

# **Industry Leaders Fund and Engineering Employers Association South Australia (EEASA)**

## **A Comprehensive History**

The operation of the Industry Leaders Fund (ILF) commenced with apprentice training in 1981. It led many state and national reform initiatives during the next 28 years.

Those who read its history cannot help but be impressed by the leading edge innovations that were facilitated or led by the organisation. It continued this tradition by transforming its role from an apprentice training organisation to a leadership development organisation in 2009.

Today the Fund offers grants to future leaders of wealth-creating industries. Over 13 years, grants have been awarded to 261 talented individuals who have satisfied the same leadership potential criteria used to assess Rhodes Scholarship applicants.

### **Creation of the Industry Leaders Fund**

From about 2005, the Engineering Employers Association South Australia (EEASA) (see below) decided that its members would be better served by a national body. After extensive negotiations, the Australian Industry Group was selected as the best body to represent EEASA members into the future, and a merger plan was mapped out. The merger took place on 1 July 2009, and on that date the business of the EEASA Group Training Scheme (EEASA GTS) (also see below) was merged with the Ai Group GTS. In line with the innovative thinking that has been the hallmark of the EEASA GTS, the Board developed a new vision that would allow the organisation to take a new direction for the benefit of industry in South Australia. On 1 July 2009, work began to reinvent the incorporated EEASA GTS body and its retained assets. The name was changed to Industry Leaders Fund Inc in November 2009 and a new CEO commenced in February 2010. The Fund made its initial call for grant applications in July 2010 and awards worth \$43,000 were made to two successful recipients.

FOUNDATION OF THE GROUP TRAINING SCHEME (EEASA GTS), AND ROLE OF EEASA.

The Engineering Employers Association South Australia (EEASA) was, until it merged with the Australian Industry Group on 1 July 2009, a leader in helping to ensure that engineering in South Australia remained competitive in the face of increased competition. Technological change, globalisation, the lowering of tariff barriers in the latter part of the twentieth century and increasing exchange rates for the Australian dollar promoted increasingly fierce competition, particularly from overseas, and led to the restructuring of industry and traditional work practices throughout Australia. EEASA, through its Group Training Scheme, was responsible for training a generation of tradespeople to enable them to take leadership roles in a changing industry. The Scheme was both a product of industry reform and a vehicle for promoting this reform. The history of the Scheme is a one a champion of change and innovation, which now seeks to help promising individuals to develop these same characteristics so they can become leaders of industry creating the foundations for a vibrant and healthy growing economy in South Australia.

The story began in the late 1970s, when anticipated labour shortages arising from the large number of resource development projects proposed for remote parts of Australia concerned political leaders. The expected high demand for those with engineering skills was expected to lead to shortages in traditional manufacturing companies. This situation, combined with the political wish to provide jobs for school-leavers, created a community expectation for appropriate training programs. Consequently, in 1980 the South Australian Government, then led by Liberal Premier David Tonkin, established a working party, which recommended that employer groups develop group apprenticeship schemes.

The MIASA (EEASA's predecessor organisation) Committee of Management, comprising 26 senior company executives, formed an Education and Training Advisory Committee to evaluate such issues and to provide advice on policy. The advisory committee recommended that MIASA commit itself to three new training initiatives, namely: Pre-apprenticeship institutional training of school-leavers to develop their skill base and prepare them for careers; Group One Year Apprenticeship, whereby 12 months' training would be provided within existing government training facilities, prior to indentures being arranged with private companies for the completion of the apprenticeship; and the establishment of a MIASA Group Apprenticeship Scheme wherein apprentices would be placed with several host companies and provided with the specialised skills that were considered to be in demand. In each instance, the primary motivating factor was the provision of pre-employment development of assessable trade skills before employers were required to enter into long-term commitments with individuals.

