



**Skills
Australia**

Skills Australia Workplan 2009

Our Vision



Australia's skills and workforce development needs are anticipated and met and that skills are utilised to secure a prosperous and productive future.

Our Mission

The mission of Skills Australia is to provide independent and high quality advice to ensure the government's investment in training is targeted to; promote the development of a highly skilled workforce, increase workforce participation, meet the needs of industry and increase Australia's productivity.

Introduction

The Australian Government is placing a high priority on meeting the nation's skills needs. Its Skilling Australia for the Future policy sets out a range of new initiatives to support workforce development.

Skills Australia was established in April 2008 as an independent and expert board to provide advice to the Government on Australia's current, emerging and future skill needs; and on current, emerging and future workforce development needs.

Providing advice on future skills needs is a complex task. This is due to the volatility of the economy and the dynamics of the labour market in responding to economic changes.

Despite the challenges in anticipating future skills needs it is important to undertake this work so as to enable effective planning for the education and training sector and to provide information about opportunities for those people who are considering commencing or advancing their career through education and upskilling.

Drivers of change

There are many factors that will influence our future skills requirements, these include:

Economic Factors the Australian economy has been restructuring under the trend of increasing competition from economies such as China and India, both of which are developing their manufacturing and knowledge based capabilities. This presents both threats and opportunities for Australia, as it creates demand for our resources but also leads to lower skilled jobs moving offshore. In the context of increased global competition we must grow our capacity to take up high skilled job opportunities and employability skills to meet the needs of the growing services sector.

Despite the current financial crisis we do need to take the longer view. Previous recessions have taught us that cost cutting leaves the country in a parlous state in terms of our skilled capability. We need keep an eye to the future to be ready when the economy recovers.

Demographic changes require that we focus on the future is important because Australia's underlying ageing population and relative participation rates creates a long-term skill issue.

Social considerations require that we look at ways to increase the participation of those people who are under represented in the workforce. Education is critical in this regard. The evidence clearly demonstrates the link between education, improved workforce participation - over a person's working life and a positive correlation with increased earnings and productivity.

Technology is ever more integrated in everything we do and provides opportunities for improved innovation and productivity if we have the capacity to utilise these opportunities.

Sustainability of the environment and our resources is having a growing influence on government policy, industrial operations and consumer choice. We need to better understand the implications of carbon pollution reduction responses on jobs and education and skills needs.

Our Stakeholders

Skills Australia aims to provide advice that meets the skills and workforce needs of the Australian economy ranging from unskilled to professional. The Board recognises that in regards to vocational training the primary responsibility for managing education and training lies with individual State and Territory governments and therefore it is essential that Skills Australia works closely with its stakeholders within industry and the States/Territories to develop an integrated approach to skills and workforce development needs.

In addition, the board recognises that while the development of Human capital is a crucial factor to Australia's competitiveness, knowledge for it's own sake does not represent the most effective investment of training resources and is of no commercial benefit. Hence, the economic imperative underlying the work of Skills Australia is to ensure that the skills and knowledge delivered by the education and training system are used and useful. This is why the role of industry is critical to ensuring skills are used effectively. Skills Australia's relationship with industry is primarily through the Industry Skills Councils.

The success of the outcomes Skills Australia is seeking relies on developing cooperative working relationships with a broad range of people and organisations that share an interest in workforce development needs including but not limited to:

- ▶ The Minister for Education
- ▶ Industry as represented by Industry Skills Councils, Professional associations, peak associations, business and employee representatives
- ▶ States and Territories and the relevant training authorities and through them the industry advisory bodies within each jurisdiction
- ▶ Individuals accessing education and training
- ▶ Providers of Education and Training including both Vocational and Higher Education
- ▶ Commonwealth government agencies
- ▶ Research organisations



Principles

Skills Australia's advice and operations will be underpinned by the following principles:

Leadership We will take the strategic perspective to achieve outcomes that strive to the aspiration to have the best educated, best skilled workforce in the world. We will provide leadership, face challenges and tackle the difficult issues in the interest of increasing productivity and delivering benefits to individuals and the nation.

Commitment We support a training system that delivers knowledge and skills of high quality that can be useful and used. We are committed to a nationally based system of recognised competencies to meet the needs of industry and support mobility of skills and a framework that provides ease of access for users to engage with the system.

Respect and Inclusiveness We aim to build relationships with our stakeholders based on trust and collaboration. We will act as an honest broker, listening to the views of all stakeholders. We will respect different views, act with integrity, openness and honesty, be fair and credible, and share knowledge and information.

Flexibility We will provide advice to support reform of the national training system where it is needed, be willing to change and continuously improve our actions through a learning approach.

Evidence based approach We will conduct and commission research that complements our objectives and will provide advice based on critical analysis and sound evidence.

