

# FROM COMMENCEMENT TO COMPLETION

GTOs are leading the way in  
Australian Apprenticeships



83 Hobsons Road, Kensington,  
Victoria 3031

03 9639 3955  
info@aen.org.au

July 2024

© Apprenticeship  
Employment Network, 2024

## Images

Images in this document have been supplied with permission by the AEN.

## Accessibility

If you would like to receive this publication in an alternative format, please contact AEN at info@aen.org.au

## Acknowledgement

The AEN acknowledges the traditional owners of land throughout Victoria and pays respect to Elders past, present and emerging.

# Apprenticeship Employment Network

The Apprenticeship Employment Network (AEN) is the peak industry association for Group Training Organisations (GTOs) in Victoria. The AEN provides support and leadership to members through advocacy, policy, and professional development, along with resources to support the work of GTOs.

The Global Apprenticeship Network (GAN) Australia is hosted by the AEN. GAN Australia aims to create a better future for individuals and businesses through enhanced quality apprenticeships in Australia and learning from international best practice.

This report was prepared by Dr Peta Skujins, GAN Australia Senior Policy & Insights Manager, for the AEN.

## Research scope

This research report focuses on the activities of GTOs vs direct employers in Victoria. Much of the literature in this space takes an Australia-wide perspective, and some data is only available at a national level.

This research considers the full Australian Apprenticeship journey, from the motivations for commencing an Australian Apprenticeship for both the employer and apprentice, through commencement and onto completion. It also considers the different outcomes for completing and non-completing Australian Apprenticeships.

Data is primarily sourced from the National Centre for Vocational Education Research (NCVER), with skills shortage data from the Victorian Skills Authority (VSA) and Jobs and Skills Australia (JSA).

## **FROM COMMENCEMENT TO COMPLETION**

GTOs are leading the way in  
Australian Apprenticeships

# Contents

<b>A message from the Apprenticeship Employment Network</b>	<b>5</b>
<b>Executive summary</b>	<b>6</b>
<b>Introduction</b>	<b>8</b>
Victorian skills shortages: The role of Australian Apprentices	8
Approved qualifications	9
Australian Apprenticeship uptake	10
<b>The group training model</b>	<b>11</b>
Support offered by GTOs	11
GTO success	12
GTO market share	12
Supporting SMEs and priority cohorts	13
<b>Apprentice intentions</b>	<b>14</b>
Motivation for undertaking an Australian Apprenticeship	14
Reasons for not completing	14
Employment outcomes	15
Summary	16
<b>Employer intentions</b>	<b>17</b>
Motivation for taking on an apprentice or trainee	17
Satisfaction with the apprenticeship or traineeship	17
<b>Completion rates</b>	<b>18</b>
Non-completions	18
Contract and individual completion rates	18
Higher GTO completion rates	19
Priority industries	19
Regions	22
New workers	22
<b>Conclusion</b>	<b>23</b>
Reference list	24
Appendix 1: Australian Apprenticeships	25
Appendix 2: National standards for group training	26
Appendix 3: Completion rates	27

## A message from the Apprenticeship Employment Network

With a significant focus on skills shortages and priority industries, governments are considering the best ways to create a skilled workforce to deliver on a range of key economic priorities including: a net zero economy, a future made in Australia, increasing the care workforce, social housing and major infrastructure projects, and to support a digital and tech transition.

Recent Victorian and Federal governments reviews of the Australian Apprenticeship system have identified completions rates and greater opportunities for people from diverse backgrounds as key to establishing this skilled workforce.

Group Training Organisations (GTOs) were established in the 1980s to support small businesses and provide a more flexible employment and training environment.

Since their inception, Victorian GTOs have supported more than a quarter million apprentices and trainees into employment, along with providing access to Australian Apprenticeships for tens of thousands of host employers.

There have been many reviews of the GTO model over the years that have highlighted the

benefits of this method of employment, including end-to-end support for the host employer and apprentice or trainee along with the capacity to rotate the candidate to establish well rounded skilled workers.

This report was commissioned by the Apprenticeship Employment Network (AEN) to gain a greater understanding of Victorian GTO commencements and completions rates.

It examines the role of Australian Apprenticeships in the skills ecosystem, the motivations of employers and jobseekers in using the Australian Apprenticeship system, and deep dives into completion rates for GTO and non-GTO employers.

The report draws on National Centre for Vocational Education Research (NCVER) Apprentice and Trainee statistical data, along with data from the Victorian Skills Authority (VSA) and Jobs and Skills Australia (JSA).

This report clearly demonstrates that Victorian GTOs are supporting a more diverse cohort of Australian Apprentices, with strong commencements in industries that have skills shortage and priority industry roles.

Australian Apprentices who commence with a GTO are 18% more likely to complete than if they are employed directly by a private or government employer. Across priority industries, completion rates can be more than 40% higher for Australian Apprentices who commenced with a GTO.

Greater investment in GTOs will create the best results for employers, apprentices, and the economy.

We look forward to discussing this report in greater detail with industry and governments.



Gary Workman  
Executive Director

# Executive summary

## Skills shortages

Australian Apprenticeships provide a mechanism to meet skills needs across the Victorian economy, with increasing importance as we aim to impact on priority and skills shortage industries.



### Care economy

Child care, aged care, disability care, individual support, health support services.



### Infrastructure

Major road and rail projects, along with hospitals, schools and other construction.



### Digital and tech

Digital and technological change including a national focus on cyber security.



### Net zero and clean energy

Net zero targets in Australia and Victoria, and a push to generate clean energy.

## Group training

Group Training Organisations provide a model of employment that supports employers to engage in the Australian Apprenticeships system, and provides greater levels of opportunity for priority cohorts.



**371**

Occupations in shortage in Victoria.

**65%**

of shortages in Victoria are due to training gaps.

**18%**

Individual completion rates for GTOs are 18% higher than non-GTOs.

**81**

Approved Australian Apprenticeship qualifications train for skills shortage roles.

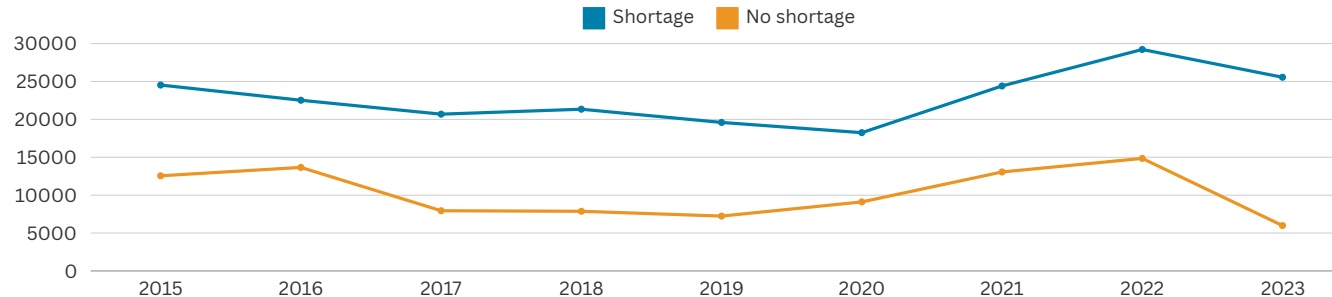
**49%**

of Victorian GTO commencements are in skills shortage roles.

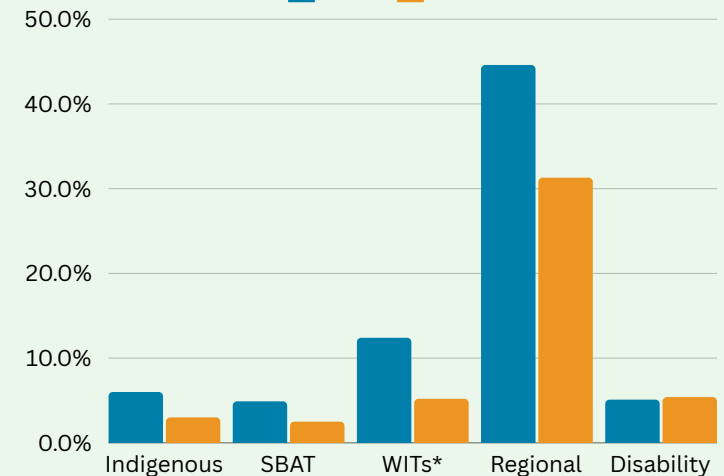
**2x**

GTOs support two or more times the proportion of priority cohorts.

Despite the focus on skills shortage occupations, Australian Apprenticeship commencements in shortage qualifications has declined post-Covid.



■ GTO ■ Non-GTO



\* Women in non-traditional trades

## Motivators

Australian Apprentices report that their main reason for starting an apprenticeship or traineeship was to get a job or gain a qualification.

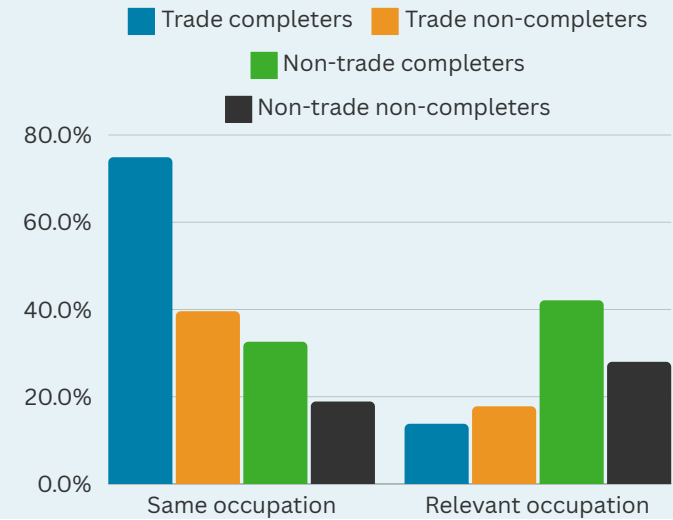
Employers use Australian Apprenticeships to get skilled staff, fill roles, and to train someone to their own requirements.

