudes that apprentices have to be used for hard, dirty and menial work before they can become a fully-fledged tradesperson. The industry fails to recognize it as a possible reason why young people may be deterred from becoming apprentices.

Although marketing campaigns promoting the benefits of a trades career may be a necessary step, the first step must be for the industry to honestly examine itself to understand what it does in terms that young people will understand and relate to, what its strengths really are and where its weaknesses lie.

Only then will real progress be made in accelerating the entry of young people into the industry.

### **SECTION III: INDUSTRY SURVEY DATA**

## EMPLOYMENT OF AN APPRENTICE

Respondents were asked:

*Do you currently or have you in the past 12 months employed an apprentice or trainee directly or through a Group Training Scheme?*

Employment of Apprentice	% Respondents
Employed an apprentice directly	30.7
Hired through a Group Training Scheme	29.8
Don't have an apprentice	39.5

Reflecting the structure of the sample, just over six in ten respondents (60.5%) currently employed or had employed an apprentice in the past 12 months.

Almost six in ten respondents (57.6%) also said that they had employed an apprentice in the past - more than 12 months ago.

Those groups who more than others tend to have employed apprentices in the past tend to be:

- Direct employers of apprentices (74.7%)
- Businesses located in country WA (70.6%)

## MOTIVATION TO EMPLOY AN APPRENTICE

Respondents were asked in an open ended and unprompted question:

*Overall what would you say are the main things that motivate you to employ an apprentice?*

Motivation to Employ an Apprentice	Spontaneously Identified
	%
Want to pass on skills to the next generation	31.8
Need to increase skills within the industry	29.1
Want to increase skills within my business	20.3
Need to get young people into the industry (have an ageing workforce)	23.6
Support the apprenticeship system	8.3
Gives me a business advantage	25.4
Addresses the problem of shortage of skilled workers	23.4
Don't Know	5.9
Other	17.1

\*Multiple responses allowed

There are two primary and three secondary motivators to employ an apprentice reported by respondents.

The primary motivators are to:

- Pass on skills to the next generation (31.8%)
- Increase skills available in the industry (29.1)

Respondent's secondary motivators are to:

- Create a business advantage for them (25.4%)
- Get young people into the industry to replace the ageing workforce (23.6%)
- Address the immediate and on-going skill shortage in the industry (23.4%)

The *other* motivators to employ an apprentice identified in 17.1% of responses are primarily to:

- Provide assistance to get work done (36.1% of other responses or 6.1% of all responses)
- Provide employer with cheap labour (19.7% or 3.4%)
- Provide a job to a young person (16.9% or 2.9%)
- Receive the Government apprentice subsidy (13.7% or 2.3%)

Those who more than other groups say that they are motivated to pass on skills to the next generation tend to be plumbers/gasfitters (40.2%)

Employees who employ apprentices directly more than other groups tend to say they are motivated to employ apprentices because they need to get young people into the industry (29.4%) and because it gives them a business advantage (35.2%).

Those who employ an apprentice through a GTS more than other groups tend to say they employ apprentices to address the skills shortage (30.5%)

## MOTIVATIONAL FACTORS - PROMPTED

Respondents were asked:

*On a scale of 1 to 4 where 1 is very important and 4 is not important at all, how important are the following factors in motivating you to employ an apprentice?*

Importance of motivational factors	Very important %	Important %	Small Importance %	Not important at all %	Don't Know %
Wanting to raise the level of skills in the industry	63.1	25.7	6.3	4.7	0.0
Wanting to give something back to the industry you work in	43.3	34.8	15.8	6.0	0.1
Your desire to pass on skills to the next generation	60.6	29.6	7.0	2.8	0.1
Your recognition that the trades workforce is ageing and that young people are needed to replace them	70.4	18.4	6.8	4.5	0.0
Your belief in the value of the apprenticeship system	49.6	31.4	13.6	4.5	0.9
The business advantages you get through employing an apprentice	21.6	32.2	24.0	19.8	2.3
Difficulties you have in hiring skilled workers	43.5	28.9	11.9	13.5	2.3
Wanting to raise the skills of people in your business	56.7	30.4	6.2	5.3	1.5

A majority of respondents said that all of the prompted factors were important or very important in motivating them to employ an apprentice.

The three motivators attracting the highest votes of importance (very important and important) are:

- Desire to pass on skills to the next generation (90.2%)
- Wanting to raise the level of skills in the industry (88.9%)
- Their recognition that the trades workforce is ageing and young people are needed (88.8%)

There were no significant differences between groups for any of these variables.

## MOST IMPORTANT MOTIVATIONAL FACTORS

Respondents were asked:

*What are the three most important factors that influence your decisions whether or not to employ an apprentice?*

Most important motivating factors	Most Important %	Second most important %	Third most important %	Three most important Rank*
Wanting to raise the level of skills in the industry	33.4	13.3	8.5	1.353
Your desire to pass on skills to the next generation	21.3	18.4	14.5	1.152
Your recognition that the trades workforce is ageing and that young people are needed to replace them	16.6	19.2	15.4	1.036
Difficulties you have in hiring skilled workers	14.3	11.9	8.5	0.752
Wanting to give something back to the industry you work in	9.1	17.8	5.9	0.688
Wanting to raise the skills of people in your business	10.5	9.1	14.6	0.643
The business advantages you get through employing an apprentice	11.1	8.3	7.7	0.576
Your belief in the value of the apprenticeship system	7.5	9.8	12	0.541
Other	0.7	2.5	0.2	0.073

\*Ranking calculated as a weighted average of responses

When respondents were asked to rank the importance of motivators for employing an apprentice they identified the top three as:

