



GAN - FUTURE OF APPRENTICESHIPS CONFERENCE

International Quality Apprenticeships Framework

Monday 6 February 2023 • 1:00 – 2:00

The Voice of
Australian Business






























































































































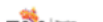








The voice of Australian business

ACCI (The Australian Chamber of Commerce and Industry) is Australia's largest and most representative business network.

We facilitate meaningful conversations between our members and the federal government – combining the benefits of our expansive network with deep policy and advocacy knowledge.

It's our aim to make Australia the best place in the world to do business.





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- Chair of the IOE / WEC Working Party on Employment and the Future of Work
- Member of the Governing Body of ILO
- Director – Industrial Relations Policy, Australian Chamber of Commerce and Industry (ACCI)
- **Employer spokesperson – proposed ILO global standard on Apprenticeships (2022 and 2023)**
- Worked with GAN globally
- Reflections SB only – not employer group / GAN

INTRODUCTION

WHY WE ARE TALKING ABOUT GLOBAL ACTION /
A GLOBAL STANDARD ON APPRENTICESHIPS?

Youth unemployment entrenched crisis:



Global youth unemployment = estimated 73 million 2022

6 million above the pre-pandemic level of 2019 (ILO Aug 2022)

FOW demands quality skills, adaptability + resilience

There is no international model, framework, vision for this

No consistent / agreed foundation to support more effective Apprenticeship systems

Need a foundation to spread benefits - better apply proven Apps model to more countries + more work + ↗ Quality

Bridge the gap – Germany and Switzerland are excellent, but how does this help countries without the history, culture and resources?

BENEFITS OF APPRENTICESHIPS

Apprentice:

- Meet future employers
- 'Earn while you learn'
- Work experience skills
- Nationally-recognised qualifications
- Earn money - No learning costs or debt
- Learn company workflow and culture

Employer:

- Tap into talent
- Develop creativity
- ↘ liability costs through quality training
- Tax credits
- ↘ HR admin costs
- Safety + Quality

Govts:

- Tackle skills gaps
- Youth employment
- Social cohesion



For the Community / Development

- Safer + more reliable built environment
- Quality Assurance
- Significant foundation for Development beyond CH Aus NZ