The scheme developed by MIASA drew upon the best features of training schemes implemented in Britain and Germany, and was facilitated by state and federal governments. It was unusual in Australia, because apprentices became indentured to MIASA, which had none of the traditional facilities nor tradesmen to take responsibility for the apprentices; all training was to be provided by other agencies. Nevertheless, there was a need for such a scheme to provide a mechanism for continuity in training for apprentices who were 'out of trade' due to fluctuations in the economy, and as a source of skilled workers for employers. The Group Training Scheme established in 1981, ultimately became a vehicle for reforming industry in South Australia and provided a model for others throughout Australia. It took on added significance as a means of changing attitudes of both employers and unions concerning the training necessary for the modern workplace. Its significance increased as large and small companies relinquished their traditional role of apprentice training.

Apprentice training commenced in Industry House, Pirie Street, Adelaide in 1981. The nature of the industry and the economy at the time created difficulties in finding companies willing to host apprentices, but it continued to promote its Group Training Scheme, and employed 16 fitters and turners and 13 boilermakers within two years.

## **EEASSA GTS History**

### **Work Practice Modernisation - SA Leads the Way**

Perhaps the greatest challenge for those managing the Group Training Scheme was in devising courses of trade training appropriate to the new industrial circumstances.

Apprenticeship and trade training had remained unchanged for more than 80 years, and were locked into workplace practices that were no longer capable of meeting the competition of international trade. Industry continued to be characterised by an extraordinarily large diversity of classifications, with strict demarcation between disciplines. Irrespective of the demands of any task, tradespeople were expected to have broad-based training largely dependent upon the notion of time served rather than skills developed. The MIASA Committee of Management encouraged officers to examine best practice in Japan, Europe, and the USA and to begin a process of reform of the fundamentals of trade training.

Australia was undergoing radical economic change at the time, and employers and the trade union leadership were aware of the need for change. Trade and tariff reform required both workplace reform and a fundamental change to the values that characterised industrial relationships. There was a need to address essential factors affecting workplace behaviour, encompassing the tasks to be undertaken, the manner in which they were organised and rewarded and the manner in which they could be developed into careers esteemed by the community. All THIS had to be done in a manner that maintained international competitiveness whilst serving relatively small markets.

All parties knew that the manufacturing and engineering industries provided extremely large and important job opportunities for the community, and all at senior levels agreed on the need to change outdated and wasteful practices. However, few knew or could agree on the model that would be appropriate for the twenty first century. Any reform had to be accomplished in the context of company closures, out of trade workers and apprentices, skill shortages, the need for deskilling and reskilling, 35 hour week campaigns, redundancy and wage claims, and school leaver and graduate disenchantment with manufacturing industry careers, all of which sent mixed signals to the community and industry workers. There was an immediate need for Australia to accept the challenge to implement appropriate and lasting workplace reform. The implementation of new training programs and apprenticeships provided the key to achieving these ends. The MIASA GTS was at the core of these reforms.

There were already creative moves being made in South Australia to build trust between employers and unions and involve those on the shop floor in these processes. Allan Swinstead, MIASA Executive Director and Malcolm Dobie, Senior Industrial Advocate, had been holding meetings with Des Gray and Neil Wyman, respectively the President and Secretary of the Metal Trades Federation of Unions. The discussions took place in secret and were known only to the parties involved, together with the new Labor Premier John Bannon and the Minister for Employment and Training Jack Wright. The Premier and Minister supported the initiative and later provided limited financial support to establish a public forum, organised to bring together union delegates and employers to discuss the complex issues involved.

The forum required a facilitator trusted by both sides, to whom promotion of the event to employees and employers could be delegated. Allan Swinstead invited the unions to nominate a suitable candidate. The only conditions were that (a) the appointee had to be completely trustworthy because he would be located within the MIASA offices, reporting to

Swinstead and either Des Gray or Neil Wyman, and might learn of employers' information that might be sensitive or confidential; and (b) the parties would agree not to proceed with any actions with which either party felt uncomfortable.