- Wanting to raise the level of skills in the industry
- Their desire to pass on skills to the next generation
- Their recognition of the need to attract young people to replace the ageing industry workforce

## DISINCENTIVES TO EMPLOY AN APPRENTICE

Respondents were asked:

*Overall what would you say are the main disincentives to employ an apprentice? (unprompted)*

Disincentives to employ an apprentice	%
Apprentice employment contract is too long	4.4
Apprentices don't stay after they are trained	7.8
Applicants are not suitable (lack of calibre, experience, work ethic)	25.5
Training of apprentices not good enough / not focussed on needs of my business	7.3
Employment obligations onerous (difficult to fire an apprentice, etc)	7.6
Paperwork and administrative process are difficult	15.2
Apprentices take too long to train to be productive	18.0
Combination of issues make it too hard	12.0
Cost of apprentices' wages	34.3
Not interested in employing an apprentice	5.0
I don't have qualifications so can't take on an apprentice	0.7
Don't Know	7.1
Other	21.2

\*Multiple responses accepted

Over six in ten responses identified two primary disincentives to employing an apprentice and a further one third of responses mentioned two secondary disincentives.

The two main disincentives against employing an apprentice are:

- Cost of apprentices' wages (34.3%)
- Lack of suitability of apprentice candidates (25.5%) including lack of work ethic, experience, preparation and attitude

The secondary disincentives are the:

- Long time it takes for apprentices to become productive in the business (18.0%)

- Paperwork and administrative processes involved in recruiting and employing an apprentice (15.2%)

The other disincentives against employing an apprentice identified in 21.2% of responses are primarily

- Tradespeople have to work with them all the time (37.6% or 7.9% of all responses)
- Government apprentice subsidy/tax breaks are inadequate (18.6% or 3.9%)
- High costs of workers compensation and public liability insurance for apprentice (16.5% or 3.5%)
- Lack of work for apprentice when things are quiet (13.9% or 2.9%)

Those who more than other groups say that the cost of apprentice wages is a disincentive to employing apprentices tend to be:

- Employers who don't have an apprentice (40.5%)
- Plumber/gasfitters (40.0%)
- Sole traders (39.1%) and businesses employing 2-5 employees (38.5%)
- Business located in country WA (42.3%)
- Subcontractors (39.1%)

Those who more than others tend to say that the lack of suitable candidates is a disincentive to employing an apprentice tend to be:

- Employers who don't have an apprentice (32.6%)
- Plumber/gasfitters (31.5%)
- Sole traders (32.4%)
- Employers who don't have a trade certificate (30.9%)

Those who more than others say that the long time that apprentices take to become productive, is a disincentive to employing them tend to be:

- Painters and decorators (25.7%)
- Employers located in country WA (23.5%)

## DISINCENTIVES - PROMPTED

Respondents were asked:

*On a scale of 1 to 4 where 1 is very important and 4 is not important at all, how important are the following in acting as a disincentive against you employing an apprentice? (prompted)*

Disincentive factors	Very important %	Important %	Small Importance %	Not important at all %	Don't Know %
Not knowing where to find candidates to be an apprentice	13.0	21.8	18.1	46.0	1.1
Insufficient numbers of suitable candidates	24.6	27.0	15.1	31.4	2.0
Time consuming administrative process involved in employing an apprentice	32.1	25.2	19.9	22.3	0.5
Not knowing what organisations to contact to find an apprentice	10.7	17.5	19.5	51.2	1.1
Unsuitability of my business to employ apprentices	13.2	17.9	19.0	48.5	1.3
Apprentices who leave as soon as I finish training them	30.9	23.8	15.8	26.0	3.6
Extra costs involved in employing an apprentice	43.4	22.0	14.5	18.4	1.7
Low profits from sub contracting mean I can't afford an apprentice	25.6	21.3	17.5	33.0	2.7
Insufficient time to properly supervise an apprentice	25.1	26.8	18.6	28.6	0.9
Off-the-job training taking the apprentice away from productive work	23.6	27.9	22.4	25.7	0.5
High award wages and conditions that have to be paid to apprentices	27.5	27.1	24.0	20.2	1.3
Workers compensation requirements for apprentices	31.2	23.1	22.0	22.4	1.3
Excessive length of apprenticeship contracts	13.3	17.5	24.7	43.5	1.0
Onerous employment obligations that have to be met for apprentices	22.9	25.5	22.0	27.7	1.9
Difficulty firing an apprentice	20.6	19.3	20.1	36.2	3.9
Young peoples' lack of commitment to learn the trade	45.0	27.1	12.6	13.5	1.8
Skills that apprentices get from off-the-job training are not useful in my business	14.1	19.7	27.1	35.7	3.6

There are two key disincentives to employing an apprentice that emerge from respondents perceptions:

- Young peoples' lack of commitment to learn the trade (72.1%)
- The extra costs involved in employing an apprentice (65.4%)

More than half of the respondents also identified the following as important disincentives to employing an apprentice:

- Time consuming administrative processes involved in employing an apprentice (57.3%)
- Apprentice who leave their employer as soon as they finish training (54.7%)
- High award wages and conditions paid to the apprentice (54.6%)
- Workers compensation requirements for apprentices (54.3%)
- Insufficient time to properly supervise an apprentice (51.9%)
- Insufficient numbers of suitable candidates (51.6%)
- Off-the-job training taking apprentice away from productive work (51.5%)

Employers who haven't got an apprentice more than other groups tend to say that young peoples' lack of commitment to the trade in an important disincentive to employing them (80.3%)

Those who more than other groups tend to say that the:

- Extra costs involved
- Time consuming administrative processes involved
- High award wages and conditions that have to be provided
- Workers compensation requirements
- Insufficient time to supervise

are important disincentives to employing an apprentice tend to be:

- Employers who haven't got an apprentice (74.4%, 68.8%, 62.7%,70.3% and 58.8% respectively)
- Sole traders (77.2%, 70%, 69.7%, 74.2% and 59.9% respectively)

Employers located in country WA more than other groups tend to say that off the job training that takes apprentices away from productive work is an important disincentive (56.4%)

## MOST IMPORTANT DISINCENTIVES

Respondents were asked:

What are the three most important factors that influence your decisions whether or not to employ an apprentice?