Both cohorts indicate reasons for participating in the Australian Apprenticeships system that is best served through a completion.

## Outcomes

Outcomes in an Australian Apprenticeship are best when the apprentice or trainee completes. They are more likely to be employed, and more likely to be working in the same occupation as their training.

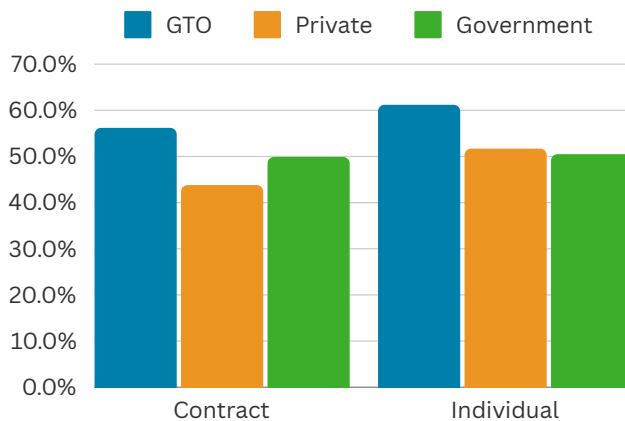
Many Australian Apprentices who complete continue to be employed with the same employer. This achieves the desired outcomes for both the apprentice or trainee and the employer.



## Completion rates

GTO completion rates are higher than private and government employers separately and the combined average for non-GTO employers. Contract completion rates are much higher for GTOs as they are able to maintain the training contract while rotating the apprentice or trainee.

For individuals who commenced with a GTO in the 2018 commencing cohort, completion rates are 18% higher than for non-GTOs.



## Individual completion rates

**24%**

**Agriculture** completion rates are higher for GTOs than non-GTOs.

**32%**

**Community services** completion rates are higher for GTOs than non-GTOs.

**16%**

**Construction** completion rates are higher for GTOs than non-GTOs.

**37%**

**Electrotechnology** completion rates are higher for GTOs than non-GTOs.

**44%**

**Information technology** completion rates are higher for GTOs than non-GTOs.

**41%**

**Business services** completion rates are higher for GTOs than non-GTOs.

## Summary

To address skills shortages, we need greater numbers of employers, apprentices and trainees undertaking training in priority industries.

GTOs are a method of employment that creates opportunities for diverse cohorts and supports small and medium sized employers.

GTOs also achieve significantly higher completion rates than non-GTO employers, 18% above the non-GTO average and in some industries more than 40% above the non-GTO average.

Investment in the GTO model can create better outcomes for the economy and for users.

# Introduction

Victoria is facing a significant skills shortage, with Jobs and Skills Australia data showing that 371 occupations are in shortage [1].

Skills shortages impact employers who are unable to find the staff they need to undertake current work, expand their work, or innovate in new directions. The constraint felt by employers flows on to create economic impacts due to reduced business activity.

*“For businesses, the most common impact of skill shortages is increased workload for current staff members and increased recruitment costs, while at the economy-wide level, skill shortages can lower productivity growth.” Jobs and Skills Australia [2]*

While there are many drivers of skills shortages, Jobs and Skills Australia describes short and long training gaps as two of the key drivers accounting for 65% of all known shortages. Training gaps occur when there are not enough workers with the required training to fill all labour market positions in that occupation.

Australian Apprenticeships are uniquely positioned to alleviate skills shortages that have training gaps, by combining the skills development of a staff member with productive work for an employer. In this report we will use the term ‘apprentice’ to cover both apprentices and trainees under an Australian Apprenticeship contract of training.

*“Apprentices have been and continue to be a key component of Australia’s skilled workforce. A successful apprenticeship system means a successful and prosperous economy.” Minister O’Connor [3]*

While there are other short-term solutions to some skills shortages, these methods are not sufficient to alleviate skills shortages in the long term. Jobs and Skills Australia [4] recognises that many roles are poorly suited to skilled migration; options such as the increased use of labour hire shift the impact of shortages without addressing them.

In the case of short training gaps, direct training including micro credentials may provide an additional solution. For long training gaps, an Australian Apprenticeship pathway is the optimal solution as it provides employment opportunities and enables a level of productivity due to the on-the-job component while supporting training.

## Victorian skills shortages: The role of Australian Apprenticeships

Australian Apprenticeships are an employer driven system; without employers hiring apprentices and trainees there would be no positions available. This is a direct comparison to other forms of education and training which are driven by student demand but may be capped by government or providers.

Further information about the Australian Apprenticeships system can be found in Appendix 1.

Australian Apprenticeship commencements typically align with demand for workers and therefore skills shortages. However, Australian Apprenticeships also play a role in training enough staff that skills shortages are avoided.

Ensuring that Australian Apprentices complete their training and move into fully skilled and qualified roles in the workforce are key to long-term impacts on these skills shortages.

*“Apprentices and trainees are the future of Victoria’s workforce, and we’re ensuring that their training is in a safer and supportive environment that sets them up to succeed.” Minister Tierney [5]*

The Victorian Skills Plan highlights the important role that Australian Apprenticeships play within the Victorian economy, with a particular focus on supporting apprentices and trainees to completion.

*“Boosting the number of apprentices and trainees and supporting them to complete their training will be critical to Victoria’s continued success.” Victorian Skills Plan [6]*

As well as training towards skills shortages, Australian Apprenticeships play a significant role in training the workforce for government priority industries. At a Victorian government level this includes the care economy, housing, major infrastructure, and digital and technology [7]. At a Federal government level there are the additions of net zero and clean energy transition, Australian manufacturing, and agriculture [8].

[1] Analysis of the Jobs and Skills Australia Skills Priority List accessed on 7 June 2024: <https://www.jobsandskills.gov.au/data/skills-shortages-analysis/skills-priority-list>

[2] Jobs and Skills Australia ‘Skills shortage myth-busting’: <https://www.jobsandskills.gov.au/news/skill-shortage-myth-busting>

[3] Minister Brendan O’Connor’s media centre: <https://ministers.dewr.gov.au/oconnor/new-targeted-and-tailored-support-apprentices>

[4] Jobs and Skills Australia Australian Labour Market for Migrants April 2024: <https://www.jobsandskills.gov.au/publications/australian-labour-market-migrants-april-2024>

[5] Minister Gayle Tierney media release: <https://www.premier.vic.gov.au/apprenticeships-taskforce-improving-safety-and-fairness-work>

[6] Victorian Skills Plan 2023-24: <https://www.vic.gov.au/victorian-skills-plan-2023-2024>

[7] Victorian Skills Plan 2023-24: <https://www.vic.gov.au/victorian-skills-plan-2023-2024>

[8] Federal Government Budget priorities: <https://budget.gov.au/content/03-future-made.htm>



## Approved qualifications

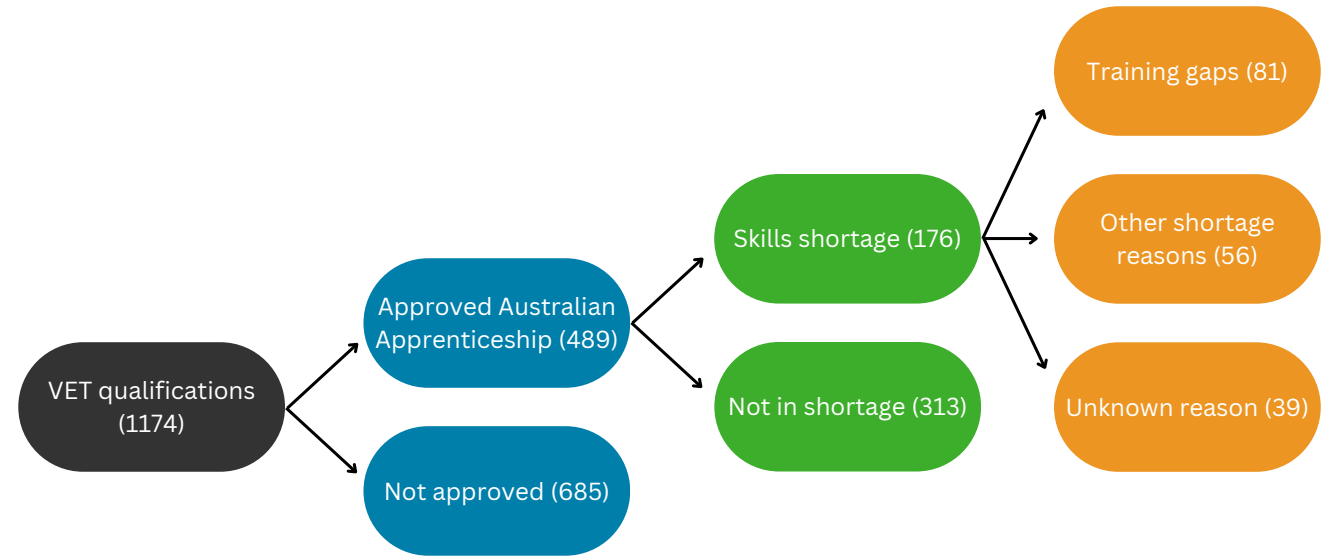
The Victorian Registrations and Qualifications Authority (VRQA) is responsible for determining which VET qualifications are available to be undertaken through an Australian Apprenticeship in the state.

Figure 1 shows the number of qualifications approved as an Australian Apprenticeship in Victoria by their occupational shortage status and the shortage driver.

