

15 May 2024

Justice Iain Ross
Department of Employment and Workplace Relations
GPO Box 9828
Canberra ACT 2601
Australia

ApprenticeshipsReview@dewr.gov.au.

Dear Justice Ross and esteemed panel,

Strategic Review of the Australian Apprenticeship Incentive System

I am writing today on behalf of Australia's 39 comprehensive universities, spread across Australia in both regional and metropolitan areas. Together, they educate more than a million students each year, the vast majority of whom flow into the Australian workforce both during and after graduation, helping to fill skills gaps. Universities are committed to graduating students who have the knowledge, skills and – wherever possible – experience to walk into their first post-study job and begin contributing in a significant way from day one. Our commitment aligns with Ministers Clare and O'Connor's joint vision for a better-aligned tertiary education system that creates adaptable graduates for a changing job market.

With this in mind, Universities Australia (UA) welcomes the opportunity to provide feedback on the review of the Australian Apprenticeship Incentive System (the Incentive System). This is a critical time for tertiary education, and with this letter, we hope to provide a perspective from the higher education sector that can inform how the Incentive System can foster a more unified tertiary system and support graduates to complete qualifications that provide them with necessary and job-ready skills.

Whilst apprenticeships and related traineeships have traditionally been the purview of the VET sector, the requisite skills and experiences needed in modern Australia have meant that universities and other higher education providers are increasingly broadening their offerings into apprenticeships and other forms of work-based learning. Highlighted in both the Employment White Paper and Universities Accord Final Report, apprenticeships are one way of meeting Australia's future workforce needs and, accordingly, higher education providers are increasingly being called upon to diversify the types of qualifications they offer.

Given that many higher education providers, including universities, are already working with industry partners in Australia to develop work-based learning pathways, UA recommends that a new incentive system should be inclusive of these emerging apprenticeship pathways and be responsive to the developing nature of the higher apprenticeship landscape.

This letter lays out the arguments for why higher and degree apprenticeships should be included in the Incentive System and provides examples and case studies to support our recommendations.

Key Recommendations

Any new Incentive System should include emerging apprenticeship pathways in both VET and higher education.

As new pathways and qualifications are developed, the Incentive System should be responsive and adaptive to meet the needs of apprentices, employers, and providers.

Emerging Apprenticeship Pathways

Increasingly, the skills needs of the future will require a mix of Higher Education and VET learnings. The Universities Accord Final Report has recommended greater interoperability between the two sectors to respond to current and emerging workforce skills needs. Some providers are already taking proactive and innovative approaches to this in the development of apprenticeship degree and dual qualification programs (see list below). Enabling a tertiary education system to be responsive to rapid technological and social changes requires allowing movement in and between different provider types. Students engaged in apprenticeship programs should be eligible for incentives regardless of the sector in which their provider sits.

Increasingly, graduates will require a mix of both professional and technical skills to gain a foothold in the workforce. Enabling education providers to deliver these skills is therefore essential. If the government is considering increasing the prevalence of higher apprenticeships to address skills shortages and improve job readiness, then a revised Incentive System must include higher apprenticeships as well as traditional apprenticeships.

Higher Education Apprenticeships Pilots

Higher Education providers are already partnering with industry, Government, and VET providers to develop bespoke apprenticeship pathways responding to their local skills needs. The list below provides examples of these existing and emerging models:

- **Electrical Dual Qualification – Queensland**

- The University of Southern Queensland, TAFE Queensland, and Ai Group are partnering to offer a dual electrical qualification pathway program. It combines a Certificate III electrical apprenticeship with a Bachelor of Engineering Science (Electrical & Electronic Engineering) to address the gap in the skills market.
- The program aims to produce licensed electricians with advanced engineering knowledge who can design, install, commission, and maintain advanced systems. The pilot program is expected to be operational by mid-2024.

- **Software Engineering – South Australia**

- The University of South Australia, Ai Group and participating companies are teaming up to create a 5-year degree apprenticeship in software engineering.
- The program's first intake of apprentices starts in the 2024 academic year, with the next intake expected in 2025.

- **Systems Engineering – Victoria**

- RMIT University, Ai Group and participating companies are partnering to create a 5-year apprenticeship in systems engineering.
- The program starts in 2024 and companies began recruiting in late 2023.

- **Electrical Dual Qualification – Victoria**

- Federation University, Ai Group and the Victorian Government are partnering with industry to create an electrical dual qualification. The program combines an A Grade Electrotechnology Apprenticeship and a Bachelor of Electrical Engineering.
- The pilot program is underway, and employers are expected to commence recruiting candidates from September onward.

Students engaged in apprenticeship programs should be eligible for incentives regardless of the sector in which their provider sits.

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Adaptive Incentive System

As the field evolves with many emerging and innovative approaches, the system must be future-proof and adaptable to the needs of apprentices, employers, and providers.

Higher apprenticeship development has been very diverse. It is necessary to implement an approach that is workable for employers and apprentices, whatever their needs and wherever they are. Programs should be mission-driven and respond to local skills needs and the suitability of local providers to develop work-based learnings that respond to those needs. Supporting diversity of program type and development will be essential for providers to respond to and deliver the apprenticeships necessary for their constituent communities.

Policy and incentive settings should be based on the principle of encouraging participation and supporting achievement across the whole of tertiary education to meet the Universities Accord Final Report's ambitious targets of 80% of Australians with at least one tertiary qualification. This includes making all levels of tertiary education more accessible to students from equity cohorts and setting enabling policies that support success in education and training.

An important part of this responsiveness is to ensure apprentices in both higher education and VET are eligible for incentives and that new, innovative pathways in the future are system-agnostic.

We would be pleased to discuss these views further at your convenience. Please don't hesitate to reach out. Please note that we are willing for this submission to be made publicly available, along with my name.

Yours sincerely,



Mr Luke Sheehy

Chief Executive Officer
Universities Australia