Most important disincentives	Most important %	Second most important %	Third most important %	Three most important Rank
Extra costs involved in employing an apprentice	19.5	14.1	8	0.947
Young peoples' lack of commitment to learn the trade	17.3	9.3	12.9	0.834
Time consuming administrative process involved in employing an apprentice	13.9	8	7.3	0.650
Apprentices who leave as soon as I finish training them	10.5	12.5	6.7	0.632
Insufficient numbers of suitable candidates	10.3	7.9	6.3	0.530
High award wages and conditions that have to be paid to apprentices	5.3	9.4	8.6	0.433
Off-the-job training taking the apprentice away from productive work	5.9	8.4	8.4	0.429
Insufficient time to properly supervise an apprentice	5.1	8.4	9.3	0.414
Workers compensation requirements for apprentices	5.1	7.5	8.8	0.391
Low profits from sub contracting mean I can't afford an apprentice	5.5	8.6	4.7	0.384
Unsuitability of my business to employ apprentices	5.1	5.5	4.4	0.307
Difficulty firing an apprentice	2.7	7.3	5.7	0.284
Onerous employment obligations that have to be met for apprentices	3.1	6.8	5.5	0.284
Not knowing where to find candidates to be an apprentice	4.3	3.1	6.3	0.254
Skills that apprentices get from off-the-job training are not useful in my business	2.5	4.8	7.1	0.242
Excessive length of apprenticeship contracts	2.4	5.2	4.5	0.221
Not knowing what organisations to contact to find an apprentice	3	3.3	3.9	0.195

There are two primary and two secondary factors that act as important disincentives to the employment of an apprentice:

- The extra costs incurred by the employer in employing an apprentice
- Employers' perceptions of a lack of commitment by young people to learn the trade
- The time consuming administrative processes employers must go through to recruit, appoint and retain an apprentice
- Apprentices who leave their employer immediately they have completed their apprenticeship

## BENEFITS OF EMPLOYING AN APPRENTICE

Respondents were asked:

What do you see as the main benefits that you get out of employing an apprentice? (unprompted)

Benefits of employing an apprentice	%
Can be trained to the needs of my business	41.8
Provides a source of skilled workers	35.7
Provides a stable base for survival and growth of my business (future employees loyal to my business)	34.8
Don't Know	5.7
Other	22.5

\*Multiple responses allowed

Respondents perceive three key benefits they derive from employing an apprentice. These benefits are being able to:

- Train their apprentice in their way to suit the standards and needs of their business (41.8%)
- Create their own source of skilled workers (35.7%)
- Establish a stable and loyal employee group providing a strong foundation for the success and survival of their business (34.8%)

The 22.5% of responses identifying other benefits of employing an apprentice include:

- Assistance to do more work/quicker (37.8% or 8.5% of all responses)
- Satisfaction the employer feels in providing training and/or a job to a young person (33.2% or 7.5%)
- Getting cheap labour for their business (14.5% or 3.3%)

Employers employing 2-5 workers more than other groups tend to see a major benefit of employing an apprentice as being able to train them to meet the needs of the business (47.0%)

Those who more than other groups see a major benefit of employing an apprentice as creating a source of skilled workers for their business tend to be:

- Employers who employ apprentices directly (44.6%)
- Plumbers/gasfitters (39.7%) and carpenters/joiners (41.3%)
- Employers of 2-5 employees (47.0%)
- Operating in the commercial sector of the industry (46.3%)
- Located in country WA (43.7%) and regional centres (43.1%)
- Employers who don't have a trade certificate (38.8%)

Those who more than other groups see the benefit of employing an apprentice as being able to establish a stable base for their business tend to be:

- Employers of 2-5 employees (40.5%)
- Located in country WA (48.3%)

Those who more than other groups say that the main benefit of an apprentice is getting assistance with work tend to be:

- Employers with no apprentices (50.0%)
- Plumbers/gasfitters (62.1%)
- Sole operators (55.7%)
- Located in a regional centre (48.6%)

Those who more than other groups say that the main benefit of an apprentice is the satisfaction they feel by training and/or providing a job to a young person tend to be:

- Painter/decorators (61.5%)
- Located in country WA (57.4%)

## MAKING THE ADMINISTRATIVE PROCESS EASIER

Respondents were asked:

*What would make the administrative process involved in employing an apprentice easier?  
(unprompted)*

How to make the administrative process easier	% Responses
Less paperwork	24.2
Dealing with a single broker / organisation / one stop shop	15.3
Simplification of processes	19.3
Don't Know	27.8
Other	15.7

\*Multiple responses allowed

Over one quarter of responses (27.8%) indicated that respondents could not identify anything that would make the administrative process in employing an apprentice easier.

Almost a quarter of responses (24.2%) suggested that there be less paperwork and red tape involved in the process of recruiting and employing the apprentice.

Almost one in five responses (19.3%) called for a general simplification of the administrative processes.

