

# Media Release

## Research Confirms Drop In Apprenticeship Commencements

7 November 2009 — For Immediate Release

A report released yesterday by the National Centre for Vocational Education and Research (NCVER) confirms that although many current apprentices and trainees are retaining their jobs in the economic downturn, the creation of new places is less than ideal according to Skill360 Australia, the nation's foremost not-for-profit group training organisation.

"The research is entirely consistent with Skill360 Australia's experience insofar as employers are doing what they can to maintain the job of apprentices and trainees currently in work, but there is an insufficient number of apprenticeship and traineeship places being created," said Troy Williams, Chief Executive Officer of Skill360 Australia.

According to Mr Williams, the report may not tell the full story given that the data analysed is six to twelve months old. The report's primary data is from the December 2008 quarter and this indicates that there has been "...sizable declines in most of the trades" and that a further deterioration was likely since the sample data was collected.

"Given the subsequent deterioration of the labor market since the data was collected, Skill360 Australia expects the downward employment trend identified in the report to have continued, and be significantly worse in some regional markets where unemployment exceeds ten percent," Mr Williams said.

Skill360 Australia says that the report confirms the importance of Australian Government initiatives such as the Apprentice Kickstart Bonus to help create job opportunities for apprentices. This initiative which provides incentives of \$3,350 to employers taking on an apprentice who is under nineteen years old in trades identified in the National Skills Needs List.

"For local businesses wanting to take on an apprentice, the support provided by the Apprentice Kickstart Bonus may be a determining factor in recognising now is the time to make an investment in training the next generation of skilled workers," Mr Williams said.

Over the course of the past twelve months leading vocational education and training stakeholders, including Skill360 Australia, have warned that the current underinvestment in skills will lead to future skills shortages, a view confirmed in the research.

"This research confirms what Skill360 Australia has previously said, that the reduction of apprenticeship commencements is sowing the seeds of future skills shortage. In this context the Apprentice Kickstart Bonus is an important tool to avoid a shortage of skilled trades in the medium-term," Mr Williams said.

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