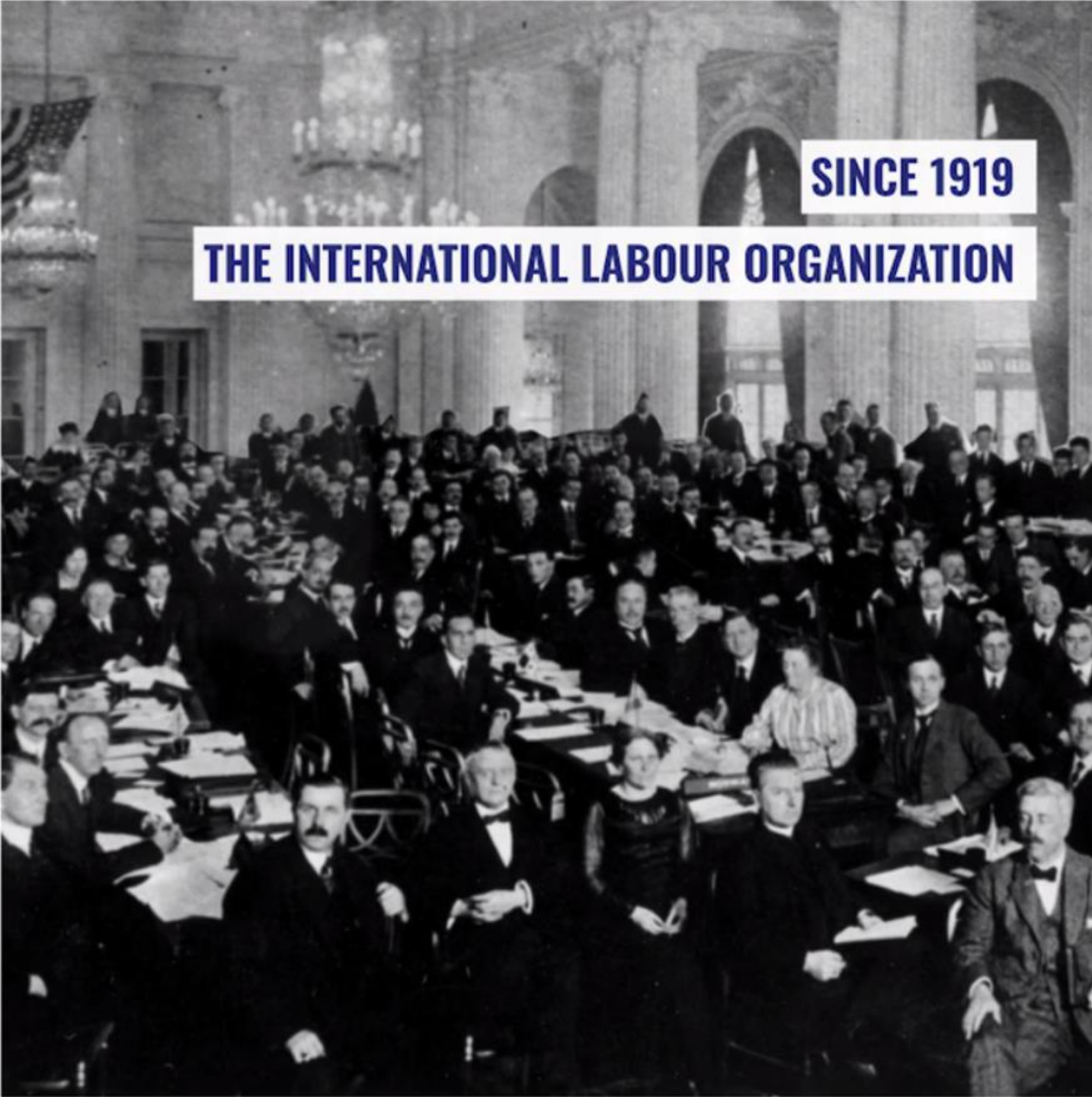


Something is now being done:



International Labour Organisation (ILO) has identified a regulatory gap in its global standards

Commenced a 2 year process (2022 and 2023) to set a global standard (framework) on Apprenticeships



