

# Tasmania Apprenticeship Targeted Campaigns

## Workplace Ombudsman/Skills Tasmania Apprenticeship Targeted Campaign

### Final report

This report provides a summary of the Workplace Ombudsman/ Skills Tasmania Apprenticeship Targeted Campaign. This joint initiative conducted by the Workplace Ombudsman's offices located in Tasmania together with Skills Tasmania initially commenced in March 2008 with audits conducted during August and September 2008.

A total of 54 information packs were distributed to employers selected for audit and a total of 229 young worker fact sheets were distributed to apprentice/trainees throughout the course of the audits.

Of the 54 employers audited, 40 (74%) were found to be compliant in terms of the parameters of the audit and 14 (26%) were found to be in breach, one of which was not sustained.

The 13 breaches related to underpayment of the prescribed pay rate and to pay slip requirements and record keeping. A total of \$8,809.00 was recovered on behalf of three employees.

### Background

Apprenticeships and traineeships are valuable opportunities for young people to enter the workforce and gain skills and qualifications that will allow them to participate more fully in the workplace and community. Most employers that provide these opportunities do so in a manner that provides a fair and productive workplace, however it is essential that employers understand that underpaying an apprentice or trainee can have a disproportionate outcome because of the traditionally low wages.

Apprentices and trainees are usually vulnerable workers because they are young or at an entry level position in an industry in which they have little knowledge or experience and are therefore less able to assert their workplace rights.

Workplace Ombudsman and Skills Tasmania have previously worked together on a number of matters involving apprentices and trainees. Therefore, this campaign offered a collaborative education and information opportunity to inform employers, Australian Apprenticeship Centres and registered training organisations.

Investigations of Workplace Ombudsman complaints involving apprentices or trainees have often shown that the apprentice or trainee has been employed on a casual basis, although the employer and employee had entered into a training contract that indicated part time or full time employment status. By both Workplace Ombudsman and Skills Tasmania presenting a united front to employers who may have entered into such arrangements, there is a reduced risk of each organisation being presented with differing information regarding employment status.

The campaign allowed for both organisations to specifically target those employers that have a history with their organisation or those where employees have made confidential approaches to either organisation for assistance.

### Campaign Aim and Objectives

The aim of the Workplace Ombudsman/Skills Tasmania joint campaign was to improve compliance with Commonwealth workplace laws and training contract requirements in relation to apprenticeships and traineeships and specifically to:

- Demonstrate the presence of and promote the role of the Workplace Ombudsman and Skills Tasmania throughout Tasmania.
- Audit the level of compliance with a targeted number of employees in relation to time and wage record keeping, payslip requirements and training contract requirements.
- Educate employers of their obligations under federal workplace relations legislation
- Provide employers with an educative opportunity to better understand their obligations as an employer of an apprentice or trainee.
- Enhance current collaborative efforts between Workplace Ombudsman and Skills Tasmania and provide cross-learning opportunities to the Workplace Inspectors and Training Advisors involved.

### **Stakeholder involvement**

As this campaign was the result of a local initiative, the following relevant stakeholders were approached and advised of the campaign prior to commencement:

- a) Tasmanian Chamber of Commerce & Industry
- b) Unions Tasmania
- c) Liquor Hospitality Miscellaneous Union
- d) Australian Apprenticeship Centres
- e) Searson Buck
- f) Workplace Standards Tasmania
- g) Australian Hotels Association
- h) Workplace Ombudsman and Skills Tasmania Media

Campaign advice letters were forwarded to the above stakeholders on 13 August 2008 and were jointly constructed and signed by Sally Dennington, State Director, Workplace Ombudsman and Mark Sayer, General Manager, Skills Tasmania.

The letter provided information about the campaign as well as the format of the campaign (for example field based employer visits) and the audit focus in relation to correct rates of pay, training requirements and record keeping requirements.

On 7 March 2008, the Tasmanian campaign co-ordinator was an invited speaker at a meeting of Australian Apprenticeship Centres/Skills Tasmania/DEEWR Reference Group in Launceston. The attendees were advised of the scope and method of the audit to enable them to brief regional Apprenticeship Centres.

An article about the proposed campaign was published in the Mercury newspaper on 22 August 2008 and on the Workplace Ombudsman Internet site.

## Methodology

Skills Tasmania compiled the initial list of potential employers to be audited from their training database. The employers were grouped into the geographical regions allocated to their training consultant which provide assistance over the term of the training contracts.

Workplace Ombudsman inspectors were allocated a region and training consultant with whom they would undertake the joint audits. Inspectors contacted their assigned training consultant to arrange a suitable date/s to complete the audit visits and then allocated times against their targeted employers. Each inspector/training consultant team were allocated 10 employers to audit over two days.

On 12 August 2008, an educative letters were sent to the 64 employers selected for audit. The aim of this communication was to inform the targeted employers about the campaign and detail the areas of audit focus as follows:

- Pay slip and time and wages record keeping
- Rates of pay
- Loadings and penalty rates
- Non-remunerated additional hours of work and training hours; and
- Training records and training contract requirements.

This correspondence also detailed the method of the audit, and advised that the workplace would soon be visited by both a Workplace Ombudsman inspector and Skills Tasmania training consultant who would meet with the employer and the apprentice/trainee, as well as sight relevant employment and training records.

The aim of this initial educative correspondence was to provide the time and information to assist them to comply with the *Workplace Relations Act 1996* and any training contract requirements.

On 22 August 2008, the 64 targeted employers were sent a further letter, advising them of the date and time that the Workplace Ombudsman inspector and Skills Tasmania training consultant would be visiting their business.