The unions nominated Horrie Aspinall, an experienced union delegate, and he was duly appointed to the staff of MIASA in Industry House, where he worked alongside those who had a duty to represent the interests of employers against the actions of unions in connection with serious industrial relations matters. The Forum on 'Industry Survival Technology and Employment' held on 3 August 1983 brought together 250 participating employers and employees. Current issues were highlighted and debated, and participants proposed several initiatives that became the continuing responsibility of Horrie Aspinall. The success of the Forum was dependent upon the goodwill of all concerned and was fundamental in developing mutual trust and confidence in the word of individuals, whether they were employer or employee representatives.

Similar trade and economic forums were taking place at the national level, but none had government support nor similar management arrangements. Nevertheless, it was evident that what had traditionally been considered to be matters of industrial relations, taken in isolation, had evolved into a mutual understanding that all elements of commerce and industry had to be addressed.

### **Breaking the Mould**

The Scheme continued to evolve in accordance with demands of governments for competency-based training, with an emphasis on developing a more highly skilled and flexible workforce. Moreover, philosophies flowing from current award restructuring initiatives demanded tradespeople with skills found in four traditional disciplines. New programs were devised to meet these needs, and the new scheme introduced in 1989 was quickly expanded to include electrical fitting and electronics.

### **New Directions**

Management of the Scheme continued to develop, along with the training provided. The Government's need for financial accountability required EEASA to establish a separate corporate entity to ensure that the interests of the Scheme remained separate from those of the Association generally. Consequently, EEASA established a separate entity named the Engineering Employers Association South Australia Group Training Scheme Incorporated on 1 July 1990. Apart from the new legal status, the Scheme proceeded as before.

### **Evolution of The Scheme**

Traditional trade training gave way to accelerated modular training that reflected industry career pathways.

The accelerated learning pioneered in the 1980s continued to provide the basis for trade training. An initial 13 weeks of intensive, innovative, and accelerated practical training was provided through vocational institutes or specialised training facilities, which ensured that apprentices arrived at host companies with an understanding of basic skills, safety procedures and realistic expectations about the companies. Host companies included all major engineering companies in Adelaide such as Britax, Email, United Water, Castalloy,

Codan, Australian Submarine Corporation, Air International, BRT Automotive, Gerard Industries, Custom Press, Brook Engineering and Hills Industries. By 1996 there were as many as 70 companies hosting apprentices. The success of the Scheme even prompted requests for apprentices from regional companies.

The Scheme enabled apprentices to be placed with several hosts to ensure their knowledge of a diverse range of skills and situations. Flexible training arrangements enabled off the job training in skills specific to particular host companies. This training occurred at various TAFE colleges and other organisations, such as the South Australian Centre for Manufacturing, NASTEC Solutions Incorporated, Port Adelaide Training and Development Centre, and Email Training Services.

### **Introducing New Age Skills**

As it developed, the Group Training Scheme entered into partnership with key industry groups in South Australia, including the South Australian Centre for Manufacturing, which introduced students to robotics, computer aided machinery, and a wide range of modern technologies. The relationship was further enhanced when the Scheme established an office at the Centre.

Indeed, EEASA's initiative in supporting reform had led to its support for and participation in the establishment and development of the South Australian Centre for Manufacturing. It also supported the creation of the South Australian Manufacturing Advisory Council and the National Technology Transfer Program led by Bob Munzberg, an experienced engineer specialising in computer applications for advanced manufacturing. The Bannon government championed the first two initiatives. This led to the development of two government supported industry improvement programs for tooling and cast metals after Mike Rann, then Minister for Economic Development, had accepted the argument of the joint EEASA/metal union submission that South Australia must secure the foundations of its manufacturing, foundry, and tooling industries. Each of the programs used the Group Training Scheme as an agency to help deliver significant aspects of the broader training and workplace reforms that were considered necessary. This 'first' for Australia resulted from the enthusiastic and far-sighted vision of all parties to the negotiations.