In Victoria there are 489 [9] qualifications approved to be undertaken as an Australian Apprenticeship. Of these, 176 train for occupations that are known to be in shortage with 81 of these in shortage due to training gaps [10].

This means that 36% of Australian Apprenticeships that can be done in Victoria are in skills shortage occupations, with 46% of these in shortage due to training gaps.

Figure 1: Flowchart showing the number of VET qualifications approved in Victoria as an Australian Apprenticeship, with their skills shortage status and drivers.



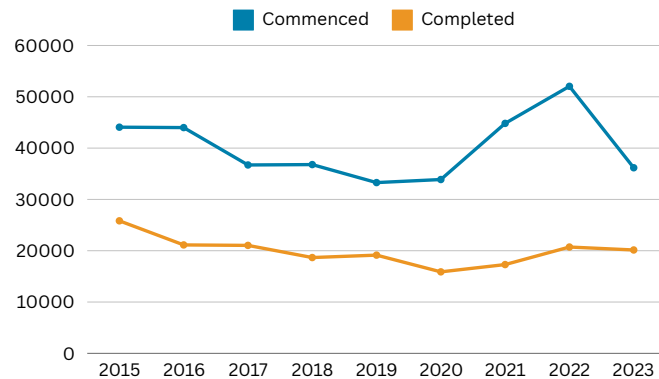
[9] Analysis of VRQA Approved Training Schemes accessed on 7 June 2024: <https://www.vrqa.vic.gov.au/apprenticeships/Pages/approved-training-schemes.aspx>  
[10] Analysis of JSA Skills Shortage data matched to VRQA Approved Training Schemes

## Australian Apprenticeship uptake

Australian Apprenticeship commencements and completions have been declining Australia wide over many years. There was an increase in commencements under the Covid response Boosting Apprenticeship Commencements (BAC) wage subsidy, which provided up to 50% or \$28,000 per year for eligible employers and apprentices. However, since this subsidy has ended, commencements have reduced and are now close to pre-Covid levels.

This decline in Australian Apprenticeship commencements and completions is also shown in Victoria. Figure 2 shows commencement and completion numbers in Victoria between 2015 and 2023.

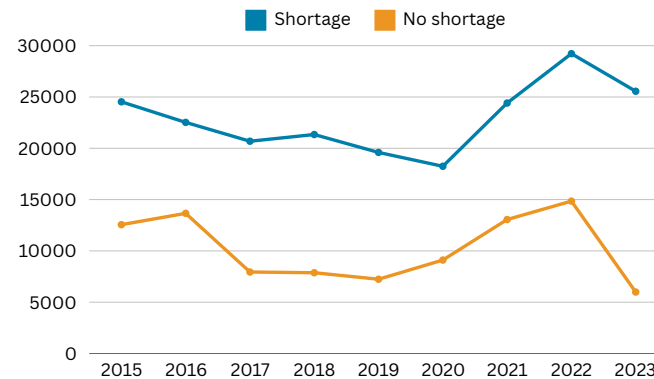
Figure 2: Australian Apprenticeship commencements and completions in Victoria, 2015-2023.



Breaking down this data to examine skills shortages, we can see that since 2015, the majority of commencements in Victoria have been in qualifications that train towards occupations that are currently in shortage. Figure 3 shows commencements in Victoria by the current skills shortage status of the occupation the qualification trains for.

With approximately half of all Australian Apprentices completing their training, these levels of commencements and completions are too low to reduce these shortages.

Figure 3: Australian Apprenticeship commencements in Victoria by their current skills shortage status, 2015-2023.



The top 10 Victorian skills shortage occupations that have an Australian Apprenticeship pathway [11] are:

1. Aged Or Disabled Carer (e.g. Certificate III in Individual Support, or Certificate IV in Ageing Support)
2. Nursing Support Worker (e.g. Certificate II in Health Support)
3. Therapy Aide (e.g. Certificate III or IV in Allied Health Assistance)
4. Waiter (e.g. Certificate III in Hospitality)
5. Truck Driver (e.g. Certificate III in Driving Operations)
6. Child Care Worker (e.g. Certificate III or Diploma in Early Childhood Education and Care)
7. Out Of School Hours Care Worker (e.g. Diploma of School Age Education and Care)
8. Chef (e.g. Certificate IV in Kitchen Management)
9. Electrician (e.g. Certificate III in Electrotechnology Electrician)
10. Security Officer (e.g. Certificate III in Security Operations)

To successfully reduce skills shortages for employers, create opportunities in high-value occupations for entry-level workers, and develop the workforce to delivery governments priorities, we need to consider the best ways to support both increased commencements and completion rates in Australian Apprenticeships within Victoria.

# The Group Training model

Group Training Organisations (GTOs) are a unique intermediary apprenticeship model, developed in Australia in the 1970s to support small businesses engage in entry-level training primarily in skills shortage areas. GTOs are often industry specialist or community focused not-for-profit organisations.

The model operates by GTOs employing apprentices and placing them with host employers. The host employer provides on-the-job training and supervision, while the GTO is the legal employer who provides support services to both the apprentice and host employer.

Appendix 2 provides further information about the role of GTOs, including an overview of the National Standards for Group Training.

The GTO ensures that the apprentice is undertaking on and off the job training with a Registered Training Organisation (RTO) that is appropriate to their skill level and progression through the apprenticeship. Figure 4 shows the connections between the GTO, RTO and the host employer, with the Australian Apprentice at the centre of the arrangement.

Figure 4: Connections between the GTO, RTO and host employer.



## Support offered by GTOs

The exact supports offered by GTOs vary depending on the organisation, host employer and apprentice needs, and industry.

Support services are typically offered across the lifespan of the Australian Apprenticeship, from pre-commencement and recruitment through to completion. Support is offered to both the apprentice or trainee and the host employer.

Common supports offered by GTOs include:

- Recruitment
- Induction and onboarding
- Workplace health and safety audits and support
- Mentoring and support for the apprentice or trainee and employer
- Payroll
- Training plan updates
- Rotations for the apprentice or trainee as necessary
- Liaise with the training provider
- Completions support

Previous research has shown that GTOs support a more diverse cohort of apprentices and trainees compared with direct employers. They enable employers to take on an apprentice or trainee when they typically couldn't, for example due to short timeframes on work, or niche roles that don't provide a full apprenticeship opportunity.

GTOs are able to 'rotate' apprentices and trainees across multiple employers to ensure that the apprentice or trainee has continuity and breadth of work, and that employers have the right staff at the right time for their business.

## GTO success

These supports, and the capacity to rotate apprentices and trainees, have been shown to result in higher completion rates compared with direct employers [12]. It has been widely recognised that there are advantages to using a GTO for both the employer and apprentice or trainee, and a better return on investment for government when using this model [13].

*“After accounting for the different demographic profiles of GTO apprentices and trainees and employer size, the study shows that GTO completion rates for all apprentices and trainees are substantially higher than for small and medium direct employers.” NCVER report*

In Victoria, GTOs have supported key government and industry initiatives, including Big Build apprenticeships, retrenched apprentices, and priority cohorts [14].

This report considers the impact that GTOs make on completions across Victoria, with a particular focus on supporting skills shortage industries and across the regions.

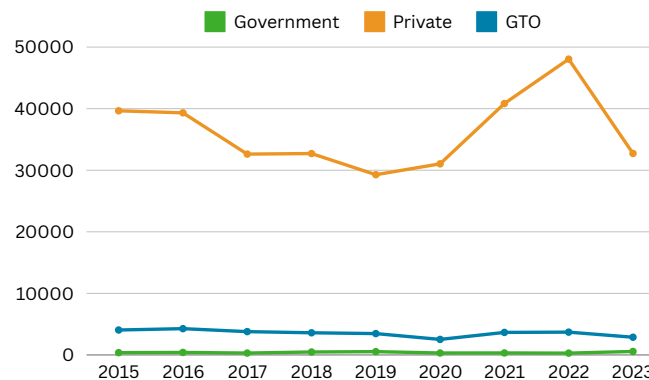
## GTO market share

Victorian GTOs represent 8 to 10 percent of the total commencements each year, with fluctuations typically due to economic conditions and supports offered by government. There are also variations between industries and regions.

During the Covid-19 pandemic and lockdowns in some Victorian areas, GTOs kept on a larger percent of their apprentices and trainees compared with private employers (i.e. cancelled fewer apprentice contracts). The majority of the increase in commencements under the BAC wage subsidies were by private employers, resulting in a lessening of market share for GTOs during this time.

Figure 5 shows GTO, private and government apprentice and trainee commencements in Victoria between 2015 and 2023.

*Figure 5: Australian Apprenticeship commencements in Victoria by the employer type, 2015-2023.*

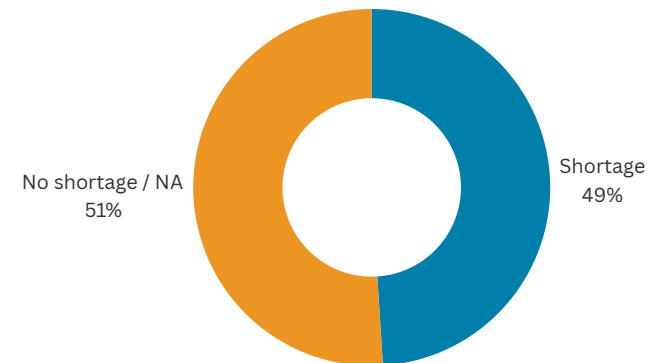


It is estimated that Victorian GTOs support up to 10,000 employers each year, enabling rotations for the 5,000 apprentices and trainees in training.

GTO commencements are typically in qualifications that train towards skills shortage occupations. While there is fluctuation in commencements due to demand in these roles and to the availability of government-funded financial incentives [15], GTO commencements are typically more stable compared with non-GTO employers.