SINCE 1919

THE INTERNATIONAL LABOUR ORGANIZATION

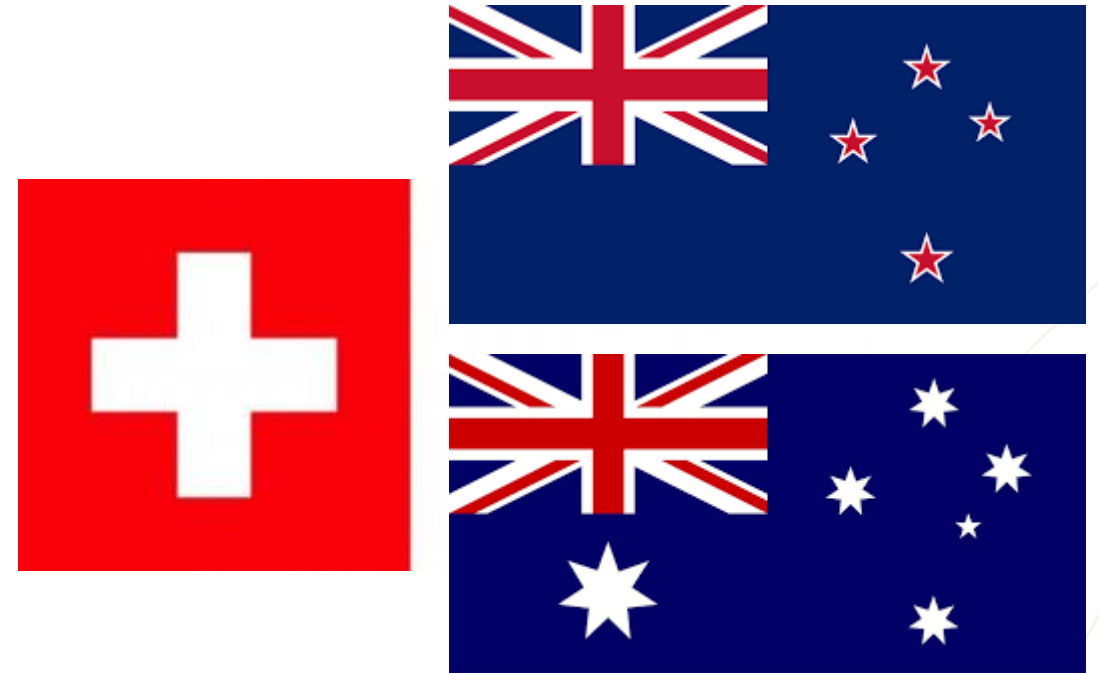


INTERNATIONAL LABOUR ORGANISATION (ILO)

- Foundation agency of the UN
- Sets and enforces global employment / IR standards

Minimum wages, anti-discrimination, collective bargaining, union rights, child labour, forced labour, safety etc

- Can do more / better to promote employment + skills



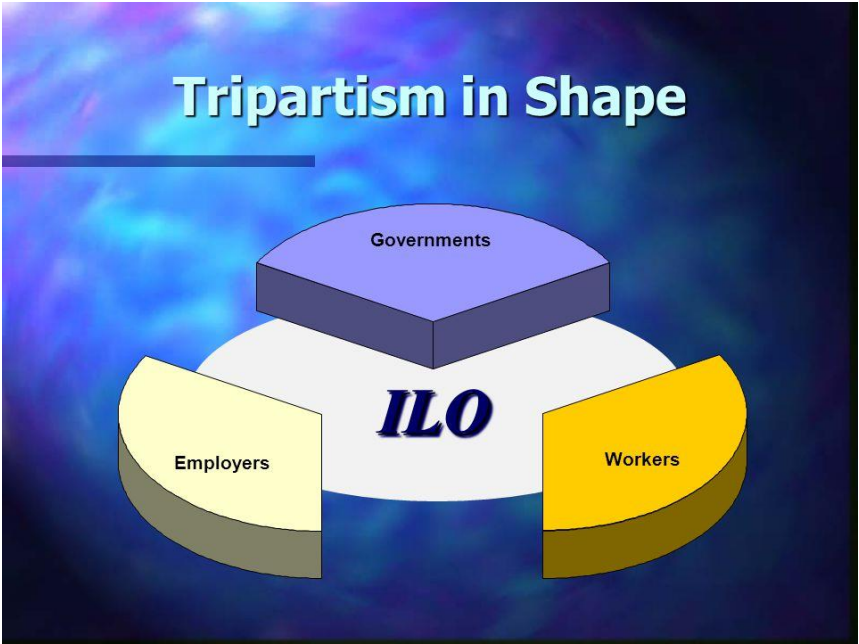
**Very well regarded / influential
ILO has supported our success C20th**

