



Workforce Futures:

Towards an Australian Workforce Development Strategy

Skills Australia would like to hear your views on *Workforce Futures* and welcomes your written submission by **6 November 2009**.

To assist with the analysis of submissions received, we request that feedback is provided using this template. Your co-operation is appreciated.

Submissions received may be published by Skills Australia or quoted. Please indicate in the space provided below if you would like your submission to remain confidential.

Please email submissions to secretariat@skillsaustralia.gov.au

Submission information

Organisation Career Industry Council of Australia (CICA)
As the national peak body, the Council's vision is to enhance participation and productivity by advocating the individual, social and economic benefits of quality career development for all Australians.
CICA represents national, state and territory career practitioner organisations.

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Do you agree to the publication of your submission?
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Workforce Futures:

Background Paper One

What does the future hold? Meeting Australia's skill needs

The *Workforce Futures Overview* paper raised a number of questions relating to Skills Australia's proposed approach to developing an Australian Workforce Development Strategy. In this section, we seek your feedback on questions relevant to meeting Australia's skill needs. *Background Paper One* at www.skillsaustralia.gov.au/Publications_and_Resources highlights a number of issues for discussion which are relevant to your response.

Please provide feedback to these questions in the boxes below. A space has been provided at the end of the section to provide feedback on other issues you wish to raise.

Future skill needs and projections

Q1. Are Skills Australia's interpretations of our future skill needs reasonable? Is there other evidence or analyses that should be considered?

A significant gap in Skills Australia's Strategy is the skills needs of individuals to effectively manage their future. Internationally, there is a growing belief that in order to improve the effectiveness of education systems and labour markets individuals need well-organised Information Systems, objective and well-informed sources of advice and the skills to be able to make choices and to manage their own futures.

The choices and decisions individuals make in relation to learning and work significantly determine the nature and quality of their lives; the kind of people they become, the sense of purpose they have; the income at their disposal. And it impacts on the social and economic contribution they make in communities and societies of which they are a part.

Poor choices result in poor completion rates, low levels of learner engagement and motivation, poor transition rates to further learning, poor transitions into the labour market and high levels of labour market turnover, reducing productivity levels and increasing levels of unemployment.

Further evidence and analysis is required to build on existing career development services to meet the current and future needs of individuals. Of particular interest is the Australian Blueprint for Career Development. This resource notes an OECD finding that career services for adults is limited in Australia.

A risk-based approach

Q2. What is your response to our proposal that governments should adopt a risk-based approach to skills planning? What do you see as the respective roles of industry, governments, education and training organisations and individuals in planning?

CICA agrees with a risk-based approach to skills planning in relation to key occupations as identified under Skills Australia criteria. As part of a strategy we would like to see the implementation of a whole of life approach to provision of career development services. Clearly recruitment, completion and retention rates within identified occupations are unsatisfactory and current approaches can be improved. To make informed choices about these occupations individuals need access to a range of career services.

Investment to support workforce demands

Q3. How can we best use current investments to support our emerging workforce demands? What types of interventions may this require from governments, education and training organisations, industry and others?

CICA supports the OECD findings in relation to emerging workforce demands .The OECD found that the quality of their national career system is particularly important in three respects:

1. **It is important for effective learning.** If individuals make decisions about what they are to learn in a well-informed and well-thought-through way, linked to their interests, their capacities and their aspirations, and informed realistically about the opportunities to which the learning can lead, then they are likely to be more successful learners, and the huge sums of public money invested in education and training systems are likely to yield much higher returns.
2. **It is important for an effective labour market.** If people construct career paths and secure employment which utilise their potential and meet their own goals, they are likely to be more motivated and more productive, and therefore contribute to enhancing national prosperity.
3. **Career development has an important contribution to make to social equity, supporting equal opportunities and promoting social inclusion.** It can raise the aspirations of disadvantaged groups and give them access to opportunities that might otherwise have been denied to them.

Ironically, young people undertaking study in schools, TAFE and University are preparing for roles that may not have been invented yet. Consequently, a stronger focus on development of career management skills is now required to prepare young people to make a significant number of transitions throughout their working life. In Australia, these career management skills are defined in the Australian Blueprint for Career Development.

Proposed actions

Q4. Do you have any comments about any of the specific actions suggested in Section 4.3 of Background Paper One?

The risk of the strategy described in 4.3 is lack of focus on preparation of the individual to fit into workforce development policy requirements. Recent OECD reports indicate that more work needs to be done in this area. Career development has a significant role to play in relation to workforce development and associated policies.

Career development is the process of managing life, learning, and work over the life span. Career development focuses on identifying capacities, competences and interests, to make educational, training and occupational decisions and assists individuals to manage their life paths in learning, work and other settings in which those capacities and competencies are learned and/or used.