Figure 6 shows GTO commencements in skills shortage versus no shortage qualifications in Victoria in 2023.

*Figure 6: Percentage of Australian Apprenticeship commencements with GTOs in skills shortage qualifications, 2023.*



[12] NCVER (2019): Completion rates for group training organisations and direct employers: how do they compare? <https://www.voced.edu.au/content/ngv%3A84601>

[13] AEN NSW/ACT (2022): The GTO advantage: a value proposition report for Group Training Organisations <https://www.voced.edu.au/content/ngv%3A94189>

[14] AEN: <https://aen.org.au/big-build-apprenticeships/>; and Apprenticeships Victoria: <https://www.apprenticeships.vic.gov.au/apprentices-and-trainees/>

[15] Australian Apprenticeship Incentives System: <https://www.dewr.gov.au/australian-apprenticeships/resources/australian-apprenticeships-incentive-system-summary>

## Supporting SMEs and priority cohorts

GTOs support a range of employers across all industries and of varying sizes. The GTO is particularly suited to support small and medium enterprises (SMEs) increase their use of apprenticeships and the number of apprentices within their organisation.

The Victorian Skills Authority reported that in 2021, 24% of employers engaged in an apprenticeship and 18% in a traineeship [16]. The NCVER reported that in 2023, 27% of Victorian employers engaged with Australian Apprenticeships. At a national level, large employers are more likely than either medium or small employers to use apprenticeships and traineeships [17].

Figure 7 shows the percentage of small, medium and large employers who reported using Australian Apprenticeships in 2023, along with Australian commencements by employer size.

In addition to enabling access to Australian Apprenticeships for employers who would otherwise be unable to access this system, GTOs support a more diverse cohort of apprentices and trainees.

Figure 8 shows the percentage of commencements from four priority areas, compared with non-GTO employers.

Figure 7: Percentage of employers reporting they use Australian Apprenticeships, and the percentage of Australian Apprenticeship commencements by employer size (2023).

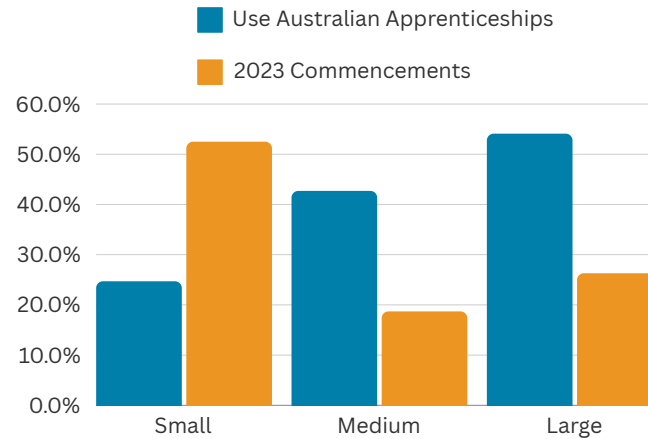
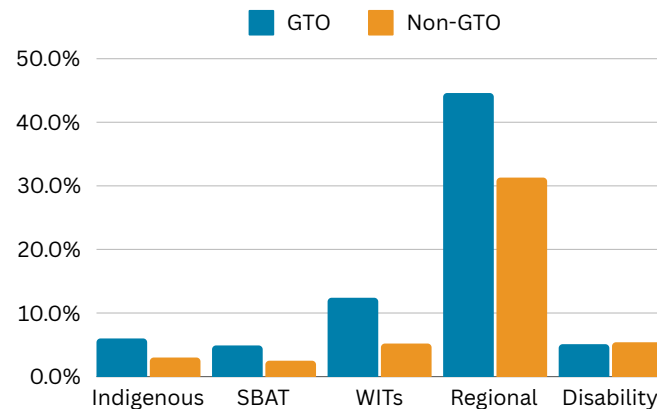


Figure 8: Australian Apprenticeship commencements for priority cohorts and regions, by GTO vs non-GTO performance, 2023.



Across the three areas of Indigenous apprentices and trainees, School-based Apprentices and Trainees (SBATs), and women in non-traditional trades (WITs) [18], GTO commencements for these groups were at more than double the rate compared with non-GTO employers. There was no difference in commencements by apprentices and trainees with disability.

GTOs also supported a larger proportion of commencements from regional Victoria compared with non-GTO employers.

[16] 2021 Victorian Employer Skills Survey: <https://vess2021.netlify.app/>

[17] NCVER's Survey of Employer Use and Views of the VET System: <https://www.ncver.edu.au/research-and-statistics/collections/employers-use-and-views-of-the-vet-system>

[18] Using ANZSCO groups 30 (Technicians and trades workers not otherwise defined), 31 (Engineering, ICT and science technicians), 32 (Automotive and engineering trades workers), 33 (Construction trades workers), and 34 (Electrotechnology and telecommunications trades workers). Excluding groups 35 (food trades workers), 36 (Skilled animal, agricultural and horticultural workers), and 37 (Other technicians and trades workers).

# Apprentice intentions

Each year apprentices and trainees are surveyed about their experience in their Australian Apprenticeship, including their motivations, outcomes, and satisfaction.

NCVER's Apprentice and Trainee Outcomes Survey report provides information for trade and non-trade apprentices and trainees, and for those who did and did not complete.

## Motivation for undertaking an Australian Apprenticeship

Combining employment with formal education provides powerful motivators for people to undertake an apprenticeship or traineeship.

Both employment related and training related factors are reported as the main motivator by trade and non-trade Australian Apprentices, with little difference between those who completed and those who did not complete their training [19]. Figure 9 shows the four main reasons for undertaking an apprenticeship or traineeship for trade and non-trade completers and non-completers.

Breaking this down further, the main reasons why apprentices and trainees take this pathway are to work in that type of job or to gain a recognised qualification or certificate.

Figure 9: Motivations for undertaking an Australian Apprenticeship, for trade and non-trade completers and non-completers.



## Reasons for not completing

When an apprentice or trainee does not complete, it is typically due to the employment [20] with the most commonly cited reasons:

- Pay was too low or unhappy with the working conditions or workplace
- Got offered a better job
- Transferred to another apprenticeship or traineeship, changed career, or studying elsewhere
- Lost job or apprenticeship or traineeship was discontinued
- Didn't like the type of work or unhappy with job prospects.

Figure 10 shows the reasons for non-completion for trade and non-trade apprentices and trainees.

Personal, training and other reasons were also given as reasons for non-completion, including being unhappy with the on and off the job training, and for personal reasons unrelated to the work or training.

Figure 10: Reasons for non-completion, trade and non-trade non-completers.



[19] NCVER's Apprentice and Trainee Outcomes Survey report: <https://www.ncver.edu.au/research-and-statistics/collections/student-outcomes/apprentice-and-trainee-outcomes>

[20] NCVER's Apprentice and Trainee Outcomes Survey report: <https://www.ncver.edu.au/research-and-statistics/collections/student-outcomes/apprentice-and-trainee-outcomes>

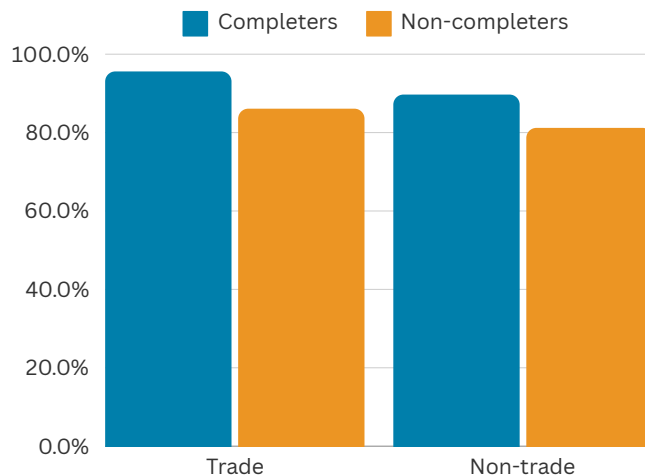
## Employment outcomes

Given that employment related reasons are the most common motivator for people to undertake an apprenticeship or traineeship, it is important to understand how well this is achieved.

Approximately half of all Australian Apprentices complete, so outcomes for both completers and non-completers should be considered. Figure 11 shows employment and further study outcomes for both trade and non-trade completers and non-completers.

More than 80% of all apprentices and trainees continue to be employed after training. However, employment outcomes are stronger for completers across both trade and non-trade roles [21].

Figure 11: Employment outcomes for completers and non-completers.



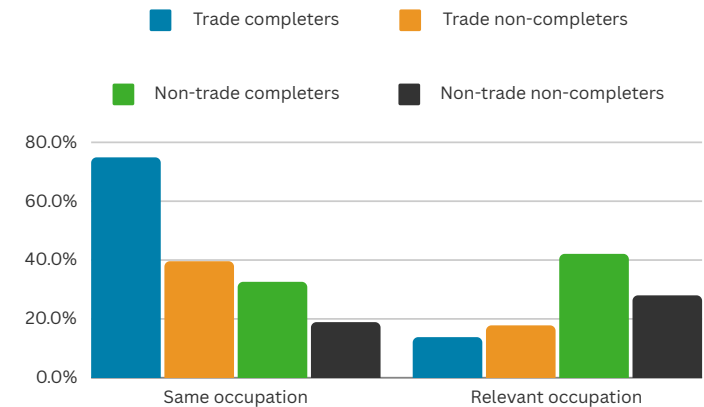
Looking at the relevance of the Australian Apprenticeship training to their work, clear differences become apparent between trade and non-trade, and between completers and non-completers.