Over 15% suggested the establishment of a single organisation or one stop shop where all administrative processes could be handled or undertaken by that organization.

Other changes (15.7% of responses) that would simplify the administrative processes included:

- Higher apprentice subsidy and simpler processes to apply and get have it paid to the employer (24.1% or 3.8% of all responses)
- Improved TAFE / training arrangements (19.8% or 3.1%)
- Better information on apprenticeships and the processes for both employers and apprentices (18.5% or 2.9%)
- Better communications to employers by the agencies involved in apprenticeships (16.7% or 2.6%)

Those who more than other groups feel that less paperwork would make the apprentice administration processes simpler tend to be:

- Employers that don't have an apprentice (28.4%)
- Plumbers/gasfitters (30.9%)
- Sole traders (28.9%)

Employers that don't have an apprentice tend more than other groups want a general simplification of the process (23.8%).

Those who more than other groups don't know how the administrative processes could be simplified tend to be:

- Employers hiring through a GTS (35.8%)
- Painters/decorators (43.1%)
- Employers mainly involved in the residential housing sector (31.6%)

## PREVIOUS EXPERIENCES WITH APPRENTICES

Respondents who had an apprentice currently or at some time in the past were asked whether the last apprentice they employed completed or not.:

Result of last apprenticeship	%
Apprentice completed the apprenticeship and remained in the business	44.3
Apprentice completed the apprenticeship and left the business	30.4
Apprentice did not complete the apprenticeship and remained in the business	6.9
Apprentice not complete the apprenticeship and left the business	18.3
Other	0.1

Approximately a half of apprentices remained with their original employer having either completed (44.3%) or partially completed (6.9%) their apprenticeship.

Almost a third of respondents (30.4%) reported apprentices completing their apprenticeship and leaving the business.

And almost one in five (18.3%) of apprentices are reported to have not completed their apprenticeship and left the business that had been employing them.

Those who more than other groups had apprentices complete and stay tend to be:

- Employers employing apprentices directly (52.1%)
- Electrical mechanics (49.5%), carpenter/joiners (48.9%) and painter/decorators (60.9%)
- Employers with 6-20 employees (49.5%)
- Operating mainly in the commercial sector of the industry (52.1%)
- Employers that are not subcontractors (49.8%)

Those who more than other groups had apprentices complete but leave their employment tend to be:

- Plumbers/gasfitters (36.1%)
- Sole traders (41.3%)
- Located in country WA (38.8%)
- Subcontractors (36.3%)

Those who more than others have apprentices who failed to complete and left their employment tend to be:

- Employers who don't have an apprentice (28.0%)

- Sole traders (33.5%)
- Located in a regional centre (25.2%)

All respondents who had had an apprentice at some stage were also asked:

*Would you say that your most recent experience with employing an apprentice was positive, negative, or neutral?*

Previous experience with apprentice	%
Positive	68.9
Negative	13.1
Neutral	15.9
Unsure	2.1

Over two thirds (68.9%) of respondents had a positive experience with employing an apprentice.

However over one in eight respondents (13.1%) said that they had a negative experience employing an apprentice.

Those who more than others said that their experience of employing an apprentice was a negative one tend to be:

- Employers that don't have an apprentice (18.7%)
- Sole operators (20.1%)
- Located in a regional centre (18.2%)
- Employers without a trade certificate (17.7%)

The main reasons why their experience had been negative were as follows.

Reasons for Negative Experience	% Responses
Poor attitude/lack work ethic/not motivated	7.4
Apprentice had left while or after being trained	3.8
Poor skills/didn't learn	1.9
Difficult administration/contract problems	1.6
Costs	1.6
Other	0.3

\* Multiple responses allowed

Respondents who had a negative experience when they last employed an apprentice attributed this to the candidates' poor work ethic and attitude and to the fact that the apprentice left their employment during or at the completion of the apprenticeship.

The main reasons why respondents' experience had been positive were as follows.

Reason Experience was Positive	% Responses
Apprentice worked hard/motivated to learn/good attitude	26.9
Has good skills/good work	10.2
Stayed with business/as tradesman	10.1
Contributes to business/helps with work	8.4
Gets along with others/works in a team	6.1
Good person/we get on	4.7
Enjoy passing on skills/watch them develop	4.6
Apprentice generally good/no problems	4.5
Preselected carefully	2.4
Process smooth/simple	2.2
Other	1.7
Don't Know	1.6

\* Multiple responses allowed

A majority of responses (55.6%) indicated four key reasons for employers experiencing their employment of an apprentice positively:

- Over a quarter of responses (26.9%) from those who had a positive experience employing an apprentice attributed this to the apprentices' positive attitude, willingness to work hard and motivation to learn the trade.
- It had also been a positive experience because the apprentice stayed with the business after they completed (10.1%) and contributed to its success (8.4%)
- The experience was also seen as positive because their apprentice developed good skills and did high quality work (10.2%)

## GROUP TRAINING SCHEMES

Respondents were asked:

*Would you consider employing an apprentice through a Group Training Scheme:*

Would consider GTS	%
Yes	63.4
No	26.6
Unsure	10.0

A very strong majority of respondents (62.7%) said that they would consider employing an apprentice through a Group Training Scheme.

However over a quarter of respondents (26.9%) said that they would not consider it.

