

## **ACTU Workforce Development Strategy Consultation**

### **Overview**

- A new narrative is required that places skills at the centre of the productivity debate. Skills acquisition – qualifications required for occupations – must be seen as central to ensuring a robust economy that continues to grow.
- The myths around skills shortages – and the associated knee-jerk responses – need to be exploded.
- The workforce development framework – with skills as its centre piece – must be interwoven into the debate on productivity. There is an opportunity for Skills Australia, through this work, to set the discussion on a broad front.
- In particular the discussion has to incorporate sustainability of effort.

### **Definitions**

- Support the definition of WFD. It appropriately incorporates a sense of life long learning.
- The 'just in time' approach to training must be rejected. Such an approach continues to contribute to the seeming skill shortage and the short term responses to systemic problems. A long term approach to training is required.
- Training must be focussed on what will sustain people for the working lives – not what an employer needs now.
- The recent refinement of the definition of 'competency' through the NQC supports the long term view of training and training needs.

### **Whose interests are being served?**

- Arguments about mobility are misleading – a small number people change jobs often but most remain in the same industry and/or occupational area. Changing jobs in any event is not the same as and should not be confused with changing occupations.
- Even if there is mobility between occupations we need to ensure that those changing occupations have the core skills that ensure their capacity to effectively change jobs.
- We need to strengthen the concept of occupations – recent years have seen a fragmentation where specialisation is seen, incorrectly, as an occupation. We must enable the building of the core occupation with specialisation on top of this.
- The role of skill sets should be to build on full qualifications – that is a mechanism for upskilling and/or providing specialised skills in addition to a qualification.
- Skill sets cannot be seen as the base training outcome – this does not serve the interests of workers or the long term interests of employers or industry.
- The debate around workforce development needs to focus on the broader public interest – what the country needs in workforce development – including the capacity to create a workforce that has the capacity to adapt and change as the economy changes.

- Workforce development must be grounded in the long term interests of the economy and workers and employer/industry within that economy.
- The focus of the workforce development strategy must be that it can deal with many occupations effectively without suggesting that a raft of occupations will just be left to the market place. A workforce development plan must be all encompassing and not be seen to be 'particular' to specific occupations.
- Need to ensure that we are engaging the disengaged – encouraging young people into training and work and encouraging existing workers to increase their skills.

### **Workplace engagement**

- Crucial to the success of any workforce development model is engagement at the workplace level.
- In this respect brokers can play an important role in linking employers and workers to the training and assistance available. Such brokers should not however have a vested interest in the outcome – ie RTOs, AACs for example should not play a brokering role.
- Business needs must be identified in terms of the business and not in terms of a product being marketed.
- There is critical role for workplace representatives/workplace peers to be able to work with employees to support and assist them in accessing training available including access to foundation skills.
- Need to ensure that programs are structured in a way that brings the industry partners together to work cooperatively.

### **Using regulation and incentives**

- Need to find the balance between regulation and encouragement (ie carrots and sticks).
- There is a role for regulation in establishing a level playing field.
- There is a role for regulation in establishing standards that should apply, regardless of industry or occupation.
- Regulation can be used to establish workforce development outcomes – eg skill based career paths. The link between skills required in a job (ie qualification used) and pay provides an incentive to workers to upgrade their skills as this has a link to the pay they can receive. Employers may push back on this but not because they don't want the skills – they just don't want to pay for them. Regulation that supports a skill based career path in industrial awards and agreements is a good thing.
- Incentives can be part of the total picture but we should not leave it up to incentives to deliver the training outcomes required. These must be appropriately balanced.
- Need to have the right levers in place to encourage the industrial parties to work together and provide support where they are driving real change and real improvements in skills outcomes