Figure 12 shows the percentage of apprentices and trainees who are employed in the same occupation as their apprenticeship, and those who are employed in a different occupation where the training is relevant.

The majority of trade completers were employed in the same occupation as their apprenticeship after completing. In the non-trades, more than 40% of completers were employed in a different occupation where the training was relevant. Overall, completers were likely to be working in the same occupation or one where the training was relevant (trade 88.7%, non-trade 74.7%), while this was less likely for non-completers (trade 57.4%, non-trade 46.9%).

Trade apprenticeships are typically linked to a specific occupational outcome, particularly in licenced roles. In contrast, non-trade apprenticeships and traineeships often provide skills for a range of related roles. This provides a clearer pathway for trade completers into the same role as their apprenticeship, while many trade non-completers move into other type of work.

Figure 12: Relevance of employment to the Australian Apprenticeship, trade and non-trade completers and non-completers.



Completers were also more likely to continue working with the same employer as their apprenticeship or traineeship (more than 70% for both trade and non-trade), while a third of non-completers also continued working with their apprenticeship or traineeship employer.

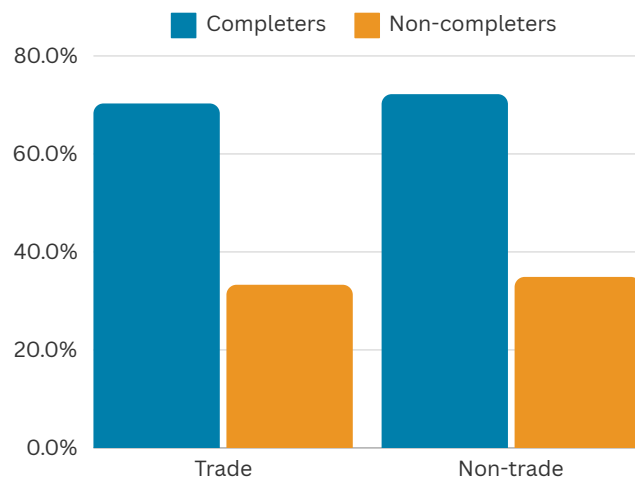
Non-completers moving into non-apprenticeship employment with their employer can be a short-term solution to skills shortages, however, is not a sustainable long-term solution if the candidate does not have the breadth of portable skills that a qualification provides.

[21] NCVER's Apprentice and Trainee Outcomes Survey report: <https://www.ncver.edu.au/research-and-statistics/collections/student-outcomes/apprentice-and-trainee-outcomes>

Figure 13 shows the percentage of Australian Apprentices who continued to work with the employer of their apprenticeship or traineeship.

Completers continuing to work with the same employer provide an overall benefit for the employer who invested in the Australian Apprenticeship, and for the apprentice or trainee who has become a qualified staff member.

*Figure 13: Working with the same employer as the Australian Apprenticeship, trade and non-trade completers and non-completers.*



## Summary

Employment outcomes for completers are stronger than for non-completers, in both trade and non-trade roles. Many non-completers also achieve good outcomes, but these outcomes may not be in line with their original motivations for going into an apprenticeship or traineeship. This highlights the importance for completion to improve outcomes for apprentices and trainees in line with their own expectations for the Australian Apprenticeship.

Completions also provide a benefit for skills shortages when a full qualification is needed to undertake a role, and the portability of a qualification results in a skilled workforce who is able to move around the economy resulting in a broader benefit for the industry. Where there are long term training gaps driving skills shortages, completions are even more important as a mechanism to move individuals into qualified and skilled roles.



# Employer intentions

The NCVET Survey of Employer Use and Views of the VET System reports on the motivations and satisfaction of employers engaged in apprenticeships and traineeships.

## Motivation for taking on an apprentice or trainee

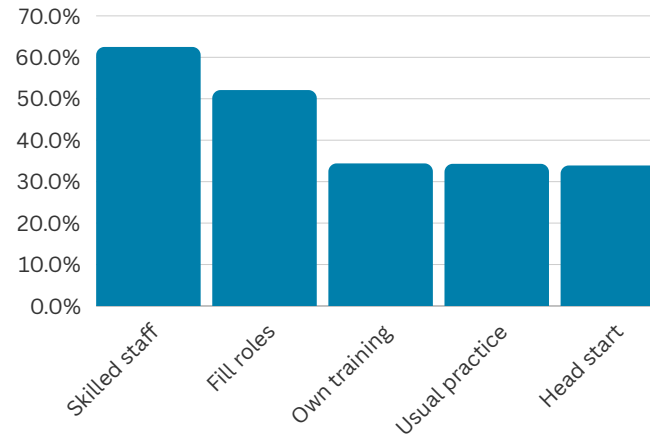
When engaging in an Australian Apprenticeship, an employer is making a decision to hire and train staff using this model with the added benefit of building their business.

The most common motivator reported by employers for taking on an apprentice or trainee was to get skilled staff and to improve staff skills, followed by to fill a specific role, to train to own requirements, it's usual business practices, and to give young people a head start [22].

Figure 14 shows the top five motivators for employers taking on an apprentice or trainee, by the percentage of employers reporting this motivator.

Overall, the main reasons reported by employers were related to training staff and improving staff skills, because it is usual business practice, or to support young people through giving them an opportunity.

Figure 14: Percentage of employers reporting each factor as a motivation for hiring Australian Apprentices.



## Satisfaction with the apprenticeship or traineeship

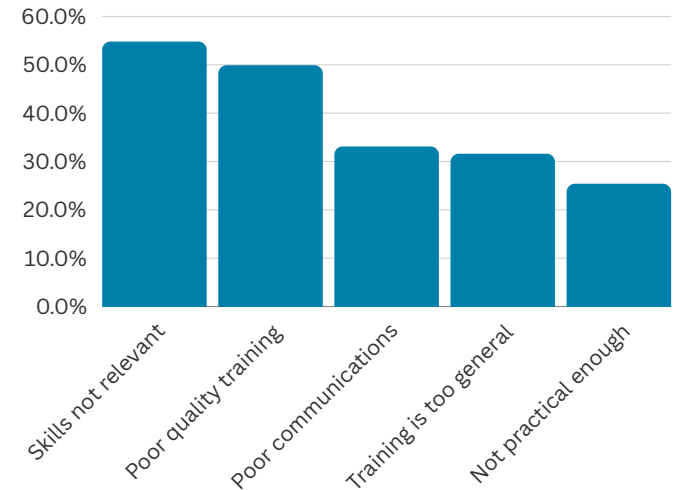
Most employers who hired apprentices and trainees were satisfied with the apprenticeship or traineeship, with 72.3% being satisfied and an additional 14.6% of employers being neither satisfied or dissatisfied.

Shown in Figure 15, of the 12.2% of employers who were dissatisfied with the apprenticeship or traineeship.

The top five reasons were due to elements of the training:

- Relevant skills are not taught
- Training is of a poor quality or low standard
- Insufficient communication between training provider and employment agency
- Training is too general and not specific enough
- Not enough focus on practical skills.

Figure 15: Percentage of employers who were dissatisfied with the apprenticeship or traineeship by their reason for dissatisfaction.

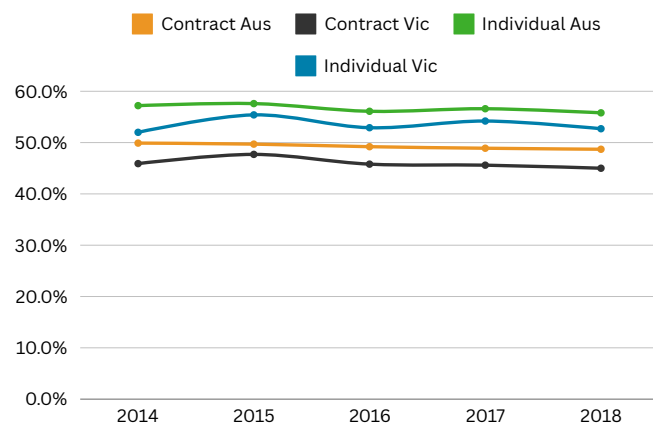


# Completion rates

Australian Apprentices and their employers are best served by the apprenticeship and traineeship system when they complete, rather than withdrawing or cancelling. This meets the needs and motivators of both groups for engaging with Australian Apprenticeships, and outcomes are better for everyone involved.

Despite the benefits of completing, completion rates for Australian Apprenticeships typically sit at just over 50% [23]. This has been declining slowly over time, with Victorian completion rates sitting below the Australian average. Figure 16 shows completion rates in Australia and Victoria for the 2015 to 2018 commencing cohorts.

Figure 16: Completion rates in Australia and Victoria, all employers, 2015 to 2018 commencing cohorts.



## Non-completions

Previous research and data have provided many reasons for non-completion, and have highlighted that priority cohorts such as women in trades, Aboriginal and Torres Strait Islander people, people with disability, and young workers are all at greater risk of non-completion [24].

Apprentices and trainees who are employed by first time employers and by SMEs are also less likely to complete [25].

When taking these factors into account, research has shown that across Australia, GTOs have higher completion rates compared with non-GTO employers [26]. There has been no recent research on the performance of GTOs versus non-GTO employers in Victoria, and previous research has not looked at completion rates for priority and skills shortage industries.

## Contract and individual completion rates

Completion rates are calculated for a cohort of commencing Australian Apprentices. This is typically done by year, with the completion rate referring to the percentage of Australian Apprenticeship who complete of those who commenced in that year.

Due to the long-term nature of an Australian Apprenticeship, up to four years nominal full-time duration, it takes several years for completion rates to be calculated.

Two types of completion rates are calculated by NCVER, which are used in this section:

- Contract completion rate: The percentage of training contracts that are completed.
- Individual completion rate: The percentage of apprentices and trainees who complete, regardless of whether this is over a single or multiple contracts.

