

Apprentices face job crisis

Young trainees are losing their positions as industry is hit by the financial downturn, **Cameron Cooper** reports

SPARE a thought for employers trying to juggle apprenticeship numbers in the construction sector. In prosperous times, building sites often struggle to find enough hands as a result of skills shortages. When markets turn, developers are left with a glut of apprentices with little work to do.

Queensland is a prime example of this boom-bust syndrome. As the financial crisis hits home, mining growth has abated and building approvals are down as the credit squeeze delays new commercial projects.

Construction Skills Queensland chief executive Rod Camm says that in the Sunshine State alone billions of dollars of projects were mothballed late last year.

He says that commercial finance fell 41 per cent in just eight months from January to August last year.

“That’s an enormous impact on our industry,” Camm says.

The upshot for apprentices is two-pronged: many construction companies are either standing down apprentice numbers or dramatically scaling back their trainee intake.

Camm’s fear is that the pipeline of apprentices will run dry by the time the economy rebounds. He urges the industry not to repeat the mistakes of the past, when apprentices and trainees were cut at the first sign of a downturn.

“The fact is if we don’t keep enough apprentices in the system and we don’t keep creating new apprenticeships what will happen is when the economy does [improve], and everyone is expecting that to be some time in 2010, we will expose skills shortages again.”

Steve Wyborn, deputy general manager of Sarina Russo Apprenticeship Services, agrees this scenario is a possibility.

“I’m very nervous about that,” he says. “We’ve come out of a fairly significant skills shortage a year ago and if we can’t maintain these apprentices in their roles to get them through to qualification we’re going to go back a long way to see skills shortages again.”

Wyborn has sympathy for bosses wanting to keep their apprentices but who simply do not have enough work for them.

“I know that many of our employers are trying to get their apprentices into training so that if they’re not working . . . at least they’re engaged,” he says.

Based on Construction Skills Queensland statistics from late last year, there are more than 15,000 apprentices and trainees within the state’s building and construction sector.

This represents about one apprentice or trainee for every six tradespeople.

The largest growth sector for industry training has been the civil construction sector, more than tripling in size in the past five years.

Demand for apprentices is highest in carpentry, plumbing, painting and decorating,

wall and floor tiling and bricklaying. Wyborn says it is clear that areas such as carpentry have been hit in recent months.

“We’re certainly getting many, many phone calls from people such as school-leavers looking to get into the apprenticeship area and they’re not having any luck at all at finding work,” he says.

Positions in the infrastructure sector tend to be safer, he says, because of the longer nature of large civil construction projects. “We haven’t seen those programs affected as heavily because they’re long-term projects.”

In response to possible apprenticeship cancellations, Camm and his team are negotiating with employers and encouraging them to upgrade the skills of young workers rather than putting people off.

The aim is to get at-risk third or fourth-year apprentices into training courses as they bide their time during the downturn.

“History tells us if they go and do something else [outside the construction sector] they often don’t come back,” Camm says. “We want them to go into their TAFE college and do institutional training.”

A potential barrier to this plan is that many TAFE colleges are full to the brim.

“That has been a challenge, and we are worried about that,” Camm says.

“The rapid growth in apprenticeships has caused some backlogs and I think that’s actually exposing inflexibility in the training system, particularly in TAFE, and that’s a problem [that has to be addressed].”

The federal government has acknowledged the threat to apprentices during the financial crisis, pouring \$145 million into the Securing Apprenticeships program.

Much of the money will go towards bringing apprentices who have already been sacked back into the workforce. Spending on big infrastructure projects should also help drive that sector and create new positions for apprentices. The government has also promised to loosen the purse strings for school facilities as part of its “education revolution”.

Wyborn adds that first-home buyer grants have the potential to stimulate the property sector and create more building jobs.

“But the challenge has been around the timeframes between getting loans approved and getting building approval and the jobs actually starting. There is a time lag there.”

He remains confident that the outlook for apprentices will become rosier as a range of government initiatives kick in and economic circumstances improve.

“I think there is a light at the end of the tunnel . . . I just hope that we can get these kids qualified, otherwise we will feel the impact in three or four years.”