

RESPONSE 29

Skilling Australia for the Future Discussion Paper

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Victoria University Response to the Skilling Australia for the Future Discussion Paper, April 2008

Background

The Skilling Australia Discussion Paper was circulated by the Australian Government in March 2008 seeking feedback from interested parties by the 30 April 2008. The Discussion Paper outlines the Australian Government's commitment to increasing the investment in training through the creation of an additional 450,000 training places known as the Productivity Places Program.

The Victoria University response to this Discussion Paper is from the perspective of a multi-sector University operating within the western suburbs of Melbourne where the diversity of the student body reflects the diversity of background and socio economic status of the population of the region.

Students including those who are the first in their family to attend University; new migrants and refugees; those with a physical or social disadvantage may enter Victoria University through a Certificate I or II or at their appropriate educational level and work their way through to post-graduate qualifications with language and learning support and academic and career counselling. Victoria University creates pathways for learners to acquire relevant qualifications that enable them to be work ready, career ready and future ready.

Response to Issues Raised in the Discussion Paper

[How should Skills Australia interact with industry groups to ensure that it has access to the most appropriate and up to date data?](#)

- For Skills Australia to deliver on the goal of addressing skills shortages in Australia now and into the future, mechanisms are needed for members to be able to access relevant and timely data. This data may not always come from industry associations and employer groups, but should also be obtained through close links with community and training provider associations. Data should be obtained from a variety of sources to ensure that the training system is geared to meet the needs of the diverse labour market. One example of relevant data is the ABS Adult Literacy and Life Skills survey 2007 which found that 46% of Australians aged 15 – 74 do not have the prose literacy skills required for everyday work and life. This data substantiates the need for the system to embed foundation programs into VET delivery to address the needs of these large numbers of students.
- It will be important also to identify the vital industries as well as new industries. Vital industries vary from State to State and have flow on effects throughout the economy. Skills Australia needs to engage with CRCs, Research Universities and global companies who are in tune with market needs and future

trends. Communication is vital to ensure that SMEs understand their place in the supply chain and what technologies, processes and services are entering the market for them to factor into their plans.

- Data from the Tertiary Admission Centres in the States/Territories can provide insight into student movement across the sector and the credit transfer and skills recognition provided.
- Skills Australia will need to investigate the underlying causes of skills shortages which may exist in the industry/profession working conditions. For example, skills shortages exist in nursing and hospitality despite the fact that more than enough training is conducted in these areas.

What sources of data on skills shortages should Skills Australia access?

- It is important to use longer term growth projections for specific skills needs through consultation with industry groups. These projections could assist in addressing the 'lag' time experienced between the identification of skills and the skill development process – both curriculum design and delivery.
- Data from the 2020 Summit and other far reaching forums should be used to prepare the skilled workforce for the future needs of the economy and the society and to think and plan for the short, medium and long term. This suggests that people will need generic and employability skills as transferable skills used throughout their careers.
- Skills Australia should access data on the currently under or unemployed population in Australia and identify ways of skilling this cohort. In times of skills shortages and almost full employment, this group should be given special attention so as to build the necessary foundation skills for entry into training and the workforce. The Discussion Paper does not provide enough emphasis on the programs which will be put in place to meet the needs of this cohort.
- Traditional data sources on the economy, population demographics, migration will be useful especially when used in conjunction with data on overseas trade and economic development.

How will ISCs ensure that their environmental scans take full account of workforce issues in their areas of industry coverage?

- The scale and complexity of the proposed role of the ISCs will be very difficult to manage in terms of their ability to truly reflect the needs of enterprises as well as the overall industry. This was evidenced in the early days of Training Package development, where small and medium enterprises felt omitted from the process. The training needs analysis of enterprises is a role currently being formed by Registered Training Organisations (RTO) and training consultants around Australia and creates a potential conflict of interest between the ISCs and the RTOs. For the ISCs to have an 'audit' function for RTOs adds again to the complexity of the relationship and leaves the State Training Authorities in an ambiguous position.
- Any environmental scans conducted on workforce issues and skills shortages should look globally to trends and future directions. They need to seek global market intelligence to ensure the Training Packages and their qualifications are in line with future skill needs.
- Apprenticeship, traineeship and other employment conditions should also be considered by the ISCs in relation to skills shortages and data relating to skills losses in particular industries bearing in mind that the ongoing 'replacement' of trades is as important as building numbers at the associate professional level.

What is the best way to ensure that state based industry advisory bodies are engaged in the model without duplication of roles?

- Mechanisms will need to be put in place to create national/state advisory arrangements which are connected and integrated. KPIs for each will need to emphasise the importance of collaboration and partnering between state ISCs and the national ISCs and Skills Australia.

How can ISCs encourage and highlight responsive Registered Training Organisations delivering high quality training for their industry?

- This proposed new role for the ISCs moves this audit/regulatory function away from the State Training Authorities and the provisions of the Australian Quality Training Framework. It is not clear from the paper whether the State Training Authority role will continue in registering RTOs.
- This proposed role for the ISCs will need to have transparent processes to avoid favouritism and patronage of some RTOs over others. The mechanism for this to occur is not clearly stated in the Discussion Paper.
- Highly responsive RTOs require teachers and trainers who are highly skilled and industry relevant. Competitive salary and conditions need to be provided for VET teachers and trainers to attract suitably qualified and experienced people into RTOs.

What can be done to ensure that the training outcomes for individuals and enterprises translate into appropriate employment outcomes?

- Encourage RTOs to link the skill and career development of individuals with the enterprise and to work together on workforce planning and development approaches to build a sustainable workforce – hence the need to recognise the role of RTOs in HRD and workforce planning as well as for training.
- Conduct language, literacy and numeracy building campaigns for individuals who are not in the workforce or school/TAFE/University and for existing workers.
- Reenergise and inject additional funds into the WELL (Workplace English Language and Literacy) initiative to maximise employee job effectiveness through training in literacy and numeracy and to assist organisations to attain lower workplace turnover, greater productivity, improved job security and enhanced consistency between employee skills and workplace communication requirements. The current WELL and LLN funding is totally inadequate for this.
- Conduct longitudinal studies of the impact of workforce development initiatives to determine the benefit to both individuals and enterprises. These studies could include measures of quality in productivity and profitability. These should be undertaken by the ISCs in partnership with RTOs and enterprises with the aim of building awareness and capacity for workforce development planning and activity to strengthen productivity.
- RTOs need capital equipment which is similar to that used in the workplace. A sustainability plan needs to be developed to ensure equipment is maintained, serviced and updated when required. Professional development is required for teachers in new and emerging areas to enable them to learn about the new technology, process and systems in a safe environment on real equipment or tools. All teachers in Engineering for example, should have mandatory professional development to be up skilled or refreshed over a period of time and receive a currency certificate in their teaching discipline. Employers will be confident that the students that they employ will have been trained on relevant equipment by qualified teachers with technical currency. Industry needs to be a partner with RTOs in continually addressing the currency of teachers in RTOs.

How can this program be managed to best suit the needs of employers?

- Programs such as the Productivity Places initiative for existing workers - defined in the Discussion Paper as those 15 and over who work for at least one hour in any given week – should be as flexible as possible to meet the needs of small, medium and large enterprises. This flexibility will require the

training providers to work collaboratively with employers to ensure training can be incorporated into workplace operations. Previous schemes have not been able to achieve outcomes because of this lack of flexibility. A focus on longitudinal outcomes may be more appropriate than just the nominal hours of delivery.

- Annual feedback report/workshop on quality, currency and performance should provide the agenda for continuous improvement aligned with National priorities.

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