Those who more than others groups would consider employing an apprentice through a GTS tend to be:

- Employers already hiring through a GTS (83.3%)
- Carpenters/joiners (73.1%) and painter/decorators (73.3%)

On the other hand, those who more than others groups would not consider employing an apprentice through a GTS tend to be:

- Employers that don't have an apprentice (32.4%) and those who hire their apprentice directly (35.9%)
- Electrical mechanics (30.9%)
- Sole operators (31.6%)

## Reasons for Not Considering Employing through Group Training Scheme

Respondents who said that they would not consider using a GTS were asked:

*Why wouldn't you consider employing an apprentice through a GTS (unprompted)*

Why wouldn't consider employing through GTS	%
Don't know enough about GTS	4.3
Learn bad habits from other employers/workplaces	13.3
Satisfied with direct indenture of apprentices	17.6
Bad experiences with GTS/ poor reputation	20.1
Lack of input into off the job training	6.8
GTS not well organized	10.5
GTS not give enough support	7.1
Don't Know	30.2
Other	39.3

\*Multiple responses allowed

Almost a third of respondents (30.2%) who said that they would not consider employing an apprentice through a GTS could not give a reason for this.

Other respondents reflected negatively on GTS' saying that they

- Had bad experiences with or felt GTS' had a bad reputation (20.1%) and that they are badly organised (10.5%)
- Felt that apprentices learned bad habits from other employers (13.3%)

Almost a fifth of responses indicate that respondents would not consider GTS because they are satisfied with employing apprentices directly themselves (17.6%)

Of the 39.3% or responses that identified other reasons for not using GTS the key reasons were that:

- GTS is too expensive (52.7% or 20.7% of all responses)
- Employer wants to select the apprentice themselves (13.2% or 5.1%)
- Lack of staff to supervise or appropriate work for an apprentice (10.9% or 4.3%)

Those who more than other groups said that they had a bad experience with a GTS or felt they had a bad reputation tend to be:

- Employing apprentices directly (24.8%)
- Hiring through a GTS (33.3%)
- Employing 2-5 workers (31.7%)
- Located in country WA (24.2%)

Those who more than other groups said that they would not consider a GTS because they are satisfied with direct indenture of apprentices tend to be:

- Employing apprentices directly (27.0%)
- Electrical mechanics (21.8%) and carpenters/joiners (26.7%)
- Located in a regional centre (22.2%)
- Not operating as a subcontractor (22.0%)

Those who more than other groups would not consider a GTS because they are too expensive tend to be:

- Hiring through a GTS (85.7%)
- Employing 2-5 workers (78.0%)
- Operating mainly in the residential housing sector (60.6%)

### Improving the Experience of Employing an Apprentice through a GTS

Respondents who said that they would not consider using a GTS were asked:

*How could the experience of employing an apprentice through a GTS be improved?*

Why wouldn't consider employing through GTS	%
Have more input into training/negotiate training	9.8
Better skills in apprentices	7.4
GTS should have may contact with employers	3.7
Should have same apprentice for longer	7.1
Should be more reliable supply of apprentices	4.9
Don't Know	54.9
Other	27.2

\*Multiple responses accepted

More than half (54.9%) of responses failed to identify means by which the experience of employing an apprentice through a GTS could be improved.

The three key improvements identified were for:

- Employers to be able to have more input into apprentice training (9.8%) and be able to have apprentices for longer periods (7.1%)
- GTS apprentices to have better skills (7.4%)

Responses (27.2%) identifying other means of improving GTS cited:

- Reducing the cost of using the service (25.8% )
- Improving the suitability and attitude of GTS apprentices (21.3%)
- Increasing incentives to employers to employ apprentices in general (16.9%)

- Improve the organization and management of GTS (14.6%)

## FEMALE APPRENTICES

Respondents were asked:

*Have you ever considered employing a female apprentice?*

Considered employing female apprentice	%
Yes	45.2
No	46.5
Unsure	8.3

Respondents were evenly divided over whether they had considered (45.2%) or had not considered (46.5%) employing a female apprentice

Those who more than other groups say they have not considered employing a female apprentice tend to be:

- Employing 2-5 workers (52.4%)
- Located in country WA (53.8%)

Employers located in a regional centre more than other groups tend to say they have considered employing a female apprentice (50.9%)

Respondents were also asked:

*Would you consider employing a female apprentice if she showed the aptitude needed for a good tradesperson?:*

Would employ female apprentice showing aptitude	%
Yes	79.4
No	13.4
Unsure	7.2

Almost eight in ten respondents (79.4%) said that they would consider employing a female apprentice if she demonstrated the aptitude for becoming a good tradesperson.

Employers located in a regional centre more than other groups tend to say that they would consider employing a female apprentice if she showed the aptitude for becoming a good tradesperson (88.0%)

Those who more than other groups say that they would not consider employing a female apprentice if she showed the aptitude for becoming a good tradesperson tend to be:

- Employing through a GTS (16.4%)
- Carpenter/joiners (18.0%)
- Located in country WA (16.0%)
- Subcontractors (17.1%)

## INDUSTRY ISSUES DETERRING YOUNG PEOPLE

Respondents were asked:

*Are there any issues or practices in the industry that you think deter young people from becoming or remaining an apprentice? (unprompted)*

Industry issues deterring apprentices	%
Bullying/inappropriate work practices occurring in workplace	3.3
Young people want a quick fix / apprenticeship too long for them	27.6
Not aware of career opportunities in the industry	8.7
No prestige in industry / not attractive to young people / prefer going to uni/professions	27.1
Industry image problems / seen as dirty, difficult, second class	20.6
Don't Know	23.6
Other	38.3

\*Multiple responses accepted

There are two key factors that respondents believe are deterring young people from becoming or remaining an apprentice:

- Community perceptions that it is more prestigious and preferable to go to university rather than enter a trade (27.1%) and that the trades are a second class option involving difficult and dirty work (20.6%)
- Young peoples' preferences for quickly stepping into a high paying career without a long and difficult training period (27.6%).