WORK IS UNDERWAY ON A FRAMEWORK

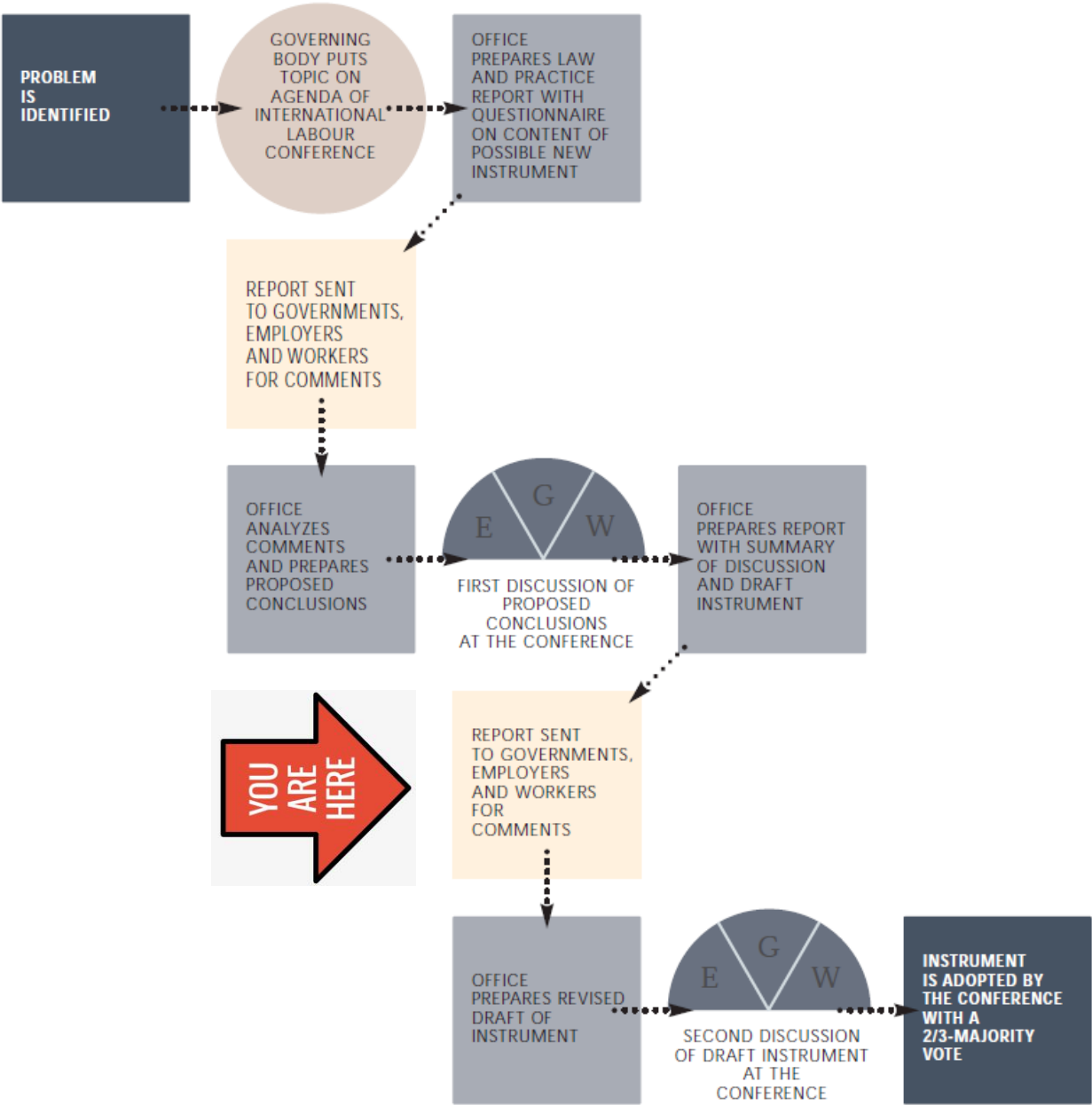
- Goal: An ILO standard on Apprenticeships
- Complex process – but in essence
 - Annual ‘Parliament’ of Gov, Employers, Unions (From 188 Countries) adopts such standards
 - 2 year discussion process – 2022 and 2023
 - Negotiate the form and substance of an international standard / framework



DOUBLE DISCUSSION



How an international labour standard is adopted



2 OPTIONS FOR AN ILO STANDARD

International labour standards are **legal instruments setting out basic principles and rights at work**.

They are either **Conventions**, legally binding international treaties that may be ratified by member states, **or Recommendations** - non-binding guidelines.

Many Conventions lay down the basic principles to be implemented by ratifying countries, while a related Recommendation supplements the Convention through detailed guidelines on how it can be applied.

Recommendations can also be autonomous, i.e. not linked to a Convention.

Key area in debate

Conventions and Recommendations are drawn up by representatives of governments, employers and workers and are **adopted at the annual International Labour Conference**.

Ratifying countries undertake to apply the Convention in national law and practice and to regularly report on its application. Technical assistance is provided by the ILO, if necessary. In addition, representation and complaint procedures can be initiated against countries for violations of a ratified Convention.