### **Streamlining the Training Process**

The successful development of the Group Training Scheme necessitated greater links with schools at one end of the education spectrum, and with universities at the other. EEASA developed close links with the Senior Secondary Assessment Board of South Australia (SSABSA) in the belief that the best preparation of future recruits began in secondary schools. Ultimately, the Board approved special subjects and the 'Engineering Pathways Program' for secondary schools, and later accredited Year 11 and 12 subjects for apprenticeships. The EEASA Group Training Scheme sought to encourage outstanding performance by offering awards to the better students.

At the same time, EEASA negotiated with universities to facilitate graduates of the Scheme receiving accreditation toward university degrees. These plans came to fruition in 2001,

when the University of South Australia agreed to accept the Advanced Diploma gained at TAFE as part fulfilment of a Bachelor of Technology Degree.

In the meantime, while these negotiations proceeded, the managers of the Scheme built upon their close association with the South Australian Centre for Manufacturing to introduce a pilot program to provide accelerated work experience for graduate engineers seeking careers within the manufacturing sector.

### **Board of Management Apprentice Advisors**

The addition of the first apprentice representative to the Board of Management, in an advisory position, was seen in 1996. This was not only a very important step, as it opened up direct communication between the apprentices and the Board, but was also seen as extremely innovative. How many companies at that time invited apprentices to share the thoughts and the decision making process of the Board?

### **Introducing National Standards**

Those managing the Scheme also developed links with interstate training providers, to the mutual benefit of all. The Scheme had already played a significant national role since its inception, particularly for its leadership in researching, initiating, and trialling general reform concepts. However, its South Australian base meant that it could not address the manner in which programs similar to its own could best be delivered nationally in support of best practice initiatives. Yet, a national initiative was important if the projected industry reforms were to be meaningful and successful.

Doug Wright, the training consultant for the Australian Industry Group, observed in 1997 that there continued to be a great deal of disparity between state training practices and regulations, which remained as an inhibiting factor to successful national reform. Chairman Allan Swinstead seized the initiative and, with Wright, sought to identify the variations in services and regulations to permit the harnessing of expertise in each state to resolve these issues. In particular, they suggested the foundation of a network of kindred organisations that would facilitate the exchange of ideas, staff, and material. They approached the Australian National Training Authority (ANTA) for assistance and, with its support, founded the Australian Industry Group Training Network with representation in all mainland states. ANTA supported the new national network, and in particular its objective of developing a national training service to be offered to national companies. The performance of the EEASA Group Training Scheme had been enhanced by the implementation of best practice principles. The development of the national network of training providers created the means of maintaining and extending this initiative.

### **Equal Opportunity**

Engineering has traditionally been a male domain, and the vast majority of graduates of the Scheme have been male. However, 20 women have successfully completed the Scheme and have acted as trail blazers. Patricia Holmes, who had begun her apprenticeship before joining the Scheme through the Falie project, was the first woman to complete her training. However, Jillian Werner, a fitter and turner, became the first female apprentice to graduate through the Scheme on 12 January 1990, and readily found employment in a company using

computer-based machining technologies. In 1992 Lyndal Smith, who commenced her apprenticeship on 23 January 1989, became the first woman in the state to complete the Advanced Toolmaking Certificate. Other women also left an indelible impression and proved that they could excel in an engineering career, although it was not a traditional path for them. They have also been instrumental in changing the culture of the organisations in which they have worked.

### **Personal Development**

Since its inception the Scheme has maintained a sharp focus on personal development of apprentices to encourage team and leadership qualities. Apprentices' contracts specified that all recruits must undertake personal development programs. The Scheme fostered this by encouraging apprentices to participate in the Duke of Edinburgh Scheme or an appropriate alternative. Apprentices proved very successful in these endeavours. For instance, in 1992, Tracey Clavell, an engineering apprentice who commenced her training on 30 January 1989, became a finalist in the Apprentice of the Year Award and completed the gold award under the Duke of Edinburgh Scheme. She had been one of four women recruited under the Tradeswomen on the Move program that was introduced to interest women in non-traditional careers, and later became an active supporter of the program. She continues to take a community leadership role and is a founder and board member of the National Association of Women in Construction.

