



**NATIONAL
INDUSTRY
SKILLS INITIATIVE**



**National Retail Motor Industry
Task Force**

**Progress Report
June 2001**



Progress Report of the Retail Motor Industry Task Force on the Industry Skills Action Plan

In late 1999, Dr David Kemp, the Minister for Education Training and Youth Affairs met with key industry representatives to discuss strategies to address industry skills shortages both now and into the future. This led to the formation of the National Industry Skills Initiative, which is assisting industry to identify and plan relevant responses and other solutions to skills shortage issues and challenges. An outcome of this initiative was the formation of an Automotive working group which was tasked to undertake research and provide evidence on a range of skill shortage issues in the Automotive industry.

The working group reported on 28 April 2000. The key issues to emerge from the working group activities included:

- Concern that there is a poor industry 'image' which makes it difficult to attract sufficient interest from school leavers.
- The need for improved information about and promotion of the industry and the need for career guidance staff in particular and teaching staff in general, to have more direct links with the industry.
- The need to strengthen the important role played by school/industry relationships in encouraging young people into the industry.
- The increasing divide between major vehicle and component manufacturers and small retail and repair firms and its implications for the skills needs of employees is a major concern.
- The rate of technological innovation and change in recent years has introduced levels of skill complexity requiring educationally advanced training programs and diagnostic aids. Therefore, young people entering the industry need a higher level of basic skill than they have in the past. Employers were concerned that teachers and parents still viewed the industry as a career option for young people who were not high academic achievers.
- The priority for industry, governments and education institutions in addressing the challenges associated with ensuring that training is of a high quality and is consistent with the needs of the industry.

These key issues were highlighted by the recommendations contained in the report and were subsequently distilled into an Industry Skills Action Plan with five objectives.

These five objectives and their related implementation strategies are the basis of the work that the Retail Motor Industry Task Force has been undertaking since late 2000. This progress report outlines the progress that has been made by the Task Force against the Industry Skills Action Plan to date and highlights some of the activities which need to be undertaken by the industry to overcome skills shortages in the retail motor industry.

One of the key benefits to derive from the formation of the Task Force has been the opportunity for a number of industry associations to work collaboratively in an attempt to achieve mutually beneficial and common outcomes. This cooperation will be enhanced further during the life of the Task Force and is likely to result in the achievement of even greater success.

The Task Force has made some significant progress in areas such as:

- The production of a range of new automotive career information pamphlets.
- The development of a careers web site.
- Promotion of the industry through four pilot programs in regional areas which overall has resulted in stronger links between schools, industry and parents. In one region, improvement in the quality of apprenticeship recruits is already being reported.
- A Victorian-based DETYA Group Training Targeted Initiatives Programme to promote and coordinate participation in school-based New Apprenticeships through the VACC Group Training Scheme.

The impact of these activities is discussed in more detail in the attached report. It is pleasing to see the very positive response, which is coming from industry to the task force, and to note anecdotal evidence indicating some improvements. The improvements are likely to be even more apparent by the time of the next report of progress by the Task Force.

The activities of the Task Force have already identified some additional issues that need to be addressed. These include:

- The provision of adequate opportunities for students to gain experience in some form in the workplace as this significantly increases their chances of future employment in the industry.
- Exposure to the industry in regional areas has pointed to the need for the development of career information and promotion strategies specific to the local area.
- The development of the existing web site into an integrated one featuring all areas of the industry (manufacturing as well as retail, service and repair).

The Task Force will turn its attention to the most appropriate ways of addressing these additional issues as well as continuing to implement the Action Plan objectives.

There has been a significant group of individuals involved with this initiative, some of whom are identified in the appendix to this report. To all of the people from industry, the training sector and government who have committed their time and expertise to this Task Force, I express my appreciation for what is a most important issue for the Australian retail motor industry.



Brian Curmi

Past President, Victorian Automobile Chamber of Commerce

Chairman Task Force

31 May 2001

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INTRODUCTION

This report of the Retail Motor Industry Task Force is the first report of progress against the Action Plan, which was finalised in August 2000.

The Action Plan emanates from the Ministerial response to the recommendations contained in the *Skill Shortages in the Retail Motor Industry* report and its endorsement by the members of the Task Force as an appropriate reflection of the steps to be taken to address skill shortages in the industry. The members of the Task Force are convinced that the Task Force will make a significant contribution to meeting the future skill needs of the industry by implementing the agreed strategies.