WHAT'S BEING DEBATED IN SETTING A NEW GLOBAL STANDARD ON APPRENTICESHIPS?



Lots we agree on
Respectful discussion
Often very constructive

But...
Differences are important



Promotion > Regulation
Support for Employers
Foundation for Quality
Options and Choices
Foundation to Extend Apps
Bridge Development Gaps

Regulate for dangers + risks
Protect vulnerable Apps
Quality through control
Union and bargaining rights
Vilify work unions dislike

COMPETING PRIORITIES

Employers	Workers
Positive narrative – opportunity. Relevant to as many national circumstances as possible.	Negative perspective – Highest common denominator
Guidance - An ILO Recommendation	Protection + Prescription + Enforcement – An ILO Convention (Ratifiable Treaty)
Scope: Apprenticeships Only	Apprenticeships + Trainees + Interns
Priorities: Opportunity and Promotion	Risks, Vulnerabilities, Protection, Control, Centralisation and Regulation – More monitoring and enforcement
Oppose ratios / reduce unnecessary rigidities	Enshrine ratios / rigidities

COMPETING PRIORITIES

Employers	Workers
Support contestability / role for private sector	Public sector training only
Incentivise and encourage employers to train Apps – Help more employers benefits / train apprentices	Access conditional on meeting union dictated IR requirements / stop employers exploiting cheap labour. Emphasise: Decent work, quality outcomes, union participation (veto?) and collective bargaining.
Needs driven – especially employer needs	Supply driven – by the public sector. Dilute / remove references to meeting labour market needs
Promotion – Getting more people into better Apps	Replicate IR regulation - wages, social security coverage, labour rights, injury compensation, sick leave, insurance, holidays with pay, parental leave
Accept diverse range of legal relationships	Employment only / mandatory for apprentices
Innovate, flexibility and choice – argued for GTOs	Delete and discourage any role for ‘intermediaries’

OTHER EMPLOYER PRIORITIES

Employers	Workers
Inclusiveness – Adult Apprentices	Not opposed, but discussion emphasises youth
Overcoming stigma – Not 2 nd choice < University	Not opposed
Better coordination between ministries, regulators, actors in the Apps system	-
Improving skills recognition across borders / greater cooperation between skills authorities	Not opposed
Attracting \$\$ into App systems + Greater ILO support / priority to help more countries in this area – not getting lost in new standards, rules or compliance	
Encourage Gov to invest in trade schools, TVET, career counselling, up to date tech, and training reform	Not opposed



HOW ARE WE GOING AT HALF TIME?



- **Going well – GAN, IOE cooperation**
- **Consensus on a Recommendation not Convention (Employers + majority of govts)**
- **Removed all references to traineeships and internships**
- **Recognise that apprentices are not automatically ‘employees’**
– each country is different
- **‘In accordance with national laws and practice/regulations’**
- **Promotional approach emphasized**
- **Kept the text as positive as possible**
- **Extensive list of vulnerable/disadvantaged groups removed**

REMOVED IN 2022 (*Not guaranteed)

Removed through the amendments process at the 2022 ILC

- ‘abuse’, ‘precarious work’, ‘intimidation’,
- ‘barring of employers in breach of regulatory provisions’,
- ‘apprentices being used to replace workers’,
- ‘eligibility’ of enterprises and ‘accredited’ intermediaries,
= Barriers to buy-in + over-prescriptive in such an instrument.
- ‘apprentices are not required to pay for apprenticeships’,

- ‘employment injury protection’ which implies an employment relationship,
- ‘right to join a trade union of their choosing’, including for students who are not classified as employees,
- ‘setting requirements for public procurement including infrastructure investments’ – as a pre-condition for being able to employ an apprentice.

NUANCES (*Also not guaranteed)

Also nuanced some areas we could not remove entirely:

- ‘Ratios between apprentices and employees’, which do not offer flexibility to enterprises, were changed to ‘balance’.
- Instead of ‘remuneration’ only, agreed to refer to ‘adequate remuneration or other financial compensation’.
- Addresses different national realities where some countries classify apprentices as employees, others as students.

