



## **FACING UP TO AUSTRALIA'S SKILLS CHALLENGE**

### **Frequently Asked Questions, April 2008**

#### **Is the federal government on track with its skills policy?**

The statement doesn't comment directly on the various skills approaches of the federal government. Clearly however, there are a number of positive elements to what the government is doing – the establishment of Skills Australia, additional higher-level training places, an expanded role for Industry Skills Councils, for example.

The statement represents a comprehensive framework and lens through which future policy should be developed and assessed.

#### **Why have these organizations come together in this way?**

The statement brings together numerous research reports and policy ideas that various stakeholders, within and beyond this Collaboration, have debated and raised in recent years.

It is timely to put this composite picture together with the COAG process underway, a new federal government committed to resolving skills shortages, and the 2020 summit on the horizon.

Just as the government has talked about an 'education revolution', we believe a range of initiatives and milestones are needed in the training arena. A new integration of skills and professional knowledge is occurring in many sectors, and added to the demands of a low carbon economy, will mean the way we train and the outcomes we expect from training, are going to have to change. The focus of the skills debate should be about retention strategies, completion rates, adult literacy and numeracy and social participation as well as new places to meet the urgent needs in key sectors. The aim must be to improve the overall skills and capacities of the Australian society.

This is a first step in a process that will bring together other stakeholders not here today, and that will engage industry, educators, training organizations and learners.

#### **What does 'a quantum leap in resources' mean?**

As a minimum it means lifting our public investment in education and training from 4.8 percent of GDP to the OECD average of 5.4 percent. With a GDP of about \$980BN per year, this would mean a boost of about \$6BN per year in national spending. This includes all levels of government and all spheres of education. Over time we should be placing as much emphasis on investing in education and training as the OECD leaders in this area.

Simply throwing more money at education is no solution, however. This investment needs to be focused on improving school completion rates; ensuring the literacy and numeracy capacity of

adult Australians improves; valuing and rewarding our educators in school, further and higher education; and focusing on excellence on our universities and vocational institutes.

**What are current post-school completion rates?**

- Approximately 81 percent of young adults have completed Year 12 or an equivalent AQF III vocational qualification
- Less than 50 percent of trainees complete their qualification
- About 60 percent of traditional apprentices complete their qualification
- Between 20 and 25 percent of university students do not complete their university degree.

**Why do traineeships need to be reviewed?**

There is a fundamental need to ensure that the program is relevant to today's workforce and training needs. The traineeship approach was developed more than 25 years ago and it's timely to re-assess the purposes, outcomes and value of the program to ensure it really delivers for participants, industry and government.



## Who we are

The Australian Industry Group (Ai Group) is Australia's leading industry organisation representing 10,000 employers in manufacturing, construction, automotive, telecommunications, IT & call centres, transport, labour hire and other industries. Our member companies employ more than 447,000 people. Ai Group's members operate businesses of all sizes throughout Australia and represent a broad and expanding range of sectors. We provide comprehensive advice and assistance to help members run their businesses more effectively and to become more competitive on a domestic and international level.

## New Initiatives

***Skilling for Innovation:*** This AiGroup/Deloitte report will be released on 23 April. The study of close to 500 companies aims to assess the extent to which skills shortages are impacting on Australian businesses, as well as the strategies firms are using to increase the skills of current employees. The survey also takes an in-depth look at the links between the skills of a company and their focus on innovation to drive business success.

***Skilling the Existing Workforce:*** The Australian Industry Group's *Skilling the Existing Workforce Project* is centred on better understanding and addressing the issues around the up-skilling and re-skilling of existing workers. Enterprise trials are running with companies that are adopting differing approaches to the up-skilling their existing workforce, offering financial and other support to those companies and documenting the approaches with a view to developing more broadly applicable upskilling models. The learnings from the trials will be supplemented with a series of enterprise case studies. This project is funded by the Australian Government and runs until mid 2008.

***Emerging Technologies:*** The aim is to develop an approach to accelerate the capacity of the national training system to engage with new and emerging technologies. It is a five phase project covering industry case studies; researcher and education and training consultations; a survey; a solutions roundtable and an emerging technologies network of registered training organizations delivering training in this area. It is due to be completed by December 2008.

***Improved trade training outcomes:*** An investigation of new options for the delivery of trade skills that combine accelerating trade training and giving quicker-learning apprentices earlier access to higher level training is underway through six pilot sites across Queensland, New South Wales, Victoria and South Australia. The pilots are in their early stages; two of the projects are being conducted in partnership with AiGroup's group training company. The project commenced in October 2007 and will be completed by 30 September 2009.



### ACTU - Who we are

The national peak body for Australia's unions with a membership close to two million working Australians.

### Relevant Initiatives

- developing standards for apprentices for inclusion in enterprise bargaining;
- lobbying for better resources for TAFE sector;
- engaged in flexible delivery projects;
- work with employers to increase investment in training;
- negotiate skill based career paths that encourage higher level qualifications, more highly skilled workforce that deliver improved productivity to industry.

### Australian Education Union – Who we are

One of Australia's largest unions with members who are educators in early childhood education, primary and secondary schools and TAFE.

### Some relevant TAFE initiatives

**Essential skills and job training pathways for youth, mature aged people and migrants** are offered at the **Canberra Institute of Technology' Vocational College** offers in the ACT. It offers such programs as English (ESL), literacy, numeracy, Year 10 and Year 12 certificates while students study at the same time for qualifications in relevant skills training programs on offer at CIT. The Vocational College offers individualized learning experiences for people from a wide range of ethnic and socio-economical backgrounds with personalized and tailored support and with flexible learning options. CIT believe more than 3000 students will enrol in the Vocational College in 2008.