The Action Plan as signed in August 2000, reflects the strategies identified at that time as most appropriate. Inevitably these will and should be modified in the light of developments across the industry. They will also be amended in response to assessment of the success of specific initiatives.

The report is structured to reflect the approach used in the Action Plan. What follows is an outline of each of the agreed objectives. Accompanying each objective is detailed information about activities undertaken to date, some indications of performance, the next steps necessary to continue implementation and the key issues which have been identified.

Objective

1 To Establish the National Retail Motor Industry Task Force

The primary outcome of this objective is to establish a National Task Force representative of key stakeholders and with responsibility for coordinating and managing further research, undertaking specific initiatives and ensuring widespread communication about the activities of the Task Force.

MILESTONES:

- Task Force established and at its first meeting endorsed the Action Plan prior to its signing.
- Membership of the Task Force agreed (Refer to Attachment A for members).
- The Task Force developed a work plan which identified and prioritised the key actions needed to implement the Action Plan and identified relevant activities being undertaken by industry organisations which were already underway or already completed. (Attachment B gives a list of meeting dates).

INDICATORS OF SUCCESS:

- The Task Force is established and a work plan to implement the Action Plan has been developed.
- A number of relevant projects are either underway or have been completed – details are incorporated later in this report.

NEXT STEPS:

- Continue to maintain industry momentum and commitment to the issue. The Task Force will continue to drive the implementation of the Action Plan through regular meetings of the Task Force and monitoring of activities.
- Identify project and research activities and possible sources of funding.
- Obtain assistance and support from established organisations to assist in addressing emerging issues and ongoing implementation of the strategies in the Action Plan.

KEY ISSUE/S:

- The involvement of all states as well as Victoria in more activities around the issue of skills shortages is essential to ensure that progress is made across the industry and that the identified issues are addressed across the entire nation. It is clear that there is significant activity occurring in Victoria and this is meeting with considerable success. The need to spread the activities around Australia is the main challenge for the Task Force. It will need to develop and implement an effective strategy to spread the commitment to the issue to other retail motor organisations and to encourage other State/Territory organisations to make addressing the skills needs of the industry a high priority.

 - Identify appropriate funding sources to implement the research agenda.
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Objective

2 To develop a national strategy to promote and market career opportunities within the industry to:

- **better inform the community about available employment and career opportunities;**
- **improve the image and status of the industry among young people;**
- **improve knowledge and understanding of secondary school and careers guidance personnel about the industry;**
- **encourage young people to consider employment within the industry**

The intended outcome of this objective is improved awareness of career opportunities available within the retail motor industry. It responds to the key issue from the Working Group report about the need for improved information about and promotion of the industry and the need for career guidance staff in particular, and teaching staff in general, to have more direct links with the industry.

MILESTONES:

- The Motor Trades Association of Australia (MTAA) received funding through DETYA's Career Information and Industry Partnership Program (CIIPP) to develop and implement a national career information strategy and products. (Refer Objective 4). Activities conducted through this funding have provided valuable information that is essential for the achievement of this objective.
- Through the CIIPP project, research into existing attitudes among young people, parents, secondary school staff and careers guidance personnel to careers in the retail motor industry has been conducted in four regions - Townsville, Albury/Wodonga, Darwin and Bunbury. This research has highlighted a number of key issues, including:
 - the knowledge and interest in the auto industry amongst students varied between regions and was influenced in part by the proximity of the region to other major cities;
 - opportunities in the industry within the regions vary. For example, in the Townsville region there are opportunities for heavy mechanical trades in the mines with the prospect of earning a high income level which do not exist in the other three regions;
 - the differences between regions often mean that strategies and activities need to be tailored to meet local needs in order to ensure maximum effectiveness;

