

Where have all the tradesmen gone?

Bob Day

In Australia today the workers in greatest demand are not lawyers, doctors, accountants, architects or dentists – there are many of these and especially so in the cities. The real demand is for plumbers, bricklayers, carpenters, nurses and police. So extreme is the demand for tradesmen, nurses and police that elaborate recruitment programs are being staged all over the world to attract people with these skills to our shores.

Many are now being brought here from Europe and Asia on four year working visas much to the chagrin of unions which, in somewhat typical fashion, blame the corporate sector for not training apprentices. It is true that just as you have to plant an acorn if you want an oak, you have to train an apprentice if you want a trade professional. However, it is far too simplistic to blame the corporate sector for not training apprentices. Instead we need to reflect on the fundamental changes that led to the demise of apprenticeships, cadetships and other forms of work based training for young people.

In this regard the release of the 1974 cabinet papers sheds significant light. The demise of apprenticeships had its origins in the heady days of Whitlam - a time when the cheque book was out and everyone was looking for a payrise. The idea that modest apprenticeship wages should be increased significantly might have sounded noble enough on the face of it, however, lifting these wages beyond the economic value of their output only served to sound the death knell. You can only defy the law of economic gravity for so long before the law of unintended consequences bites back.

The essential feature of the apprenticeship system of the pre-Whitlam era was an indenture agreement between the apprentice (or more accurately the apprentice's parents) and a qualified tradesman who would accept on-the-job training responsibilities for the apprentice and pay a modest wage. This wage was typically 10-15% percent of the tradesman's wage in the first year of the apprenticeship period with remuneration growing incrementally as the apprentice increased in knowledge, skill and productive output.

Under Whitlam, and spurred on by the trade unions, regulations governing apprenticeships were imposed through the Industrial Relations Commission at the Commonwealth level, and the cost of a first year apprentice almost doubled. These added costs flowed through in increments payable in following years rendering the engagement of apprentices completely uneconomic. The term "youth unemployment" began to have some currency. By 1990, youth unemployment was considered the single most important social problem of our time and the only apprentice many tradespeople would consider taking on was a son or close relative.

As the apprenticeship system collapsed, TAFE colleges tried to fill the gap. In trades such as carpentry for example, house frames were built at the college and then demolished, just for practice. The logical extension of this nonsense was found in the nursing arena where hospital based training (ie apprenticeships) was abolished and superseded by university degree courses. In an environment of theatre, born more of the stage than the hospital, students in drama and acting courses were paid to act out the role of hospital patients for the benefit of students doing nursing degrees. Role playing became the substitute for real learning.

Similarly, police cadetships gave way to the recruitment and training of adults leading to the incredulous circumstance that at least one Australian Commissioner of Police has openly declared that he can't find enough people suitable to be police within our own shores. Maybe

the demise of the cadetship system has just meant that the best people for the job are established in other careers before the Commissioner is ready to recruit. Such is the consequence of pricing young people out of the employment market.

As the current generation of tradesmen, a vast percentage of whom are now in their 50s and early 60s, reach retirement age, Australians will face an acute shortage of workers in many skilled trades. Shortly, the Federal Coalition Government will have sufficient numbers in the Senate to take the radical measures needed to fix this problem.

The solution lies in allowing people to enter into arrangements which serve the interests of both employers and those wishing to enter the workforce and gain skills. In this context it means allowing tradesmen and apprentices, regardless of age, to negotiate indenture agreements which satisfy both parties.

It would be of immense benefit to Australia and to the people themselves – particularly young people – if through the liberalisation of laws in the Australian labour market many adults and young people were given the opportunity to enter apprenticeships to gain the skills necessary to sustain themselves both economically and socially. We have no shortage of people or work. We simply have a shortage of appropriately skilled people and the solution to this dilemma is clearly at hand.

Contributing to the decline in apprenticeships has also been the cruel lie, a lie which ironically gained currency during the Whitlam era, that only university graduates can find satisfying employment or even live a successful life.

The wonderful advantage of the old apprenticeship system was that it was an efficient and low cost entry path into a successful career for young people from all walks of life. People not only learn on the job – they joined early and grew up on the job. If the Howard Government will seize the opportunity which the Senate now affords we can rebuild the skilled work force we desperately need for the development of Australia and give hope to young people in search of work.