HOW THIS IS FINALISED MATTERS

Despite analogy - Not a sporting contest + Not trivial

Deadly serious – for young people and communities

E W G – All want better for young people

**Employers know we are on the right / better track
for young people and national development**

Pleased most Gov / influential Gov are listening to us

100% Committed to seeing this through to a good outcome

LOOKING TO THE 2023 DISCUSSION



Unions will re-prosecute what they failed to get in 2022
Employers' will largely try to maintain 2022 approach

OUR PRIORITIES FOR 2023



- A positive global foundation for Apps to drive growth, development and jobs - in more countries.
- Widest possible relevance / utility
- Flexible, adaptable, practical, relevant
- Stimulating, positive options + ideas
- Address worker & employer priorities
- Avoid over-emphasis on prescription, negativity, risks
- Create an obligation on ILO to back skills with resources – Become a genuine global priority.

AT THE END OF ALL THIS

The outcome will be:

1. *Apprenticeships Recommendation 2023 (or)*
2. *Apprenticeships Convention 2023 (or)*
3. *Apprenticeships, Traineeships and Interns Convention / Recommendation 2023*

SUBSTANCE IS KEY - WHAT THE NEW POLICY FOUNDATIONS SUPPORT / EMPHASISE

OUTOMCES FOR COUNTRIES

- More support to develop Apps systems in more countries
- Foundation to expand Apps
 - More occupations, in more countries
 - Viable model to teach the skills of future
- A new foundation for growth / investing in next generations
- New options for bilateral exchange between countries that are more relevant and useful, with applicable models
- Fresh thinking on recognising qualifications across borders

Genuine and significant support from the ILO for quality Apps systems

A provocation....:

Fewer missions to inspect the German and Swiss systems by countries that can't begin to apply anything from them.

OUTCOMES FOR EMPLOYERS



- Contemporary skills / tuition, relevant to the actual job to be done in 2020s
- A viable, dynamic model to support new and emerging (future) work
- More confidence to invest in Apps
- Skilled, employable, safe, continuously trainable employees
- More guidance on pay and obligations
- Pass on passion for trade / calling
Ancient Idea = Contemporary Relevance

OUTCOMES FOR APPRENTICES

- Reliable skills that support employability across economic lifecycles / adversity
- Foundation for life long learning
- Foundation - personal progress
- Confidence to exchange pay now for more later + security
- Clear understanding of their labour rights / agreed payments



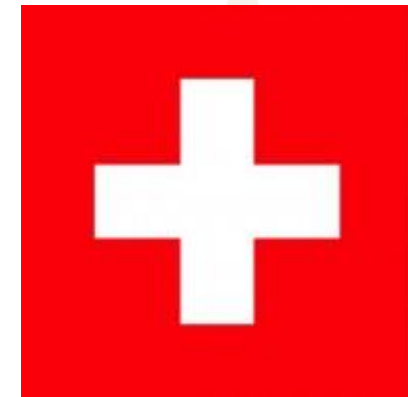
OUTCOMES FOR PARENTS / COMMUNITIES

- Higher regard for Apps as a pathway / alternative to university
- Aspiration for Apps –
Something to be proud of
- Job security for next generations /
Navigating certain uncertainty
- Better and more reliable built
environment and quality services
- Rounded, sustainable community
benefitting from all the essential jobs



FOR HIGHLY DEVELOPED SYSTEMS

- New standard is not going to help us much – best in show – vastly ahead of these discussions
- About diversifying positives – Non-OECD countries. Foundation for promoting positive App models that more countries can apply
- Also support our investing and doing business globally – Leave a positive skills footprint behind in more countries
- Avoid prescriptive / treaty approaches being imposed on our dynamic / positive systems that already use strong engagement + dialogue
- Lead + share – don't reduce to lowest common denominator
- **Clarify:** Glossed over positive employer + union cooperation on apprenticeships nationally – key positive foundation for the future



Questions

Thank You!

Together we can make Australia the best place in the world to do business.