Career development services aim to assist people of any age and at any point throughout their lives to make educational, training and occupational choices and to manage their careers. It covers a range of individual and collective activities relating to information-giving, counselling, competence assessment, support, and the teaching of decision-making and career management skills.”¹

Under recent COAG partnership agreements, states and territories will have significantly greater responsibility for delivery of career development services to meet initial COAG career transition targets.

However, to maximise leverage from the myriad of often competing career development services an overarching national coordination approach is required if national workforce development priorities are to be met.

In addition, further support is required for expanding the current evidence base underpinning more than \$700 million of federally funded career development services. In particular research needs to be undertaken to develop stronger evaluation techniques and improved resources.

¹ EU, 2008.

Impact and ways to improve Skills Australia's proposed approach

Q5. How might our suggestions impact on your organisation/industry? Can you see advantages or disadvantages to our proposals? What could we do about it? What else should we be considering to make our future planning even better?

CICA welcomes these reports. They enhance our view that the ongoing mismatch between supply and demand of skills can in part be addressed by the implementation of more effective career development initiatives.

In relation to the careers industry, CICA has established standards for career practitioners, is endorsing courses that meet these standards and is promoting continuing professional development to achieve quality improvement in career service delivery.

We also see value in developing national guidelines and establishing a national stakeholder task force to provide input into the shifting focus in delivery of career services in Australia.

In reviewing these three papers we are also faced with a challenge. The limited mention of career development/transition/pathway suggests an underlying assumption that adequate levels of career services are in place to facilitate the outcomes required of a national workforce development strategy. Put simply, that is not the case.

A broader question is required. What national approaches are required to improve career development services in Australia that would support the implementation of Australia's workforce development strategy?

Other comments

Q6. Do you have any other comments in relation to meeting Australia's skill needs or issues raised in *Background Paper One*?

Specifically, the paper needs to make a statement supporting whole of life access to career development services similar to our economic competitors e.g. European Union. CICA supports comments made in relation to indigenous students and workers with disabilities. However, there does not seem to be a clear understanding of the broader diversity within the labour market and the range of interventions that might be required to support their transitions throughout their working lives. For example, the quality of specific careers development interventions for indigenous people is underdeveloped and in its current form will need to be addressed.

Indeed, CICA is concerned that in some circumstances a lack of understanding of the changing nature and culture of work is impeding entrance into areas of likely skills shortage.

Critical to workforce development is the Bradley review proposal for a Demand driven education system. Such a system is predicated on individuals having the information and support required to undertake courses of study that will meet both their needs and national priorities. The bridge between the national policy agenda and service delivery remains relatively weak.

Although the report makes reference to international students and the potential reduction in those seeking permanent residency, clearly they will remain an important component of any workforce development strategy. Utilisation of international students in part depends on how we prepare them for work in Australia and internationally.

CICA also noted that no case was made for organisational career development. By way of illustration, it is often stated that there is no shortage of nurses per se. The shortage has arisen because many nurses do not wish to work in the current structures and as a consequence have left the profession. Training an increasing number of students to undertake nursing on a relatively short-term basis is an expensive proposition. Strategies that go beyond looking at the skill needs but support some adaptation of the environment to improve retention are also required.

This workforce development strategy is in line with the government's intention to strengthen Australia's human capital. This is a goal which must be applauded. However, if enrolments from SES target groups are to be achieved then better support mechanisms will be required in both the vocational education and training and higher education sectors. A recent LSAY report clearly indicated that SES target groups find effective career development services particularly beneficial to achieving their learning and work goals.



Workforce Futures:

Background Paper Two

Powering the workplace Realising Australia's skill potential

The *Workforce Futures Overview* paper raised a number of questions relating to Skills Australia's proposed approach to developing an Australian Workforce Development Strategy. In this section, we seek your feedback on questions relevant to realising Australia's skill potential by powering the workplace. *Background Paper Two* at www.skillsaustralia.gov.au/Publications_and_Resources highlights a number of issues for discussion which are relevant to your response.

Please provide feedback to these questions in the boxes below. A space has been provided at the end of the section to provide feedback on other issues you wish to raise.

Time for the next step in progressing Australian workforce development?

Q7. Is it timely to adopt an innovative approach to skills that includes a focus on how skills are used and is linked to the way work is organised? How relevant do you find the definition of workforce development offered by Skills Australia (see Paper Two, Section 1.1)? How could it be improved?

In terms of timeliness CICA recognises that the nature and structure of work itself is changing and therefore an innovative approach needs to incorporate how individuals manage themselves and adapt in this dynamic climate.

CICA supports the definition in this paper because it is broad enough to encompass career development. CICA would however want to include as an outcome that individuals have improved capacity to manage their future.