The other factors (38.3%) identified by respondents as deterring young people from becoming or remaining an apprentice are primarily the:

- Low wages that apprentices receive (64.4% or 24.6% of all responses)
- Hard work involved in the trades (23.9% or 9.1%)

Those who more than other groups believe that young people are deterred from becoming an apprentice because it is more prestigious to go to university tend to be:

- Carpenter/joiners (31.7%)
- Employing 2-5 workers (35.3%)
- Located in country WA (32.8%)
- Subcontractors (32.4%)

Those who more than other groups believe that young people are deterred from becoming an apprentice because it is the trades are a second class option tend to be:

- Carpenter/joiners (27.5%)
- Employers without a trade certificate (25.2%)

Those who more than other groups believe young people are deterred because they want a quick fix into a career tend to be:

- Employers who don't have an apprentice (33.2%)
- Plumber/gasfitters (32.2%)
- Sole operators (30.9%) and employing 2-5 workers (31.2%)
- Employers without a trade certificate (35.3%)
- Subcontractors (33.0%)

Those who more than other groups believe young people are deterred by the hard work tend to be:

- Employers who don't have apprentices (35.9%)
- Plumber/gasfitters (35.3%) and carpenter/joiners (30.0%)
- Sole operators (33.0%)
- Employers without a trade certificate (34.6%)
- Subcontractors (31.2%)

## INDUSTRY ISSUES AFFECTING EMPLOYERS

Respondents were asked:

*On a scale of 1 to 4 where 1 is very important and 4 is not important at all, how important are the following in your decision whether or not to employ an apprentice?*

Issues influencing employers' decisions	Very important	Important	Small Importance	Not important at all	Don't Know
	%	%	%	%	
Costs involved in employing an apprentice	50.3	22.9	13.4	12.9	0.6
Availability of the BCITF apprentice subsidy	43.3	33.0	11.1	8.0	4.6
Availability of Federal Government subsidy	46.0	30.5	10.7	7.8	5.0
Lack of skilled workers	50.9	25.8	10.9	11.1	1.3
The administrative burden involved in employing an apprentice	28.6	26.3	20.5	23.8	0.9
Quality of apprentice candidates	42.1	31.6	15.5	9.0	1.8
Uncertainty of having work all the time you are responsible for an apprentice	45.4	23.2	14.5	15.9	0.9

Over seven in ten respondents see a range of factors as important in their decision whether to employ an apprentice or not including

- A lack of skilled workers in the industry (76.7%)
- Availability of an apprentice subsidy – Federal Government (76.5%) and BCTIF (76.3%)
- The quality of candidates (73.7%)
- The costs employers must incur in employing an apprentice (73.2%)

Those who more than other groups say that the costs involved in employing an apprentice is important to their decision to employ one tend to be:

- Employers who don't have an apprentice (82.5%)
- Sole operators (85.1%)

## MOST IMPORTANT ISSUES AFFECTING EMPLOYERS

Respondents were asked:

*What are the three most important factors that influence your decision whether or not to employ an apprentice?*

Most important issues influencing employers' decisions	Most important %	Second most important %	Third most important %	Three most important Rank
Costs involved in employing an apprentice	35.6	13.9	12.9	1.475
Lack of skilled workers	23.4	10.8	7.9	0.997
Availability of the BCITF apprentice subsidy	13.5	21.5	9.7	0.932
Uncertainty of having work all the time you are responsible for an apprentice	17.8	11.4	14.9	0.911
Quality of apprentice candidates	14.8	14.2	9.9	0.827
Availability of Federal Government subsidy	8.6	15.8	17.5	0.749
The administrative burden involved in employing an apprentice	6.4	12.5	11.5	0.557

Although respondents see a number of factors as important in determining whether or not they will employ an apprentice they identified the top three most important factors as the:

- Costs involved in employing an apprentice
- Lack of skilled workers in the industry
- Availability of the BCTIF apprentice subsidy

Respondents also ranked highly in determining whether they would employ an apprentice, the uncertainty they face about whether they will have work all the time they are responsible for an apprentice.

## ENCOURAGING EMPLOYMENT OF APPRENTICES

Respondents were asked:

*What are the main things that could be done or changed that would encourage you to employ an apprentice? (unprompted)*

Factors that would encourage apprentice employment	%
Simplify administration of apprenticeships	14.9
Increase the number of applicants for apprenticeships	4.1
Make terms of employment contract less demanding on employer	12.7
Reduce the costs of employing an apprentice	27.6
Improve standard of training / training arrangement	12.5
Not having to pay wages when apprentice at TAFE	5.7
Don't Know	27.0
Other	34.5

\*Multiple responses allowed

Reducing the cost of employing an apprentice stands out as the key factor (27.6% of responses) in encouraging employers to employ an apprentice.