Between 25 August 2008 and 9 September 2008, Workplace Ombudsman inspectors from both Hobart and Launceston offices, together with Skills Tasmania training consultants visited the selected 64 employers. Prior to the visits occurring, an audit checklist for completion by Workplace Ombudsman inspectors at the time of the visit was compiled to capture the relevant information with confirmation of all areas required by the apprentice/trainee. Training consultants also completed audit checklists specifically addressing areas of training contract requirements.

The visits consisted of the Workplace Ombudsman inspector and Skills Tasmania training consultant meeting with the employer, at which time the apprentice/s employed in the business were identified and checked against Skills Tasmania training records, employment records were sighted and the audit checklist completed. Where areas of non-compliance in relation to record keeping were identified, the issues were discussed with the employers and the relevant fact sheets in relation to obligations provided. An information pack was also provided to the employer and contained the following fact sheets:

- Employer records
- Payslips and

- The Workplace Ombudsman.

The Workplace Ombudsman inspectors and Skills Tasmania training consultants also met with one randomly selected apprentice at each business to confirm the information collated on the audit checklist and to provide the opportunity for questions or concerns to be raised in relation to their employment. A Workplace Ombudsman fact sheet in relation to young workers was provided to the apprentice and extra young worker fact sheets were left for all apprentices/trainees employed at that business.

On completion of the field visits, finalisation letters were compiled by Workplace Ombudsman inspectors in consultation with Skills Tasmania training consultants. The areas of non-compliance identified at the time of the audit visit were highlighted and evidence of compliance was requested within a period of 14 days. All breaches identified were rectified by voluntary compliance.

## Results

A total of 54 information packs were distributed to employers selected for audit in the Skills Tasmania apprenticeship audit.

A total of 229 young worker fact sheets were distributed to apprentice/trainees throughout the course of the audits.

During the audit period, 25 August 2008 to 9 September 2008, 64 employers were targeted for a compliance audit however 10 employers were not audited for reasons such as the business falling outside the jurisdiction of the Workplace Ombudsman; the company had no employees, they were no longer trading or they were unable to be contacted. The businesses that fell outside the jurisdiction of the Workplace Ombudsman were still visited by the WO inspector and Skills Tasmania training consultant to enable them to have their training contracts and records checked.

It was found in the cases of businesses having with no employees that the apprentice/trainee had completed their training contracts and had left the business however, and this advice had not been received by Skills Tasmania. This audit therefore highlighted areas of concern in relation to the reporting back to Skills Tasmania of issues from training providers or apprenticeship centres.

The following tables provide a broad overview of the audit status and findings:

<b>Total employers selected for audit</b>	<b>64 (100%)</b>
Total not able to be audited	10 (16%)
• Not audited due to falling outside federal jurisdiction	3 (4 %)
• Not audited due to no employees	4 (6%)
• Not audited due to business no longer trading	1 (1%)
• Not audited due to inability to contact	2 (3%)
<b>Total audited</b>	<b>54 (84%)</b>

<b>Total Audited</b>	<b>54 (100%)</b>
No breaches identified	40 (74%)
Breach identified	14 (26%)
• Breaches Identified – resolved voluntary compliance	9 (17%)

• Breaches Identified – no further action taken	4 (7%)
• Breaches not sustained	1 (2%)

The identified breaches related to underpayment of the prescribed pay rate and to pay slip requirements and record keeping. A total of \$8,809.00 was recovered on behalf of 3 employees.

### Issues

Although employers were advised of their allocated appointment date and time, many failed to have records readily available for inspection and hence, some appointment times needed to be extended or new appointments made. The information regarding the audit was sometimes not conveyed to the apprentice and therefore some apprentices showed hesitation in discussing matters with the inspectors/training consultants.

The primary issues identified by Workplace Ombudsman inspectors included apprentices and trainees being employed on a casual basis in contravention of their training contracts, underpayment of hourly rate and technical breaches in relation to pay slip content and record keeping requirements. There were numerous enquiries in relation to unpaid work trials and the issue of work trial versus short term work suitability assessment. All breaches were rectified by way of voluntary compliance.

The primary issues identified by Skills Tasmania training consultants included lack of supervision for apprentices/trainees and the quality or lack of training experienced by some employees.

### Conclusions

This campaign was undertaken to promote compliance with Commonwealth workplace relations legislation within selected businesses employing apprentices and trainees. The results of this campaign show a positive educational and compliance outcome as those employers found to be in breach have all provided evidence that the breach has now been rectified.

The educative aspect of this campaign has enabled employers, apprentices and trainees to understand their obligations and where they can obtain relevant, up to date information. Not only have employers become more compliant, as a result of the campaign but also 3 vulnerable employees have received back payment totalling \$8,890.00, with back payments to employees ranging from \$6,119 to \$580.

The Workplace Ombudsman and Skills Tasmania have in the past worked closely together on a number of matters involving apprentices and trainees. This campaign provided a collaborative education and information approach to inform employers and apprentices/trainees of their workplace and training obligations. By both organisations presenting a united front to employers who have entered into training contracts, the risk of each organisation being presented with differing information regarding employment status and other issues identified was minimised. It has also cemented relations between the Workplace Ombudsman and Skills Tasmania. The campaign also addressed enquiries by apprentices and trainees that were made on a confidential basis.

Importantly, the audit identified that many employers of apprentices and trainees are complying with Commonwealth workplace relations laws. In promoting the presence of the Workplace Ombudsman,

it provided the apprentices and trainees with an avenue of assistance, should they require it in the future.

Read the [media release](#).