Individual completion rates are always higher than contract completion rates, as some apprentices and trainees take multiple contracts to complete their Australian Apprenticeship. Appendix 3 provides further detail on the way completion rates are calculated.

Data in this section of the report is an analysis of data requested from NCVER's Apprentice and Trainee Completion Rates report. All data related to Australian Apprentices in Victoria, and is broken down by employer type for comparisons between GTO and non-GTO employers.

## Employer type

When breaking down completion rates by the employer type, the calculation uses the employer at the start of the Australian Apprenticeship. For contract completion rates this means that all contracts are assigned to the employer of commencement. When calculating individual completion rates the employer is the first employer the apprentice or trainee used.

[23] NCVER Apprentice and Trainee Completion rates: <https://www.ncver.edu.au/research-and-statistics/publications/all-publications/completion-and-attrition-rates-for-apprentices-and-trainees-2022>

[24] AEN NSW/ACT (2022): The GTO advantage: a value proposition report for Group Training Organisations <https://www.voced.edu.au/content/ngv%3A94189>

[25] NCVER (2019): Completion rates for group training organisations and direct employers: how do they compare? Support document: literature review and other appendices <https://www.voced.edu.au/content/ngv%3A84601>

[26] NCVER (2019): Completion rates for group training organisations and direct employers: how do they compare? <https://www.voced.edu.au/content/ngv%3A84601>

When an Australian Apprentice commences with one employer type and moves to another before completion, the completion rate is assigned to the initial employer:

- In the case of GTO-employed apprentices and trainees moving into direct employment (cancellation and recommencement), the contract is a non-completion, but the individual completion is assigned to the GTO.
- In the case of a non-GTO-employed apprentice or trainee being cancelled by their employer then recommencing with a GTO, the contract is a non-completion for the first employer, but the individual completion is assigned to that employer type.

## Higher GTO completion rates

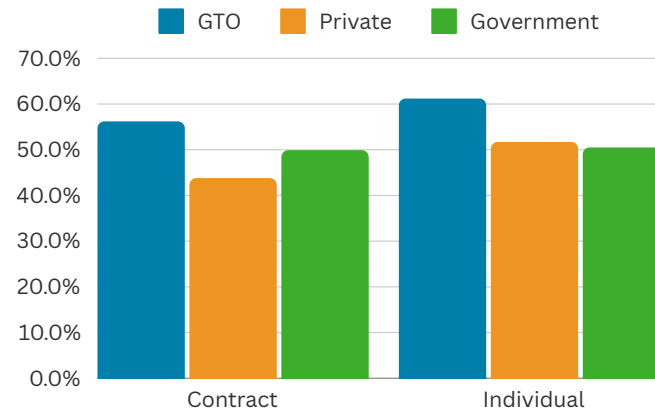
In Victoria, completion rates for GTOs are higher than for non-GTO employers, across both contract and individual completion rates. Contract completion rates are 28% higher for GTOs, while individual completion rates are 18% higher for GTOs.

Figure 17 Shows the contract and individual completion rates for GTOs, private and government employers for the 2018 commencing cohort.

GTO completion rates are higher than both types of non-GTO employers. Private employers have the lowest contract completion rates, while government employers have the lowest individual completion rates.

Tables of completion rates can be found in Appendix 3.

*Figure 17: Contract and individual completion rates, GTO vs private vs government employers, for the 2018 commencing cohort.*



## GTO contract vs individual completions

While individual completion rates are higher than contract completion rates across the board, there is a smaller difference for GTO than non-GTO employers. GTOs maintain contracts at a higher rate, as the GTO is able to rotate the apprentice or trainee to other host employers.

If an employer is unable to keep the apprentice or trainee on, the GTO is able to move them elsewhere while maintaining the contract. In the case of direct employment, the contract will often be cancelled with the apprentice or trainee needing to find a new employer for a recommencement and eventual completion.

## Priority industries

Australian Apprenticeships provide an entry point and a skills solution for skills shortages and training workers in priority industries. Using training packages to indicate areas of priority, we can see that across key areas, GTOs have higher individual completion rates than non-GTO employers:

- Figure 18: Agriculture, horticulture, conservation and land management: 24% higher
- Figure 19: Community services: 32% higher
- Figure 20: Construction, plumbing and services: 16% higher
- Figure 21: Electrotechnology: 37% higher
- Figure 22: Information and communications technology: 44% higher
- Figure 23: Business services: 41% higher

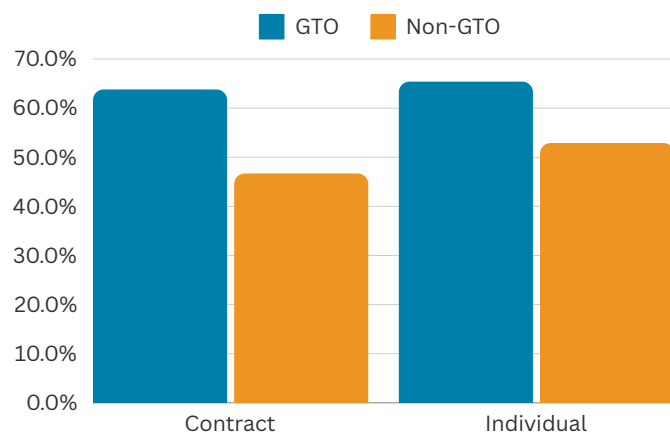
Other training packages related to skills shortage and priority industries have too few commencements and completions across either GTO or non-GTO employers to enable effective comparisons.

## Agriculture

The Agriculture, Horticulture, Conservation and Land Management (AHC) training package aligns with skills needed for government priorities in the agricultural sector. 11% of qualifications in this training package align with skills shortage occupations.

Compared with non-GTO employers, contract completion rates for GTOs are 37% higher and individual completion rates are 24% higher.

*Figure 18: Contract and individual completion rates, GTO vs non-GTO employers, 2018 commencing cohort in the Agriculture (AHC) training package.*

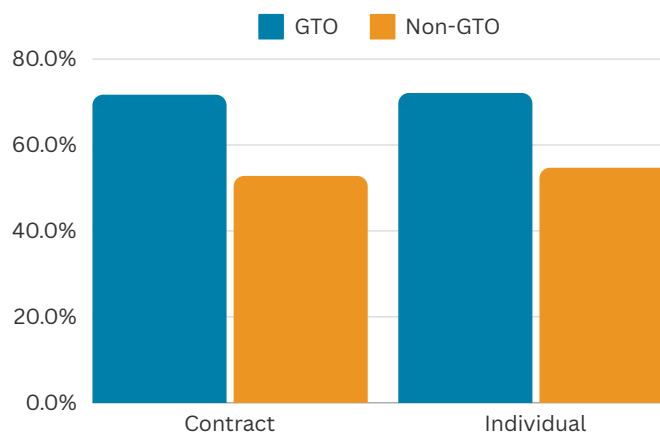


## Community services

The Community Services (CHC) training package aligns with government priorities in the care economy, including childhood education, disability care, and aged care. 18% of qualifications in this training package align with skills shortage occupations.

Compared with non-GTO employers, contract completion rates for GTOs are 36% higher and individual completion rates are 32% higher.

*Figure 19: Contract and individual completion rates, GTO vs non-GTO employers, 2018 commencing cohort in the Community services (CHC) training package.*

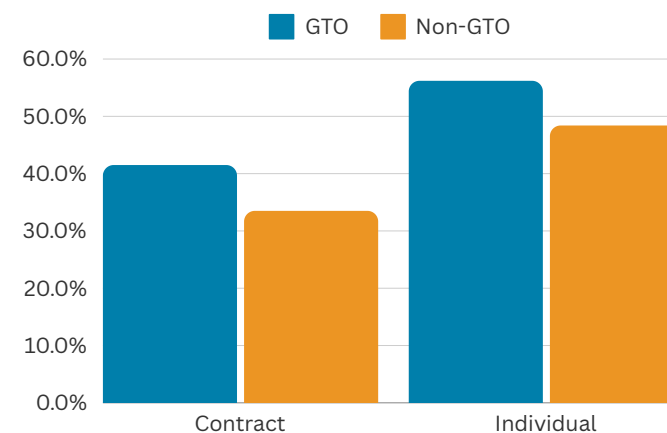


## Construction

The Construction, Plumbing and Services (CPC) training package is a key area for apprenticeships training across a range of priority industries including infrastructure, housing, and net zero. 59% of the qualifications in this training package align to skills shortage occupations.

Compared with non-GTO employers, contract completion rates for GTOs are 24% higher and individual completion rates are 16% higher.

*Figure 20: Contract and individual completion rates, GTO vs non-GTO employers, 2018 commencing cohort in the Construction (CPC) training package.*

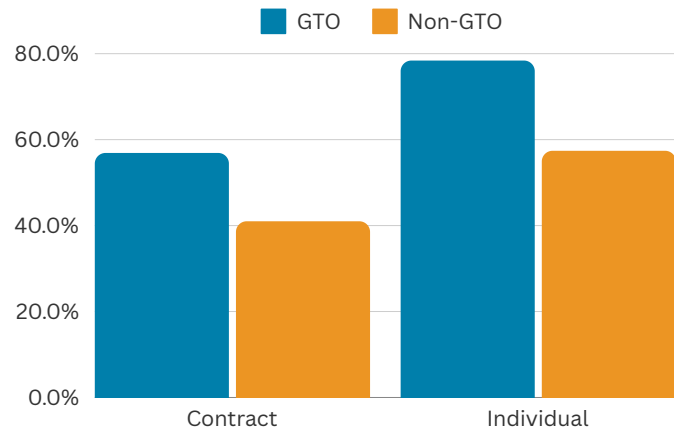


## Electrotechnology

The Electrotechnology (UEE) training package trains apprentices towards critical roles in the net zero transition, as well as for infrastructure and construction works. 72% of the qualifications in this training package align with skills shortage occupations.

