

## 3.4 Competency Based Wage Progression

### Background

Consultation undertaken by NECA, as part of employer engagement discussions, shows there is a need for greater clarity and understanding around the distinctive elements relevant to an analysis of the competency-based system. In particular, the differences between Competency-Based Wage Progression (CBWP), Competency Based Progression (CBP) and Competency Based Training (CBT)

**R21: NECA supports the application of competency based training and the importance of an integrated workplace and off-the-job validation of skills and competencies. CBT is a training construct that we embrace and support.**

### Key issues and recommendations

#### Support for the current, time-based model

Industry and member feedback indicates a strong level of support for the current time-based apprenticeship model for electrical industry apprenticeships. *The Electrical, Electronic and Communications Contracting Award 2010* specifies the term of an apprenticeship to be four years, however, it allows an apprentice to shorten this period or to start on a later wage rate on the basis of previous credit or experience.

The lack of desire for change is attributed to the critical safety requirements of our industry. We wish to ensure that safety standards across the Electrical Contracting Sector are not diluted or downgraded.

Having received feedback from the implementation of CBWP across other industry sectors, NECA remains highly concerned about a shift towards this model. Causing particular concern to our members and the wider industry are the examples of mistakes made during the implementation of this model and potential implications for our sector.

A benefit of the current time-based approach is that it allows apprentices sufficient time to develop their skills and knowledge

**R22: NECA recommends the length of the present apprenticeship training contract and time-based progression for apprentices remains the same.**

**R23: NECA does not support the application of Competency Based Wage Progression. CBWP exists within an Industrial Relations context and we do not support its introduction.**

# Competency Based Models

## Competency Based Wage Progression (CBWP)

CBWP exists within an industrial relations context and occurs when an apprentice completes a defined and industry agreed progression point or benchmark as defined within their relevant award or Enterprise Agreement (EA). This also needs to be identified in the apprenticeship contract training and training plan. Progress through identified stages of the apprenticeship following the satisfaction of progression point arrangements will then entitle apprentices to the relevant wage increase.

Therefore, CBWP means that upon the acquisition of the competencies associated with a particular stage of the apprenticeship, the apprentice is entitled to be paid the minimum wage rate associated with the next stage. CBWP differs substantially from the more traditional, time-based method of wage progression, where an apprentice progresses to the next level of pay, following employment for a defined period of time which is typically twelve months.

## Competency Based Progression (CBP)

CBP involves an approach to Vocational Education and Training that places emphasis on what a person can do in the workplace as a result of completing a program of training rather than a time served notion of training.

Ideally, progress within a Competency Based Training program is not based on time and allows apprentices to progress based on the achievement of quality standards and benchmarks set by the industry. In order for progression to occur, an apprentice must apply to complete their apprenticeship early based on their achieved competency, with the relevant permission granted by their employer and underpinned by a mutually agreed arrangement.

## Competency Based Training (CBT)

The term competency-based training is used to characterise those behaviours and procedures associated with the 'act of training' and requires the inclusion of:

- » Performance criteria that include measures of proficiency through holistic assessment.
- » The need for formal endorsement of the employer in the competency assessment process.
- » Role of formal endorsement; training plans that are developed between the RTO, the employer and the apprentice.
- » The recognition of benchmarks as agreed by the industry.
- » Entry-level skills assessment prior to the training plan being entered into, tracking the work based activities of apprentices – both on and off the job, with the capacity to capture profiling over the course of the training and measure an apprentices progression towards each benchmark.

NECA argues that CBT Progression must be distinguished from CBWP. In many instances, the terms are used interchangeably often with no regard for the implications and requirements of each.