

Australian Labor's fraudulent apprenticeship scheme

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Australian Labor Party leader Bill Shorten has set out to create the impression that a government he heads would work to alleviate the severe decline in apprenticeships, one of the factors leading to ever-worsening employment prospects for workers and youth.

Earlier this month, he announced that under Labor's proposed Infrastructure Fund, one in ten jobs would be apprenticeships, a total of just 2,600. The absolute inadequacy of the measure is indicated by the fact that over the past four years, spanning both the previous Gillard-Rudd Labor governments and the Liberals' Abbott-Turnbull rule, the number of apprenticeships has dropped precipitously from 516,000 to 295,000.

Despite the fact that Labor's measure, even if it went ahead, would be a drop in the ocean, Australian Council of Trade Unions (ACTU) president Ged Kearney, gave it her full endorsement, saying it showed "a real commitment from Labor to introduce thousands of full-time apprenticeship positions on government and large infrastructure projects."

The trade unions, no less than the Coalition and Labor Party, are responsible for the destruction of large swathes of industry over the past three decades that has led to falling numbers of jobs and apprenticeships.

Figures from the NCVER (National Centre for Vocational Education Research) show that apprenticeship commencements have declined overall since December 2005 for "trades" (including engineering, medical technicians, building, automotive and many other jobs). They stood at 50,000 in that year, peaked at over 70,000 in 2012, and then fell sharply to 20,000 in December 2015.

According to NCVER, in non-trades apprenticeships, the figure was around 20,000 in December 2005, subsequently fluctuating between 20,000 and 30,000,

and now stands at the same level as a decade ago.

Reports in the Fairfax press today have underscored the overall decline. They indicate that the number of registered apprenticeships fell by more than 15,000 in the working class suburbs of western Melbourne and Sydney between December 2013, and December 2015. For instance, in Parramatta, a suburb in Sydney's west, the number of apprenticeships dropped by 47 percent over that period, from 4,347 to just 2,286.

Apprenticeships are undertaken by workers of varying ages, pointing to the fact that older workers who have lost their jobs are looking to re-skill and re-enter the workforce, essentially starting over again from scratch.

According to 2012 NCVER figures on apprenticeship commencements, just over a quarter were aged 19 years and under, with around another 20 percent aged between 20 and 24 years. Just under half of all apprentices commencing in 2012 were over 25 years of age, including a substantial portion (around 20 percent of total commencements), aged over 45 years.

The Labor party bears a major responsibility for the nosedive in the number of apprenticeships. Under the Gillard Labor government that held office from June 2010 to June 2013, backed by the Greens, a number of financial incentives for businesses taking on apprentices were axed.

In October 2012, Labor reduced the payouts to employers taking on part-time apprentices in non-skills shortage areas. Then, in August 2013, non-skills shortage apprenticeship incentives were removed by Labor altogether. These cuts caused a steep decline in non-trades apprenticeship commencements during this period, as reflected in the NCVER figures.

This record is an exposure of the latest plan. Shorten has also pledged to create 10,000 places in an

“Apprentice Ready” program, supposedly targeted to young people who have been unable to find a job for more than six months. This program is to be delivered at TAFE (technical and further education) colleges, over 20 weeks, as a “pre-apprenticeship” course.

Labor has promised to provide funding to the states and territories to conduct the program, despite the fact that TAFE has been the subject of brutal funding cuts since the Gillard government’s acceleration of the privatisation process, in favour of private colleges, in 2012.

The gutting of the TAFE system was highlighted by a recent report that at one TAFE college alone, the South Western Sydney Institute, five carpentry teachers will be made redundant, following three glaziers, four painters and six plumbers axed last year.

The attack on the working class and youth is bipartisan. Since the Abbott-Turnbull Liberal government came to power in September 2013, 120,000 apprenticeships have been lost.

TAFE cuts have been deepened through the New South Wales state Liberal-National government’s “Smart and Skilled” program, which came into effect in January 2015. Fees for courses have skyrocketed, course delivery times have been slashed, and support services for disadvantaged students have been eliminated.

The Turnbull government’s budget, handed down on May 3 this year, introduced an “internship” scheme for young people, whereby they would be pushed into working 25 hours a week. In return they would receive a meagre \$200 on top of their Newstart dole payments, which amounts to only an additional \$4 an hour.

This scheme, known as PaTH (Prepare, Trial Hire) will do next to nothing to assist participants into secure decently paid jobs. Rather, it will benefit businesses, giving them access to a cheap and free-flowing pool of labour.

Both Labor and the Liberals have responded to the declining number of apprenticeships by pointing the finger at one another for the purposes of trying to secure advantage in the election campaign. The reality is that whichever of them wins power, the attacks on apprenticeship conditions and young people more generally will deepen.

The underlying factor in the apprentice decline is the worsening state of the Australian economy. The

director of education at the Australian Chamber of Commerce and Industry (ACCI), Jenny Lambert, claimed the Labor plan would be “useful” but would not fix the underlying problem.

“The very essence of the reason the trades have fallen off is due to economic conditions, employers are not taking anybody on at the moment. Preparing people for jobs does not create jobs,” she said.

According to ACCI chief executive James Pearson, “apprentice numbers in the construction industry today are near record highs, but other industry sectors have hit rock bottom.”

The high figure in construction is due to the speculative property boom, fuelled by low interest rates. But this bubble could collapse at any time.

The overall situation points to the fraud of the measures proposed by both major parties, based on subsidising employers and providing them with cheap labour. It underscores the necessity for a political program aimed at challenging the very foundations of the private profit system if a future for young people is to be secured.

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