Compared with non-GTO employers, contract completion rates for GTOs are 39% higher and individual completion rates are 37% higher.

*Figure 21: Contract and individual completion rates, GTO vs non-GTO employers, 2018 commencing cohort in the Electrotechnology (UEE) training package.*

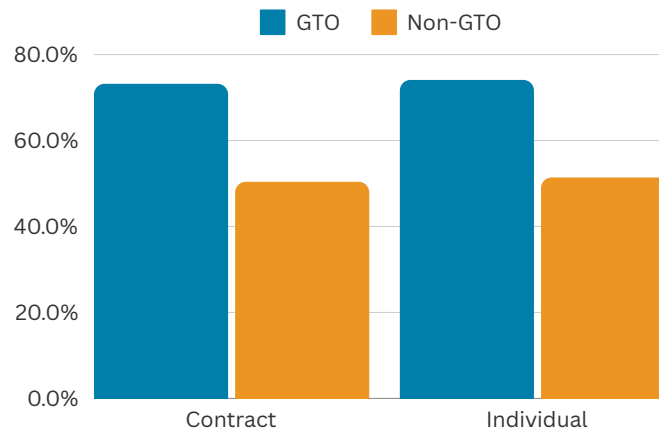


## Information technology

The Information and Communications Technology (ICT) training package includes training towards the digital and tech sector, as well as telecommunications roles that are relevant in construction. 27% of these qualifications align with skills shortage occupations.

Compared with non-GTO employers, contract completion rates for GTOs are 45% higher and individual completion rates are 44% higher.

*Figure 22: Contract and individual completion rates, GTO vs non-GTO employers, 2018 commencing cohort in the Information and communications technology (ICT) training package.*

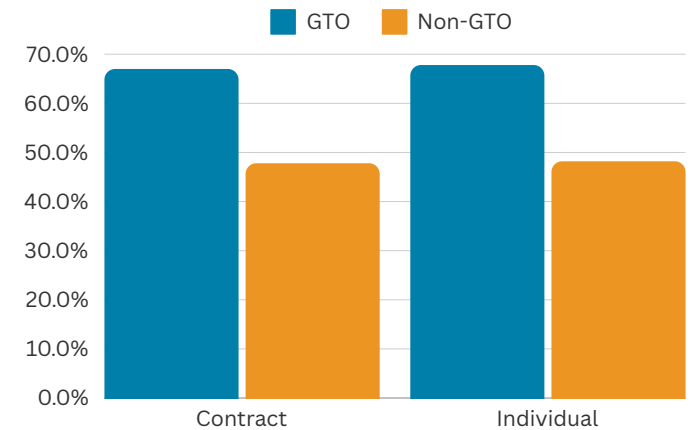


## Business

The Business Services (BSB) training package provides training for workers across a wide range of industries, and crosses over priority industries as an enabling workforce. 17% of qualifications are aligned to skills shortage occupations.

Compared with non-GTO employers, contract completion rates for GTOs are 40% higher and individual completion rates are 41% higher.

*Figure 23: Contract and individual completion rates, GTO vs non-GTO employers, 2018 commencing cohort in the Business services (BSB) training package.*



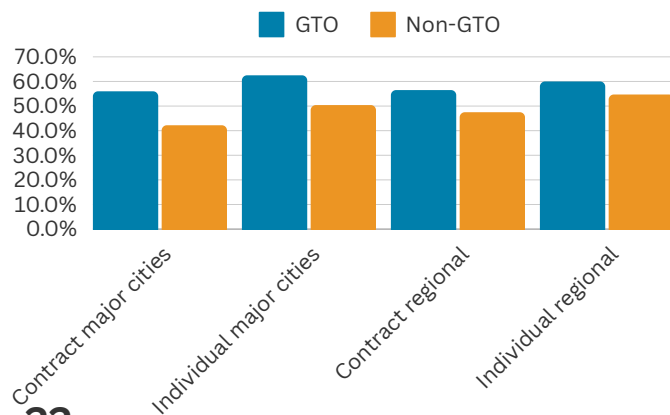
## Regions

GTOs support a larger share of their Australian Apprenticeship commencements in regional Victoria compared with non-GTO employers. Regional economies can work differently than those in major cities, with fewer job opportunities and greater community awareness of quality employers.

GTO completion rates are similar in both cities and regional Victoria, across both contract and individual completions. Non-GTO completion rates are stronger in the regions than major cities. Due to the stronger performance of non-GTOs in regional areas, the advantage of GTOs is more pronounced in the cities. GTO completion rates in the regions are still significantly higher than non-GTOs (19% higher contract and 10% higher individual completions).

Figure 24 shows the contract and individual completion rates for GTO and non-GTO employers in major cities and regions.

*Figure 24: GTO vs non-GTO completion rates in major cities and regions, 2018 commencing cohort.*



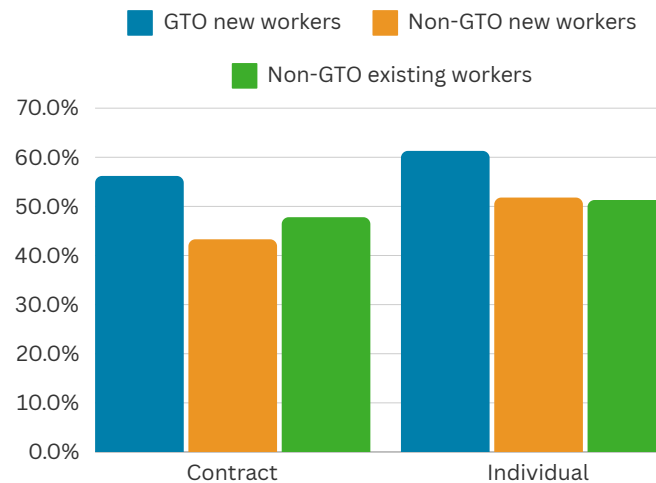
## New workers

GTOs have a very small number of existing workers Australian Apprentices, with the vast majority being new workers hired to fill roles at host organisations. In contrast, non-GTO employers use Australian Apprenticeships for both existing and new worker cohorts.

For non-GTO employers, existing workers are more likely to complete their contract compared with new workers, but there is no difference in individual completion rates for existing and new workers.

Figure 25 shows that GTO completion rates for new workers are higher than non-GTO completion rates for both new and existing workers, across contract and individual completions.

*Figure 25: Contract and Individual completion rates for GTO new workers vs non-GTO new and existing workers, 2018 commencing cohort.*



# Conclusion

Victoria has a significant need for skilled workers in skills shortage and priority industries. Without these skilled workers there is a risk that employers will be less productive resulting in economic challenges. Governments will also be challenged to achieve their goals in priority areas such as the net zero transition, infrastructure projects, and in the care economy.

Many skills shortage occupations and roles in priority industries are trained through Australian Apprenticeships. An apprenticeship or traineeship pathway is not only suitable but a preferred method for training staff in many of these areas.

Outcomes for employers, apprentices and trainees, and government are best serviced when an Australian Apprenticeship is completed. This enables a skilled worker to continue in the workforce in the area of demand, increasing workforce capacity and potentially alleviating some skills shortages or workforce demands.

Despite this, completion rates for Australian Apprentices have sat at close to 50% for some time with a slight decline over several years.

The group training model in Victoria produces significantly better Australian Apprenticeship completion rates compared with direct employment, across a more diverse cohort of apprentices and trainees. The support services and ability to rotate apprentices and trainees are core to these outcomes.

When considering priority industries, GTOs are achieving completion rates between 15 and 45% higher than non-GTO employers in areas such as construction, electrotechnology, community services, and information technology.

These higher completion rates are also shown across the state, with apprentices and trainees in major cities and regional areas achieving higher completion rates with GTOs.

The Australian Apprentices that GTOs support are almost entirely new (non-existing) workers; often youth but also older workers including career changers and those returning to the workforce. This cohort of non-existing worker is typically known for lower completion rates, however when supported by a GTO achieve higher completion rates than both existing and new workers with non-GTO employers.

While the higher completion rates of GTOs are going some way to supporting skills shortage and priority industries, the data shows persistent shortages in many of these roles. We need more commencements and completions in priority areas, from diverse cohorts of apprentices and trainees, to make an impact.

Ultimately this means expanding the uptake of Australian Apprenticeships to new employers and supporting existing employers to increase their numbers. To gain the most effective completion outcomes, the group training model should be utilised.