Public interest Our advice will aim to ensure that education and training is directed to those areas that best address the public interest in supporting productivity improvement, increasing workforce participation, lifting the capacity of individuals to participate in the workforce now and to adapt to the future challenges arising from technological and other changes.



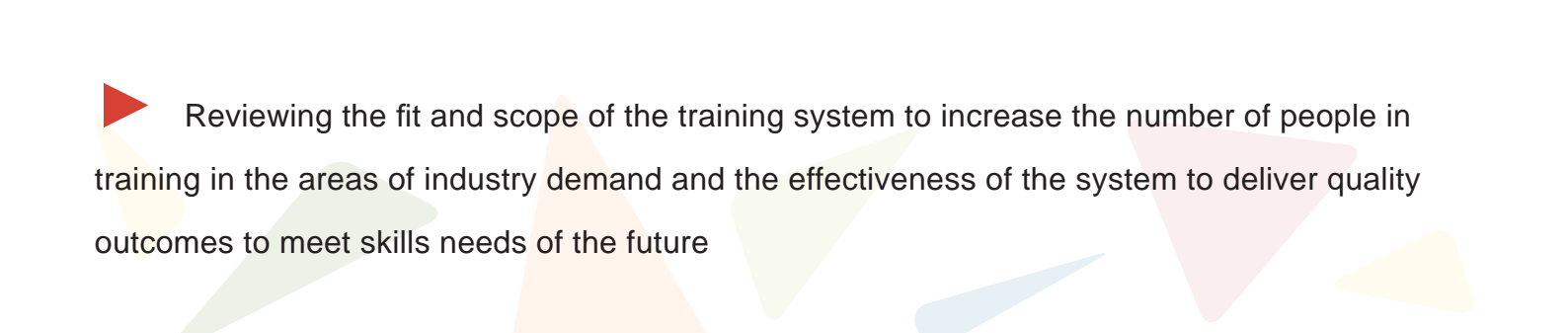
Objectives

The goals and objectives of the work of Skills Australia as set out below are primarily defined by the Skills Australia Act 2008.

- ▶ Analyse current and emerging skills needs in the Australian economy, both for the economy as a whole and within industry sectors. Provide the Government with recommendations on current and future skills needs to inform decisions aimed at encouraging skills formation.
- ▶ Assess evidence from commissioned research and industry stakeholders to inform Australia's workforce development needs.
- ▶ Widely distribute information from research and consultations with stakeholders to enable entrepreneurs, businesses and workers to have the necessary information to inform their training and employment decisions.
- ▶ Provide advice on and drive ongoing reforms to the education and training sector, including on priorities for the investment of public funds.
- ▶ Establish and maintain relationships with relevant state bodies and authorities to inform its advice on current and future demand for skills and facilitate alignment of priorities for responses to skills needs.

The strategies that have been identified to achieve these objectives are outlined in the attached plan. Within this overall brief, the Minister for Education, The Hon Julia Gillard MP has identified the following priority areas for the work of Skills Australia:

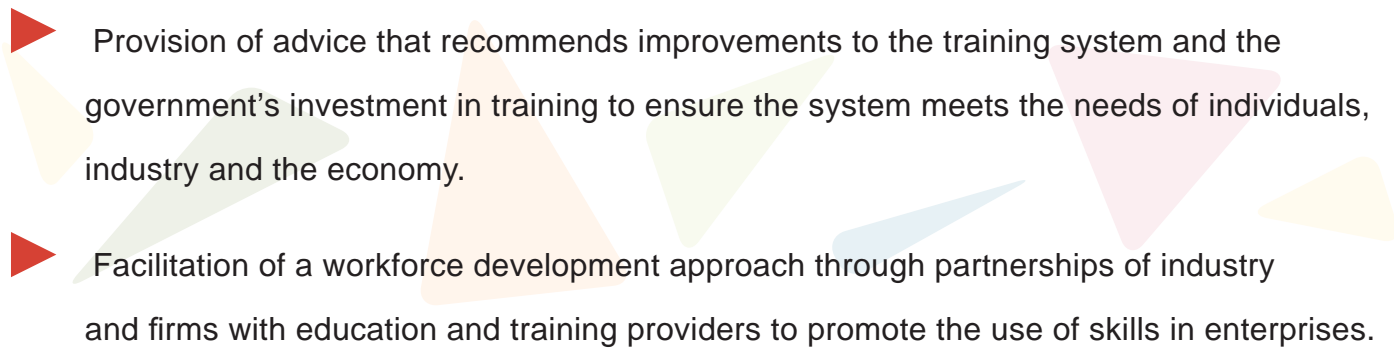
- ▶ Identifying where skills are needed in Australia in the future with consideration to economic changes, the new economy and new occupations in the future
- ▶ Advising the Government on the deployment of training places under the productivity places program in terms of delivering the Government's policies of increasing education outcomes, addressing the future workforce participation challenges, improving productivity outcomes and addressing inflationary pressures