**First Stop (Swinburne University)** is a one-stop youth employment, education and training resource centre offering free study and career counselling by telephone or in person. It provides personalised assistance to young people (or their parents), or mature age workers interested in beginning an apprenticeship or traineeship. The growth in demand has resulted in an increase in VCAL programs across Swinburne campuses. In 2008 we are likely to have 12 VCAL programs across the Croydon, Wantirna and Prahran campuses.

**National Centre for Sustainability** is a collaboration of several tertiary educational institutions bringing together a dedicated network of individuals to further develop and promote sustainability concepts and education. Partners include Swinburne University (lead agent), University of Ballarat, Sunraysia TAFE, SouthWest TAFE and Challenger TAFE (WA). The

NCS is a leader at the forefront of sustainability education in Australia. Because of its focus on sustainability, it is able to apply novel thinking to address the challenges referred to above.

It was established:

- To provide education and training, and work cooperatively and in partnerships with industry, government, other education and community sectors in the areas relating to sustainability.
- To support the development of ‘triple bottom line’ best practice in sustainability - that is, incorporating social, economic and environmental sustainability - in urban, regional and rural areas, both within Victoria and beyond.
- To operate as both a virtual and physical centre. It comprises an administrative hub, with nodes located in each of its member organisations.

NCS offers Diploma and Graduate Certificate courses in Sustainability. The Centre has helped developed several community projects including:

- Training and supervising Koori field officers engaged in pest plant and animal control across the Willandra Lakes World Heritage Area
- Assist 40 Mallee dryland farmers to develop environmental action plans for their properties
- mentoring women in rural industries through the Empowering Women with Sustainable Leadership Capacity initiative,
- the construction of an Eco-living Demonstration Centre in Swan Hill to showcase innovative design techniques, promote eco-friendly products and demonstrate environmental building practices.

### Key facts and figures

- Group training organisations (GTOs) are the key training intermediary in the country
- They employ over 40,000 apprentices and trainees nation-wide which includes:
  - 20% of all traditional apprentices rising to 40% in specific trades in certain States/Territories
  - 20% of all Indigenous apprentices and trainees
  - 20% of Australian School-based Apprentices (ASbAs)
  - 10% of apprentice and trainees with a disability
- They work with over 100,000 host employers.
- Many also offer services allied to their core group training function eg RTOs, Job Network Members, Australian Apprenticeship Support Service providers

### New Initiatives

- A new **National Group Training Indigenous Employment Strategy** which will be rolled out in coming weeks. Key features of the strategy include:
  - Training for key GTO staff in working more effectively with Indigenous people and their communities
  - 300 apprenticeship and traineeship placements by November 2008
  - Working with the Indigenous Land Corporation (ILC) to make additional placements on ILC properties in remote communities
- GTA released key policy documents in 2007. With increased funding, GTA believes the **group training network can improve vocational education and training outcomes** by:
  - Working more closely with secondary schools to improve student transitions through school, and from school to employment and training;
  - Preparing young people who lack the foundational skills to undertake an apprenticeship with the means to do so and providing the support that is necessary to get them through their training and into employment or self-employment; and
  - Assisting adults to retrain or upskill including people who are currently on income support and are looking for ways to return to a work through vocational education and training
- **GTA has initiated a debate on the living standards of apprentices** with the release of the report *Living Standards of Apprentices*.

## Who we are

- An independent public interest enterprise created in 1988 by Lend Lease shareholders to acknowledge the contribution of Dick Dusseldorp to the company. We focus on Australia's competitive strengths, its youth, and the country's skills base
- Catalyst for significant legislative, policy & practice change in education and training

## New Initiatives

**Youth leading the low carbon economy:** DSF is acting as a catalyst for *Y Green* projects in three states that combine home energy and waters audits with skill development and work opportunities for young people from the local community. The key principles are:

- Local young people as the home auditors
- Skill development, training and recognition for the young people involved
- Genuine positive environmental outcomes

The project has been inspired by the California Youth Energy Services (CYES) that in 2007 employed and trained 85 young people to provide energy saving services to 1800 households in the San Francisco Bay area. The CYES prepared these young people for entry level positions in many job fields.

**Skills and Innovation for a low carbon economy:** DSF is partnering with the CSIRO to develop a major report on the application of knowledge, skills and Australia's human capital base to the industrial and technical challenges of climate change.

**Greening the international skills competition:** DSF is working with the WorldSkills movement to measure the ecological footprint of these competitions and to develop a benchmark for the future. The WorldSkills Australia event in Sydney in July 2008 will provide a blueprint for total event sustainability in future years.

**Partnerships With Indigenous Education Workers (IEW) & School Principals:** Indigenous Education Workers are para-professional, school-based educators placed in schools with high enrolments of Indigenous students, that specialize in teacher, student, and community support. There are more than 2200 IEWs, funded by state and Commonwealth governments, in public and Catholic primary and secondary schools. They represent an important but underdeveloped resource in the task of improving Indigenous educational participation and achievement.

DSF is partnering with Dare to Lead to build the capacity of IEWs to create stronger indigenous community partnerships with their particular school. It will involve close liaison between principals and IEWs, identify learning needs in IEWs and provide mentoring and learning opportunities that both bring the community closer to the school and develops skills in the IEW.