## Data sources & reference list

AEN NSW/ACT (2022): The GTO advantage: a value proposition report for Group Training Organisations  
<https://www.voced.edu.au/content/ngv%3A94189>

Apprenticeship Employment Network (AEN): <https://aen.org.au/big-build-apprenticeships/>

Apprenticeships Victoria:  
<https://www.apprenticeships.vic.gov.au/apprentices-and-trainees/>  
Australian Apprenticeship Incentives System:  
<https://www.dewr.gov.au/australian-apprenticeships/resources/australian-apprenticeships-incentive-system-summary>

Federal Government Budget priorities: <https://budget.gov.au/content/03-future-made.htm>

Jobs and Skills Australia Skills Priority List:  
<https://www.jobsandskills.gov.au/data/skills-shortages-analysis/skills-priority-list>

Jobs and Skills Australia ‘Skills shortage myth-busting’:  
<https://www.jobsandskills.gov.au/news/skill-shortage-myth-busting>

Jobs and Skills Australia Australian Labour Market for Migrants April 2024:  
<https://www.jobsandskills.gov.au/publications/australian-labour-market-migrants-april-2024>

Minister Brendan O’Connor’s media centre:  
<https://ministers.dewr.gov.au/oconnor/new-targeted-and-tailored-support-apprentices>

Minister Gayle Tierney media release:  
<https://www.premier.vic.gov.au/apprenticeships-taskforce-improving-safety-and-fairness-work>

Victorian Skills Authority, Victorian Employer Skills Survey 2021:  
<https://vess2021.netlify.app/>

Victorian Skills Authority, Victorian Skills Plan 2023-24:  
<https://www.vic.gov.au/victorian-skills-plan-2023-2024>

VRQA Approved Training Schemes:  
<https://www.vrqa.vic.gov.au/apprenticeships/Pages/approved-training-schemes.aspx>

NCVER (2019): Completion rates for group training organisations and direct employers: how do they compare?  
<https://www.voced.edu.au/content/ngv%3A84601>

NCVER Apprentice and Trainee Completion rates:  
<https://www.ncver.edu.au/research-and-statistics/publications/all-publications/completion-and-attrition-rates-for-apprentices-and-trainees-2022>

NCVER Apprentice and Trainee Outcomes Survey report:  
<https://www.ncver.edu.au/research-and-statistics/collections/student-outcomes/apprentice-and-trainee-outcomes>

NCVER Survey of Employer Use and Views of the VET System:  
<https://www.ncver.edu.au/research-and-statistics/collections/employers-use-and-views-of-the-vet-system>



# Appendix 1: Australian Apprenticeships

Australian Apprenticeships are a model of work-integrated learning. They include both apprenticeships and traineeships, across both trade and non-trade occupations. There are more than 500 occupations that can be undertaken as an Australian Apprenticeship.

Australian Apprentices must be in paid full-time or part-time employment (not casual employment), and must undertake a qualification that is approved to be done as an Australian Apprenticeship. Qualifications typically range from Certificate I to Advanced Diploma.

All Australian Apprentices must be signed into a contract of training, which is approved by the state or territory training authority. This process is administered by the government funded Apprentice Connect Australia (formerly AASN) providers.

As part of the sign-up process into the contract of training, the employer and Australian Apprentice are informed of their rights and responsibilities, and the support that is available to them. Available support is targeted for priority cohorts, or delivered as needed during the Australian Apprenticeship.

Australian Apprenticeships can be done by Australian citizens, permanent residents, and by some visa-holders. There are no formal entry requirements into an Australian Apprenticeship, with selection being done by the employer through their recruitment processes.

More information about Australian Apprenticeships can be found on the Australian Government's apprenticeships website: <https://www.apprenticeships.gov.au/>

## Who can do an apprenticeship?

Apprenticeships and traineeships are open to Australians of working age and some visa holders. The majority of Australian Apprentices are young people entering the workforce, or entering a new occupation.

It is an employer's decision on who they hire into an Australian Apprenticeship in their organisation. This impacts on the number of apprentices and trainees, and the overall demographics of the apprenticeship workforce.

## Appendix 2: National Standards for Group Training

Group Training Organisations in Australia must adhere to the National Standards for Group Training Organisations. The Standards provide a framework to ensure that GTOs are performing at a high level, supporting apprentices and trainees, host employers, and the apprenticeships system more broadly.

GTOs who are listed on the National Register must maintain performance against the three priority areas within the Standard:

- Recruitment, employment and induction
- Monitoring and supporting apprentices and trainees to completion
- Maintaining a sustainable GTO which is well governed and administered.

*“The key outcome for a GTO is to develop an apprentice/trainee to become a skilled worker who has completed a recognised qualification.”*  
*National Standards for Group Training Organisations*

With a clear focus on completions, it is expected that GTOs maintain strong completions by targeting support at key points during the Australian Apprenticeship journey.

More information about the National Standards for Group Training Organisations can be found on the Australian Government’s apprenticeships website:

<https://www.apprenticeships.gov.au/who-contact/group-training-organisation-national-standards>

# Appendix 3: Completion rates

The National Centre for Vocational Education Research (NCVER) calculates and releases information about Australian Apprenticeship completion rates. Two types of completion rates are calculated: Contract completions, and individual completions.

Contract completion rates track a contract of training from commencement through to completion, cancellation, or timing out. Completions count towards completion rates. Contracts can be transferred to a new employer. This is a continuing contract and a transfer is not counted towards non-completion.

Individual completion rates include contract completions, plus those apprentices and trainees who complete in a second or subsequent contract.

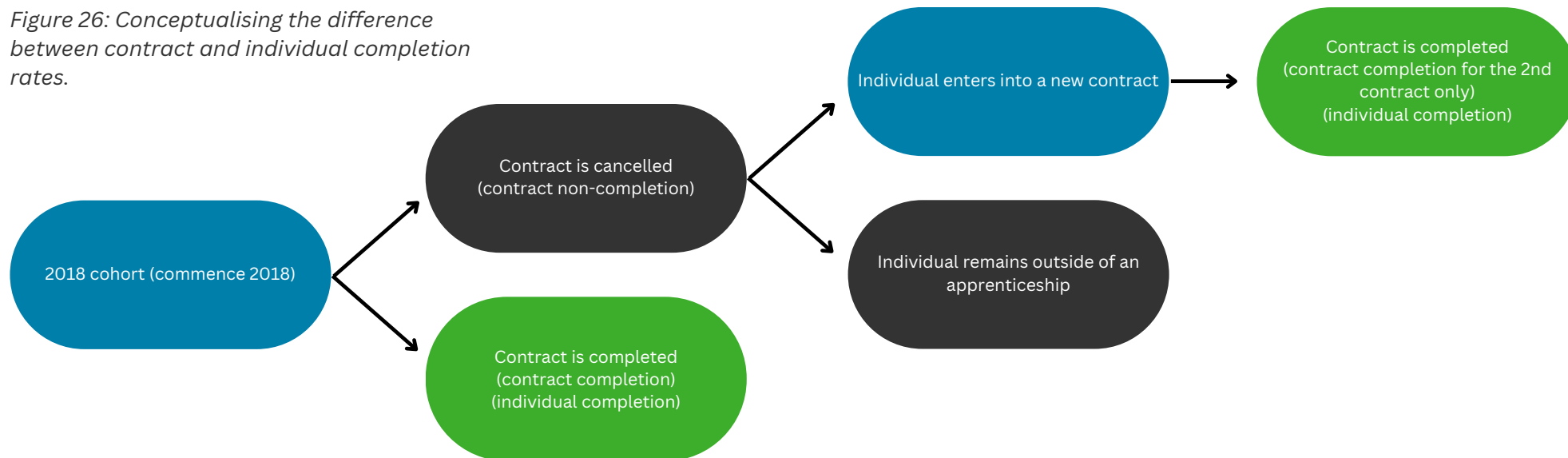
Figure 26 provides examples of what is included in contract and individual completion rates, and non-completions.

Both types of completion are calculated based on the commencing year of the contract. In this report we use completion rates for the 2018 cohort.

The employer type is based on the employer at contract commencement. If a training contract is transferred to a new employer, the completion or non-completion will be recorded against the original employer type.

For example, an apprentice who commences with a GTO but then transfers to their host employer will be counted towards the GTO completion rate. If the apprentice cancels their contract with the GTO but then commences under a new contract with a direct employer, the contract is considered a non-completion for the GTO but if the individual completes this will be recoded as an individual completion rate for the GTO.

Figure 26: Conceptualising the difference between contract and individual completion rates.



## Completion rate tables

### Priority industries

#### Agriculture (AHC)

	<b>Contract</b>	<b>Individual</b>
<b>GTO</b>	63.8%	65.4%
<b>Non-GTO</b>	46.7%	52.9%

#### Community Services (CHC)

	<b>Contract</b>	<b>Individual</b>
<b>GTO</b>	71.7%	72.1%
<b>Non-GTO</b>	52.8%	54.7%

#### Construction (CPC)

	<b>Contract</b>	<b>Individual</b>
<b>GTO</b>	41.5%	56.2%
<b>Non-GTO</b>	33.5%	48.4%

#### Electrotechnology (UEE)

	<b>Contract</b>	<b>Individual</b>
<b>GTO</b>	56.9%	78.4%
<b>Non-GTO</b>	41.0%	57.4%

#### Information Technology (ICT)

	<b>Contract</b>	<b>Individual</b>
<b>GTO</b>	73.2%	74.1%
<b>Non-GTO</b>	50.4%	51.4%

#### Business (BSB)

	<b>Contract</b>	<b>Individual</b>
<b>GTO</b>	67.0%	67.8%
<b>Non-GTO</b>	47.8%	48.2%

### Regions

#### Major cities

	<b>Contract</b>	<b>Individual</b>
<b>GTO</b>	56.0%	62.5%
<b>Non-GTO</b>	42.2%	50.4%

#### Regional areas

	<b>Contract</b>	<b>Individual</b>
<b>GTO</b>	56.5%	60.0%
<b>Non-GTO</b>	47.5%	54.7%

### New workers

#### New vs existing workers

	<b>Contract</b>	<b>Individual</b>
<b>GTO New workers</b>	56.2%	61.3%
<b>Non-GTO New workers</b>	43.3%	51.8%
<b>Non-GTO Existing workers</b>	47.8%	51.3%

# AEN MEMBERS



# 250,000

Australian Apprentices supported by members since 1985.

# 10,000

Host employers using the GTO network for their apprentices and trainees.



An integrated network across Victorian cities and regions.



apprenticeship  
employment  
network

## **Apprenticeship Employment Network**

83 Hobsons Road,  
Kensington, Victoria 3031

03 9639 3955  
info@aen.org.au

July 2024

© Apprenticeship  
Employment Network, 2024