- the differing degrees of knowledge about the quality and flexibility of access to training in the regions;
 - structural and institutional constraints that schools and teachers face in trying to build relationships with industry stakeholders;
 - the continually changing nature of labour markets which makes it difficult for teachers and parents to keep up with career and job opportunities;
 - the competition in regions for a relatively small number of appropriate young people to enter into New Apprenticeships;
 - the need to increase the number of young people actively considering entering any trade.
- The Victorian Automobile Chamber of Commerce (VACC) has received funding through DETYA's Group Training Targeted Initiatives Programme to promote and coordinate participation in school-based New Apprenticeships through the VACC Group Apprenticeship scheme. The project will involve a program of activities aimed at establishing strong links between schools, parents and local businesses prior to selection of students to participate in the program. One aim of the project is to significantly increase the very low rate of female participation in New Apprenticeships in the industry.
 - The VACC has produced a manual (AutoVET Resource Manual) and video to assist with promoting VET in schools in the automotive industry. The manual and the video were distributed to all secondary schools and New Apprenticeships Centres in Victoria in March 2001.
 - The VACC has established a mobile careers van will be launched in June this year. The van will be staffed by a VACC field officer, with billboards promoting careers in the automotive industry and facilitates small groups of students visiting the van for question and answer sessions on careers in the automotive industry. Brochures, DETYA information, information on NACs and videos on the auto industry are available to the students. It is also hoped that access to the auto careers web site will be available through the van by the end of this year. The number of requests for the van, the number of students attending the van and surveys to ascertain levels of knowledge of the industry will be used to measure its effectiveness.
 - The MTA NSW in conjunction with the NSW Department of Education and Training held an auto industry apprenticeship expo on 11 November 2000. Over 300 students attended the expo, which included sessions enabling potential tradespeople to see and hear about a future in the retail motor industry. Additionally students were able to participate in a number of demonstrations. It is intended to hold a second expo this year. See article at Attachment C.

INDICATORS OF SUCCESS:

- Anecdotal evidence from at least one of the regions (Townsville), where activities have been conducted in an intensive way under the auspices of the CIIPP regional pilot programme and with the strong support of the MTAQ, indicates that employers are receiving applications for advertised vacancies from an improved quality of candidate.
- The CIIPP activities have produced an increased portfolio of careers materials which have gained wide acceptance in the focus groups in which the material has been tested which bodes well for its acceptance by its intended audience.
- Careers materials have been distributed widely to secondary schools and New Apprenticeships Centres. Others will be distributed over coming months.
- It is anticipated that there will be an increase in the number of VET in Schools activities and school-based New Apprenticeships. Data should be available for Victoria early in July and will provide the basis for future comparisons.

NEXT STEPS:

- The Task Force will monitor the initiatives (such as the Careers Van and the VET in Schools resource material) that have been taken in Victoria with a view to developing a plan to implement similar activities in other states.
- The Task Force will ensure that industry associations in all States and Territories are made aware of initiatives that have been found to be successful.

KEY ISSUE/S:

- The Report to the VACC on *Future Employment Arrangements & Skill Resources for the Retail Motor Industry* included a finding that the basis upon which employers are most likely to employ apprentices is that “they worked part-time/casual here after school and impressed” (p. 32). This reinforces the earlier finding that the opportunity for school students to gain experience in some form in the workplace increases their chances of future employment in the industry and indicates the need to continue to develop VET in Schools and school-based New Apprenticeships. The key issue for the Task Force is to ensure that industry continues to focus attention on the development of partnerships with schools and to promulgate widely examples of successful partnerships.
 - Ensuring that activities which are found to be successful are implemented widely across Australia by industry associations.
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Objective

3 To assist the retail motor industry employers to become empowered consumers of the training system.

This objective arose from the key issue identified in the Working Group report that it was a priority for industry, governments and education institutions to address the challenges associated with ensuring that training is of a high quality and is consistent with the needs of the industry. It also reflects the finding of the Working Group that many of the employers in the retail motor industry remain unaware of the available choices and the opportunities to have a significant influence on the content and delivery of training which the changes to the training system provide.

MILESTONES:

- Whilst the Task Force has endeavoured to meet all the objectives of the Action Plan its capacity to meet *Objective 3* has been limited at this stage. The Task Force is keen to gather additional data which may assist in meeting this objective and to this end is aware of research being done on behalf of the Electrotechnology Task Force in investigating the triggers that encourage employers to recruit and retain apprentices. The Task Force considers that this research and its associated report will assist in informing it on the issues, including training, that are of significance to employers.
- Articles and information on available training options and flexibilities continue to be included in industry publications and on web sites. (Attachment D has some examples of the information available and articles that have appeared.)
- Staff from the associations provide advice to industry employers about the options available either upon request or as part of a workplace visits program.

INDICATORS OF SUCCESS:

In view of the limited activity so far undertaken to achieve the intended outcomes for this objective, the following indicators are designed for future use:

- Increased enquiries and use of infrastructure and information services by employers.
- Increased use of careers products and information by employers, including monitoring of usage and requests for reprints and monitoring of visitors to the autocareers web-site.