▶ Reviewing the fit and scope of the training system to increase the number of people in training in the areas of industry demand and the effectiveness of the system to deliver quality outcomes to meet skills needs of the future

Our success will be measured by:

- ▶ Provision of relevant evidence based advice to government which demonstrates collaboration with stakeholders.
- ▶ Provision of advice about future employment and skills needs and the development of a national skills plan and strategy which builds on the planning efforts undertaken at the state and regional level and incorporates input from industry stakeholders. Including providing advice on the allocation and effectiveness of training provided through the Productivity Places Program.
- ▶ Implementation of strategies that facilitate a comprehensive and integrated planning of Commonwealth, state government and industry training effort.
- ▶ Establishment of a strategic framework for industry collaboration to progress skills and workforce development issues of strategic importance to industry.
- ▶ Improvements in data for planning and information are achieved through agreed categories and improved data standards.
- ▶ Development of a credible and well regarded research agenda which provides evidence to support policy and reform in the sector.
- ▶ Advice on the development of a mechanism to inform the general public of outcomes delivered by quality training and training providers.
- ▶ Provision of advice on the governance and architecture of the training system via examination of the ways in which the framework can be renewed to reinforce the role of industry and maximise the effectiveness and efficiency of governance arrangements.

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- ▶ Provision of advice that recommends improvements to the training system and the government's investment in training to ensure the system meets the needs of individuals, industry and the economy.
 - ▶ Facilitation of a workforce development approach through partnerships of industry and firms with education and training providers to promote the use of skills in enterprises.



Objective: Analyse current and emerging skills needs in the Australian economy to provide the Government with recommendations on current and future skills needs to help inform decisions to encourage skills formation.

Develop a national skills strategy based on an integrated and inclusive approach to policy development and planning involving State Training Authorities and industry.

A scenario planning approach will be used to deal with the dynamism of the economy and the labour market to support policy and planning for the education and training system. The scenarios will include consideration of green economy models and workforce development models.

Conduct an annual review of skills needs based on macro economic data and input from industry, in particular the ISC environmental scans. Identify the critical areas of education and skills investment based on those skills that take longer to acquire and/or require significant establishment time for training providers.

Provide advice to support long term productivity outcomes during times of economic downturn.

Make best use of current capacity for skills planning by improving coordination and information sharing between ISCs and government agencies already involved in skills planning.

Objective: Assess evidence from commissioned research and industry stakeholders to inform Australia's workforce development needs.

Develop and implement a research strategy to ensure an evidence-based approach to Skills Australia's advice.

Priority areas for research in 2009-2010 include workforce planning scenarios, workforce development, especially to work in collaboration with ISCs and state/territory training authorities to understand the forces driving change and gather data on how to most effectively engage with these forces. This will aim to reach broad agreement from stakeholders on the categories used for gathering and presenting data, to enable better integration of data from a range of sources and improve the standards of data collection to support well informed policy and practice in workforce development practices.

Other areas for priority include research on good practice in structural adjustment schemes, evaluation of the Productivity Places Program and the framework for market design and governance of the VET sector.



Objective: Widely distribute information from research and consultations with stakeholders to enable entrepreneurs, businesses and workers to have the necessary information to inform their training and employment decisions.

Activities that Skills Australia will undertake to drive reform includes:

Providing advice on the allocation of training as provided under the Productivity Places Program.

Evaluating the outcomes of the PPP to ensure that skills investment is directed to areas of need and that training delivered through the program delivers employment outcomes and is delivered in areas of assessed skills needs.

Providing advice on the governance and architecture of the national training system. Examine ways in which the framework can be renewed to reinforce the role of industry and maximize the effectiveness and efficiency of governance arrangements. Consider this in the context of the whole tertiary sector and with particular regard to market design and regulation of the National Training System.

Promoting arrangements that strengthen the capacity of providers and business to build the deeper and broader skills required in the future.

Considering the incentives to train for individuals and other measure which aim to increase training especially by older people.

Objective: Provide and drive ongoing reforms to the education and training sector, including on priorities for the investment of public funds.

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Promoting arrangements that strengthen the capacity of providers and business to build the deeper and broader skills required in the future

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Objective: Establish and maintain relationships with relevant state bodies and authorities to inform our advice on current and future demand for skills and facilitate alignment of priorities for responses to skills needs.

In conjunction with the Industry Skills Councils and with the State Training Boards, establish agreements which facilitate a collaborative working relationship with industry partners.

Convene a framework of collaborative action with industry stakeholders to agree the strategic direction and industry's role in regards to workforce development, the green economy and the broader innovation agenda and response to the Global Financial and Economic Crisis.