Three important secondary factors are to:

- Simplify the administration of apprenticeships (14.9%)
- Make the apprentice employment contract less demanding on the employer (12.7%)
- Improve the standard of and arrangements for apprentice training (12.5%)

The other means identified by respondents (34.5%) of encouraging employers to employ an apprentice are primarily to:

- Increase the existing government subsidy or create new incentives to employ an apprentice (50.2% of other responses or 17.3% of all responses)
- Guarantee employers of apprentices that they will have work for apprentice to do (12.9% or 4.4%)
- Improve the attitudes and commitment of apprentices (12.2% or 4.2%)

Those who more than other groups say that reducing the cost of employing an apprentice would encourage them to employ one tend to be:

- Employers who don't have an apprentice (32.0%)
- Painter/decorators (43.9%)
- Sole operators (37.6%)

Those who more than other groups say that simplifying the administration would encourage them to employ an apprentice tend to be:

- Employing apprentices directly (19.0%)
- Located in country WA (19.8%)

Those who more than other groups say that making the employment contract less onerous would encourage them to employ an apprentice tend to be:

- Employers who don't have an apprentice (19.1%)
- Painter/decorators (19.8%)
- Sole operators (16.7%)

Those who more than other groups say that improving off the job training and training arrangements would encourage them to employ an apprentice tend to be:

- Employing apprentices directly (16.1%)
- Located in country WA (22.0%) and regional centres (16.4%)

Those who more than other groups say that increasing the existing government subsidy or creating new incentives to employ an apprentice would encourage them to employ one tend to be:

- Hiring apprentices through a GTS (71.6%)
- Plumber/gasfitters (56.2%)
- Painter/decorators (57.1%)
- Employing 2-5 workers (60.1%)
- Operate within the commercial sector of the industry (60.9%)
- Located in a regional centre (57.9%)

## EFFECT OF AN APPRENTICE SUBSIDY

Respondents were asked:

*To what extent does the availability of an apprentice subsidy influence your decision to employ an apprentice? Would you say a subsidy ... (prompted)*

Effect of an apprentice subsidy	%
Has no influence at all on my decision to employ an apprentice	15.5
Has small influence but still would employ an apprentice	22.3
Has some influence on decision	22.4
Has a major influence	28.6
Would not employ an apprentice without a subsidy	11.2

The apprentice subsidy has a significant influence on the employers' decision to employ an apprentice with 62.2% of respondents saying that it influences their decision.

Almost four in ten respondents (39.8%) said that the subsidy had a major influence on their decision (28.6%) or they would not employ an apprentice without the subsidy (11.2%). A further one fifth of respondents (22.4%) said that the subsidy had some influence on their decision to employ an apprentice.

Those who more than other groups say that the subsidy has a major influence on their decision to employ an apprentice tend to be:

- Employers who don't have an apprentice (54.1%)
- Sole operators (54.7%)
- Located in a regional centre (46.1%)

Those who more than other groups say that the subsidy has a small or no influence on their decision to employ an apprentice tend to be:

- Employing an apprentice directly (42.2%) and hiring through a GTS (49.6%)
- Employers without a trade certificate (46.8%)
- Employers who are not subcontractors (47.9%)

Respondents were also asked:

*Considering all the factors that influence your decision whether or not to employ an apprentice, how important is the BCITF training subsidy compared to all the other factors? Would you say that the BCITF apprentice/trainee subsidy is... (prompted)*

Comparative importance of BCITF subsidy	%
The most important factor influencing your decision	19.8
Quite important relative to the others	50.3
Not very important compared to other factors	20.4
Not important at all	9.4

The BCTIF apprentice subsidy is seen by respondents as important in their decision to employ an apprentice compared to other factors. Over seven in ten respondents (70.1%) say that the BCTIF subsidy was the most important factor (19.8%) or quite important relative to the other factors (50.3%)

Less than one in ten respondents (9.4%) say that the BCTIF subsidy is not important at all in their decision to employ an apprentice.

Those who more than other groups say that the BCTIF subsidy is the most important factor influencing their decision relative to all the others tend to be:

- Employers who don't have an apprentice (24.9%)
- Sole operators (23.6%) and employing 2-5 workers (24.4%)

Those who more than others say that the BCTIF subsidy is quite important relative to all the others tend to be:

- Employing apprentices directly (56.5%)
- Operating in the commercial sector of the industry (56.8%)
- Located in a regional centre (56.1%)
- Employers without a trade certificate (56.1%)

Employers hiring an apprentice through a GTS (39.7%) more than others tend to say that the BCTIF subsidy is not very important or not important at all relative to all the others.

## IMPORTANCE OF APPRENTICES' TRAINING

Respondents were asked:

On a scale of 1 to 4 where 1 is strongly agree and 4 is strongly disagree, to what extent do you agree or disagree with the following statements:

Apprentice training issues	Strongly agree	Agree	Disagree	Strongly disagree	Don't know
	%	%	%	%	%
Training is essential to the future of the industry	87.3	11.9	0.2	0.2	0.5
On the job training is preferable to off the job training	59.8	30.1	7.4	1.6	1.1
Any training is better than no training	49.8	29.7	13.8	5.9	0.8
The off the job training that an apprentice gets is not relevant to my business	10.7	21.9	41.0	21.6	4.8
Block release is the best way for apprentices to undertake training	27.5	30.8	19.4	12.8	9.4
Apprenticeship training should be reduced to 3 years	14.1	20.4	22.4	35.1	8.0
I am satisfied with the training that my apprentice receives	25.1	40.4	9.5	4.8	20.2
I would like more say in the training that my apprentice receives	19.7	36.1	19.7	6.9	17.6

There is an overwhelming view amongst respondents that:

- Training is essential to the future of the industry (99.2%)
- On the job training is preferable to off the job training (89.9%) and
- Any training is better than no training (79.5%)

Almost two thirds of respondents (65.5%) are satisfied with the training their apprentices get, 62.6% see it as relevant to their business and 58.3% see block release as the best way for apprentices to undertake training

A majority of respondents (55.8%) would like more say in the training of their apprentice.

A third of respondents (34.5%) agree that apprenticeship training should be reduced to three years.