Encouraging workforce participation and improving productivity

Q8. How can we link education and community-based strategies to build the level of workforce participation in Australia? How can we ensure our workplaces make effective use of people's skills and knowledge? What do you think are the pluses and minuses of localised, regional or industry-based approaches?

Effective career development is a lynch pin between education and employment. At its most effective individuals have access to career information when and where they need it. Individual and customised service delivery is available in a number of formats from online, telephone and in person. Access to work integrated learning is a component of all courses. Services are mapped to the Australian Blueprint for Career Development. A significant proportion of Australians have not had the opportunity to develop career management skills that will enable them to make effective transitions throughout their working and learning lives. Additional services are available at key transition points. These might include preparation for new entrants into the workplace, assistance for existing workers to adapt to new arrangements within the workplace, and support for workers to re-enter the labour market.

Effective career development services can:

- Improve retention and completion rates
- Improve social inclusion processes
- Be a catalyst to productivity improvement
- Be a go between - a major connecting agent between stakeholders
- Increase knowledge and understanding of education and employment opportunities
- Increase self-awareness
- Make people more confident in their career decision making
- Result in a wider range of career options being explored
- Improve job-search skills.

A national approach

Q9. Do we need a shared national workforce development framework to link and coordinate the range of activities being undertaken across Australia? What elements should it contain? What might be a good outcome from having a shared framework?

To maximise outcomes from workforce development strategies an overarching national approach is required if some fracturing of the strategy is to be avoided.

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While the elements indicated in paper 2 broadly cover those required of a workforce development strategy a notion of "people related issues" is too general. It's a central element and needs to be scoped out further. If you want to support knowledge economy development then a clearer statement on how to prepare individuals to manage their knowledge, skills and abilities is required. The task is complex. Government policy needs strengthening and so does support for organisational career development.

One important element is one that supports all Australians to develop the skills to manage their future.

Impact of workforce development

Q10. What impact would a workforce development approach have for your organisation and/or industry? How might government support or facilitate change, thinking about both the productivity and the workforce participation aspects?

Fundamentally, this strategy will require a large increase in the number of trained career development practitioners. Further development of the evidence base will be required and a body to undertake that work will need to be established. CICA is currently embarking on establishing a body to undertake some of this research. Government has an important role in contributing to quality improvement in the sector and funding the development of an Australian evidence base.

CICA also proposes consideration of career education as a mandatory part of the national curriculum as is the case in England, the Czech Republic, Denmark and Finland.

Strategic priorities and leadership

Q11. What is your response to our proposed strategic priorities? What are the implications for your organisation/industry? Who might take leadership responsibility for these different elements?

CICA supports the strategic priorities outlined in paper 2. As previously indicated the implication for the career industry is to have in place quality practitioner services and information to support the implementation of the priorities. While CICA has a leadership role in this area, clearly it also requires the leadership and resources of the Commonwealth state and territory governments, and industry and educational representatives. We believe that there is merit in developing a national strategy for improving the quality of career service delivery and establishing a national careers task force to monitor quality improvement.

Linking framework and funding

Q12. How can we strengthen the linkages between government agencies and organisations responsible for education and skills on the one hand, and business development and innovation on the other? Can you envisage different program arrangements or funding flows?

In a sense, the implementation of effective career development services across the lifespan provides one bridge amongst many to link various organisations. Whether it is mentoring, work integrated learning, work shadowing, labour market and industry information there is obviously a clear link to career development. Australia is yet to fully utilise career development as a vehicle to achieve significant policy outcomes and to enhance links between education and training and business.

Other comments

Q13. Do you have any other comments in relation to realising Australia's skill potential or issues raised in *Background Paper Two*?

The Career Industry Council of Australia congratulates Skills Australia on developing these excellent papers and facilitating the development of national workforce development strategy. We would like to reiterate the need for a comprehensive approach to the further improvement in Australia's national career development system to meet key priorities. The OECD found that there are 10 features of an effective national career development system. The ten features are:

- Transparency and ease of access over the lifespan, including a capacity to meet the needs of a diverse range of clients.
- Attention to key transition points over the lifespan.
- Flexibility and innovation in service delivery to reflect the differing needs and circumstances of diverse client groups.
- Processes to stimulate individuals to engage in regular review and planning.
- Access to individual guidance by appropriately qualified practitioners for those who need such help, at times when they need it.
- Programmes for all young people to develop their career-management skills.
- Opportunities to investigate and experience learning and work options before choosing them.
- Access to service delivery that is independent of the interests of particular institutions or enterprises.
- Access to comprehensive and integrated educational, occupational and labour market information.

Active involvement of relevant stakeholders.