- An improved understanding of the current training framework by employers as revealed through survey and other measurement activity undertaken by employer representative associations.
- Employer feedback demonstrates an improved understanding of the current training framework.

NEXT STEPS:

- The Task Force will review the report being prepared for the electrotechnology industry about recruiting and retaining apprentices in the electrotechnology industry to develop an improved understanding of the triggers for employers and to identify possible approaches to encourage employers in the retail motor industry to employ more apprentices.
- The Task Force will identify examples of good practice in the industry and publicise these in industry publications and through seminars.
- The Task Force will seek funding to develop and to distribute a kit for employers.
- The Task Force will communicate with overseas institutions, which have developed original solutions to similar problems. (In particular the AYES Institute in the USA will be contacted through electronic means for information and advice.)

KEY ISSUE/S:

- The key issue remains the predominance of small businesses with fewer than 10 employees (over 85%) in this sector of the industry and the best way to respond to the particular requirements and characteristics of small business.
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Objective

4 To develop and implement a national career information strategy and products aimed at increasing the number of people seeking to commence entry level training in the retail motor industry trades.

The outcome of this objective will be improved awareness of career opportunities available in the retail motor industries and responds to the concerns from employers about industry image and the need for improved information about and promotion of the industry with career guidance staff in particular, and teaching staff in general.

MILESTONES:

- The careers web site autocareers.com.au was launched when the Action Plan was signed in August 2000. A maintenance plan for the web site has been developed.
- Print materials including two general brochures and eight occupation profile brochures were distributed in May throughout Australia to secondary schools, NACs, Centrelink, libraries, careers guidance personnel and industry associations. Additional packs of the material will be available for purchase through the web site.
- Four automotive career community development pilots have been run through the CIIPP in Townsville, Albury-Wodonga, Darwin and Bunbury.
 - The Townsville pilot was particularly successful with excellent media coverage. The pilot was aimed at targeting the students who are most keen to work in the auto industry. Whilst its focus was on the involvement of the major car dealerships, the smaller dealers and their workshops were also drawn into the pilot and report that through their participation they have attracted better quality apprenticeship recruits. The effect of the pilot on apprenticeship turnover is one factor that will be monitored.
 - In Darwin the focus of the program is on the high tech aspects of the industry. It was considered that this approach may be the one most likely to raise the interest levels of students and attract a better quality recruit. The major car dealerships are supportive of this approach.
 - It has been difficult to attract interest from students and teachers in Albury/Wodonga whilst the level of interest from employers who are concerned about the quality of recruits is reasonable. It is felt that the low level of interest stems in part from the very large choice of universities and job opportunities available in major cities (Canberra, Sydney and Melbourne) within reasonable distance from the region.

- The Bunbury pilot has received good support from dealers, but like Albury/Wodonga has had difficulty in attracting interest from students and teachers.

INDICATORS OF SUCCESS:

- The pilot activity conducted in Townsville met with considerable success. Employers in the region are keen to continue with an activity, which will maintain the enhanced appeal of the retail motor industry and to this end are looking at ways of funding a continuation of the activity.
- The Motor Trades Association of Queensland is planning to seek funding to assist it to undertake similar intensive activities in other regional areas such as Toowoomba.
- The activities in Townsville also received considerable favourable media coverage with an article in the newspaper (copy at Attachment E) and two television stories put to air.
- Small dealers in Townsville report an improvement in the quality of candidates responding to advertised vacancies.
- Records of the number of 'hits' on the web-site will be maintained.
- Number of visits and calls made by the project officers responsible for the implementation of the regional pilots.

NEXT STEPS:

- The Townsville pilot is expected to continue beyond June with local industry indicating their willingness to provide some funding for the continuation of the project whilst additional sources of funding to assist with its continuation are being pursued.
- The pilots involved pre-testing of groups of students in relation to their knowledge of the industry. Post-testing of students will occur in June to ascertain the impact of the new print materials.
- The Task Force will review the outcomes from the four pilots in conjunction with the comments from the pilot officers to identify key learnings with a view to undertaking similar activities in other regions.
- VACC will conduct the Auto Industry Knowledge Amongst VCE Careers Teachers survey in September this year to see whether knowledge levels of the industry have changed since the same survey was conducted last year.

- VACC is holding a principal and VET careers forum at the VACC offices on 31 July this year. AutoVET teachers, careers teachers and principals from all secondary schools in Victoria will be invited to the forum.