Those who more than other groups say that they are satisfied with the off the job training they get tend to be:

- Employing apprentices direct (78.2%)
- Employ 2-5 workers (70.8%)
- Operating within the commercial sector of the industry (71.1%)

Those who more than other groups see block release as the best way for apprentices to train tend to be:

- Hiring through a GTS (65.5%)
- Painter/decorators (76.1%)
- Located in country WA (69.1%)

Employers located in regional centres more than other groups tend to say that they would like more say in the training of their apprentice (70.3%):

Those who more than other groups believe that apprentice training should be reduced to three years tend to be:

- Painter/decorators (48.2%)
- Employers without a trade certificate (45.3%)

## OFF-THE-JOB TRAINING

Respondents were asked:

*Do you pay the TAFE fees for your apprentice?:*

Pay apprentices' TAFE fees	%
Yes	42.1
No	44.6
Unsure	13.3

Respondents are evenly divided between those who pay TAFE fees for their apprentice (42.1%) and those who do not (44.6%)

Those who more than other groups pay their apprentices' TAFE fees tend to be:

- Employing apprentices directly (49.7%)
- Electrical mechanics (49.7%) and carpenter/joiners (52.6%)
- Employing 2-5 workers (47.6%)
- Operating in the commercial sector of the industry (45.5%)
- Located in country WA (44.3%)
- Operating with a trade certificate (43.4%)

Those who more than other groups do not pay their apprentices' TAFE fees tend to be:

- Employers hiring through a GTS (53.0%)
- Plumber/gasfitters (52.0%) and painter/decorators (56.4%)
- Sole operators (56.6%)
- Operating without a trade certificate (51.9%)

Respondents who pay TAFE fees for their apprentice were asked:

*Do you approve or disapprove of having to pay wages to an apprentice while they are at TAFE?*

Approve of paying wages while apprentice at TAFE	%
Yes	60.3
No	26.9
Unsure	12.9

Six in ten respondents (60.3%) who pay TAFE fees said that approved of having to pay a wage to an apprentice while they are at TAFE.

However over a quarter (26.9%) of these respondents disapprove of paying apprentice wages while at TAFE

Those who more than others approve of having to pay a wage to an apprentice while they are at TAFE tend to be:

- Carpenter/joiners (72.9%)
- Located in a regional centre (72.7%)

Those who more than others disapprove of having to pay a wage to an apprentice while they are at TAFE tend to be:

- Employers who don't have an apprentice (33.5%)
- Painter/decorators (35.7%)
- Located in the Perth metropolitan area (31.1%)
- Employers without a trade certificate (37.2%)

## INCREASING SKILLED WORKERS IN THE INDUSTRY

Respondents were asked:

*What do you see as the best way of increasing the number of skilled workers in the industry?  
(prompted)*

How to increase number of skilled workers in the industry	%
Stay with the current apprenticeship system as it is	16.4
Stay with the current apprenticeship system but with some improvements to make it simpler	45.4
Fast track apprenticeships so they are completed in three years	11.1
Recognition of prior learning for current workers with no formal qualifications	16.6
Other	10.5

The current apprenticeship system or an adaptation of it is seen by a strong majority of respondents (61.8%) as the best basis for increasing the number of skilled workers in the industry with:

- Almost a half of respondents (45.4%) saying that a simplification of the current apprenticeship system is the best way of increasing the number of skilled workers in the industry
- A further 16.4% saying the current system is as the best approach

Recognition of prior learning (RPL) for current formally unqualified workers is seen by one in six respondents (16.6%) as the best way of increasing the number of skilled workers in the industry.

The other means of increasing the number of skilled workers in the industry (10.5%) primarily included:

- Increasing the apprentice subsidy/support to employers (25.5% of other responses or 2.7% of responses)
- Promoting the trades with young people and at school (15.6% or 1.7%)
- Increasing pay rates for apprentices (14.9% or 1.6%)
- Improved training and training arrangements (12.8% or 1.3%)

Those who more than other groups wish to stay with the current apprenticeship system tend to be:

- Employers hiring through a GTS (22.3%)
- Painter/decorators (26.7%)

- Employing 6-20 workers (20.7%)
- Not operating as a subcontractor (19.3%)

Those who more than other groups want to stay with the current apprenticeship system but with improvements to make it simpler tend to be:

- Electrical mechanics (52.4%) and plumber/gasfitters (57.7%)
- Operating in the commercial sector of the industry (51.8%)
- Located in country WA (51.7%)

Those who more than other groups want RPL tend to be:

- Carpenter/joiners (26.8%)
- Employing 2-5 workers (20.5%)
- Located in country WA (21.1%)
- Employers without a trade certificate (22.1%)

## THE SAMPLE

Sample	Total %
<b>Business type</b>	
Electrical / mechanic	29.1
Plumber / gasfitter	19.2
Carpenter and joiner	13.4
Bricklayer	4.7
Plasterer	4.9
Tile layer	4.8
Wall and ceiling fixer	2.3
Stonemason	0.9
Painting and decorating	9.3
Glazing and bevelling	3.2
Roof tiling	0.9
Roof plumbing	2.1
Sprinkler fitting	0.5
Other	4.6
<b>Number of employees</b>	
One	25.4
2-5	39.5
6-20	26.9
21-100	5.9
100+	2.4
<b>Industry Sector Majority of Work In</b>	
Residential housing	53.6
Commercial	25.7
Renovations/additions	9.4
Civil construction	5.6
Services	4.2
Off site	1.6
<b>Business location</b>	
Perth metro area	67.1
Regional city	13.6
Country WA	19.3
<b>Trade certificate</b>	

Yes	86.6
No	11.3
Unsure	2.1

**Subcontractor**

Yes	51.0
No	48.0
Unsure	1.0