Not content with working and also studying at TAFE or one of the private providers, many apprentices have over the years challenged themselves further by opting to compete in the Worldskills competition. EEASA GTS encouraged and supported those undertaking the challenge. Each state holds its own competition and if an apprentice is fortunate enough to win the gold medal in their particular trade, they are then eligible to take part in the national competition. Over the years, EEASA GTS apprentices have excelled in the state competitions and gone on to take out the gold in the nationals. One particular gold medal winner was nominated for and won a place in the 2003 UK International Pathway Personal Development Program.

### **Raising Apprenticeship Profile**

As the Scheme matured, so those managing it sought to foster careers in the industry. For example, EEASA has sponsored the Australian National Pedal Prix since 1989, the fourth year of the event. The event had originally been established by the South Australian Technology Teachers Association and held at the Underdale Campus of the South Australian College of Advanced Education. It quickly outgrew this venue and moved to Oaklands Park, the Adelaide International Raceway and later, Murray Bridge.

The event had attracted 60 entries from around the country by the time EEASA became the sponsor. Participation required six students to design, construct and propel a pedal-powered vehicle around a 1.2 km track for 24 hours. EEASA considered the objectives of the event, encouraging design skills, problem solving and entrepreneurship, to be exactly what was required for success in the industry, and sponsored the event as a means of generating an interest in basic engineering among secondary school students. Apprentices involved in

the Scheme worked as scrutineers of vehicles, assisted with administration of the event, maintained vehicles, and worked as marshals.

### **Special Occasion**

The EEASA GTS 20th anniversary celebration in 2001 was combined with the annual graduation ceremony. Over 400 people including guests, graduates and their families attended. It was a night of celebration for all concerned, and especially for the Duke of Edinburgh bronze award recipients who had the honour of being presented with their awards by Sir Eric Neal AC CVO, Governor of South Australia. It was a sign of the high esteem that the Scheme is held in that the Governor was prepared to devote an entire evening to the event. Included amongst the guests for the evening were several past EEASA GTS apprentices who had gone on to make their marks in the world, from factory supervisors and managing directors to those who were running their own companies. It was a reason for celebration in more ways than one.

### **Leadership Programs**

Another example of the EEASA GTS willingness to try new approaches occurred in 2002 when two GTS apprentices undertook a trial leadership program on the sail training ship, the One and All. They formed part of a crew of 24 who sailed around the Spencer Gulf in fairly inclement weather. Their duties included not only heaving the very heavy ropes employed on this type of vessel, but also hoisting themselves up the tall ship rigging, not an easy feat in lumpy seas.

### **Apprentice Breakfasts**

The first quarter of 2005 saw the introduction of the apprentice breakfasts for second, third and fourth-year apprentices. Each breakfast included the usual fare suitable to send a young person off to tackle a day at work, but also the mandatory ICED COFFEE. Woe betides the staff member who forgot to order them!!!! Although food for the tummy was a high priority, the main emphasis was food for the brain. The theme of the breakfasts varied from OH&S to 'Where to from Here' for the fourth years. Guest speakers were as varied as the themes, from graduate apprentices to CEOs of host companies. Here again, the EEASA GTS was leading the way in building apprentice knowledge and aspirations for the future.

### **Apprentice Forums**

In April 2005, the Apprentice Forum was established. The Forum provided apprentices with the opportunity to communicate effectively with each other, something which had always been difficult when the apprentices were placed with different host companies. A network of communication between the apprentices was established. It also, through the many activities undertaken by the Forum participants, including career mentoring role with young people considering an apprenticeship: they could sit down and talk to someone at the coal face.