KEY ISSUE/S:

- The web site is seen as a continuing source of information for students. The CIIPP project, consistent with *objective 4* of the Industry Skills Action Plan, has identified that the web site would be most effective if it was an integrated one featuring all areas of the industry (manufacturing as well as retail, service and repair) with good links to other sites enabling the user to access the full range of occupational streams in all sectors of the auto industry. The Task Force will need to decide whether to seek the commitment of the automotive sector, including the retail motor trade, to develop the site to this stage. Such development would involve a significant and continuing level of industry expenditure. The hosting and ongoing maintenance of such a site would require consideration by the MTAA Federation and its associated entities including Automotive Training Australia and the network of State Automotive Industry Training Advisory Boards.
- The experience gained from the current regional pilots points to the need for the development of career information and promotion strategies specific to local areas and regions.

Objective

5 To identify the implications for training, training delivery and skills development of developments within the industry.

This objective derives from concerns expressed by industry respondents to research for the Working Group report about the increasing divide between the larger repair and service firms, the majority of which have strong links to major vehicle and component manufacturers, and small retail and repair firms, and its implications for the skills needs of employees. It also recognises that the rate of technological innovation and change in recent years has introduced levels of skill complexity requiring educationally advanced training programs and diagnostic aids. Therefore, young people entering the industry need a higher level of basic skill than they have in the past. Employers are concerned that teachers and parents still view the industry as a career option solely for young people who are not high academic achievers.

MILESTONES:

- Report to the VACC “*Future Employment Arrangements and Skill Resources for the Retail Motor Industry*” completed in September 2000. The Report identified segmentation of the industry leading to increased and increasing specialisation, including the use of technology, in the repair and service of vehicles as a key issue for the sector.

INDICATORS OF SUCCESS:

The following indicator is designed for use to evaluate the success of the strategies developed through the Search Conference on *Critical Issues Facing the Retail Motor Industry* alluded to below.

- Survey and research results indicate that strategies developed are addressing or have addressed concerns about these issues.

NEXT STEPS:

- A Search Conference on *Critical Issues Facing the Retail Motor Industry*, including the implications of segmentation, is proposed for August this year. It is intended that the Conference be open to industry representatives from across the country. In addition to keynote speakers the Conference will include workshops on the implications of segmentation for the industry, the training implications of segmentation and issues for the future.

KEY ISSUE/S:

- The industry, through the Search Conference, needs to develop some viable strategies to address the implications of segmentation on training, training delivery and skills development.
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Objective

6 To provide to the Commonwealth Government the Retail Motor Industry's view on existing incentive arrangements.

This objective recognised the need for industry to provide advice to Government on industry's view on existing incentive arrangements and utilisation of incentives by employers.

MILESTONES:

- The industry's view on the existing incentive arrangements has been provided directly to DETYA and through the Australian Chamber of Commerce and Industry's (ACCI) proposal to government for changes to current incentive arrangements as outlined in the *Review of the ACCI Issue No 73 March 2001*. (Refer Attachment F)

INDICATORS OF SUCCESS:

- The incentives arrangements are understood broadly by industry and used to good effect.

NEXT STEPS:

- Industry needs to continue to work with Government about incentive arrangements to ensure that incentives continue to meet industry needs.
- Industry also needs to liaise with State/Territory Governments about State/Territory subsidies to ensure maximum effectiveness.

TASK FORCE MEMBERSHIP

- Brian Curmi Chair - VACC
- Kevin Redfern - VACC
- Geoff Gardner - MTAA
- Peter Bennie - MTAQ
- Geoff Lowe - MTA NSW
- John Braddy - ATA
- John Barlow – ATA
- Barbara Bennett - DETYA

ATTACHMENT B

TASK FORCE MEETING DATES

Five meetings of the Task Force have been held to date:

- 24 July 2000
- 1 August 2000
- 24 November 2000
- 22 February 2001
- 26 April 2001

ATTACHMENT C

ARTICLE ON MTA NSW APPRENTICESHIP EXPO

ATTACHMENT D

*ARTICLES & WEB SITE INFORMATION ON TRAINING & TRAINING
OPTIONS*

ATTACHMENT E

TOWNSVILLE NEWSPAPER ARTICLE

ATTACHMENT F

REVIEW OF ACCI ISSUE NO 73 MARCH 2001

ATTACHMENT G

ACTION PLAN

ATTACHMENT H

ACTION PLAN OUTCOMES TO-DATE