Regional initiatives: Education and Skills Training initiatives across ASEAN

Industry Roundtable, Jakarta, 18 September 2013

Kym Hewett, Senior Trade Commissioner, Australian Trade Commission, Jakarta
WHAT I WILL COVER

1. Background: Austrade Skills Development Initiative
2. Employer Survey: Objectives/Scope/Findings
3. Skills Development Mission to ASEAN
Background

• ASEAN Workforce Skills Development market initiative
• Institutional model to industry partnership model
• Initial focus on Indonesia with TAFE Director’s Australia (TDA)
• Expanded project early 2013
Objectives of Employer Survey

Finding a new ‘industry centered’ model:

1. Trends, similarities, differences industry needs.
2. Priority skill sets/technical gaps
3. Preferred delivery modes and partnership
4. Broader contact base to identify commercial training opportunities for Australian providers.
Survey Scope – 6 Markets

- Vietnam
- Thailand
- Philippines
- Malaysia
- Singapore
- Indonesia
## Survey Scope – 300 companies (50 in each market)

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Key drivers for training needs - Indonesia

Automotive Manufacturing
• Production forecast to increase from 800,000 units to 1.5 million units by 2017.

Hospitality/Food Safety
• Training needs of retailers and hotels growing as Indonesian ‘consuming class’ now estimated at 45 million and forecast 85 million by 2020

Mining
• Rapid growth, creating training needs in workplace health and safety and environmental management
Key drivers for training across other markets

Philippines: Business Process Outsourcing (BPO)
• 2017 US$25 billion revenue; 1.3 million jobs and 3.2 million indirect jobs.

Vietnam: Mining
• Legislative change prohibit export raw unprocessed materials.

Singapore: Allied Healthcare
• Government subsidies for training highest and limited local providers. Growth of ‘regional medical ‘hub’.

Thailand: Hospitality/Tourism
• 2012 tourist arrivals >22 million (900 000 from Australia). Projected to be 24 million in 2013.
High Level Findings - Indonesia

- Industries: Agri-Food; Banking and Finance; Hospitality & Tourism; Industrial/Manufacturing; Mining; IT
- 92% of the respondents across all industries are experiencing shortages in soft skills.
- 43% of the respondents across all industries face shortages in technical skills related to the job requirements.
- Most employers indicated English language skills needs (speaking and listening to intermediate level)
- Most organisations were already engaged with private universities, polytechnics and BLK for employee training.
- The top 3 common linkages with providers are:
  – Provision of mentorships/internships
  – Recruitment of graduates
  – Delivery of customised training by local/foreign training providers
High Level Findings – all markets

- Soft skills gaps across all industries and markets:
  - project management; leadership; Occupational Health and Safety; basic workplace and admin)
- English proficiency all industries and markets.
  - Vietnam and Thailand highest response
- Industries with highest employment growth have largest training budgets.
High Level Findings – delivery modes

- Only small groups of senior management would be sent overseas for training.
- Greatest demand for in-house, on-the-job, tailored training solutions on-site during office hours.
- English preferred mode of instruction across markets for senior staff (except Thailand and Vietnam local language may require partnership with local providers for delivery).
High Level Findings – opportunities across sectors

• Holistic training pathways e.g. English – Soft Skills – Technical Skills
• Not limited to VET sector
  – BPO sector in Philippines seeking Australian University Executive Programs
  – Mining sector in Vietnam seeking both VET and Higher Education partnerships with local specialist universities (e.g. HUST)
High Level Findings – ASEAN Economic Community

• 2015 Association of South-East Asian Nations (ASEAN) will commence the ASEAN Economic Community (AEC)
• Combined population >566 million
• GDP >US$1.173 trillion.
• Open borders - increase trade and economic growth
• Companies indicated a low awareness of AEC
• Expected growth in worker mobility
• Significant training implications
AEC – potential for engagement with Australian providers

- Mutual Recognition Agreements (MRA)
- Development of Frameworks
- Teacher training
- Leveraging donor funding
- Curriculum development
- Working with companies in target sectors
Skills Development Mission to ASEAN Oct/Nov 2013

• Dates:
  – Indonesia, 22–23 October
  – Philippines, 24–25 October
  – Vietnam, 28–30 October
  – Thailand, 30–31 October
  – Myanmar, 1–2 November

• Apply by: 20 September 2013
Skills Mission – Focus Sectors by Market

- Indonesia: Auto; Hospitality/Food Safety; Mining
- Philippines: BPO; Hospitality/Tourism; ADB
- Vietnam: Mining (Minerals Processing)
- Thailand: Auto; Hospitality/Food Safety
- Myanmar: Hospitality/Services; Mining/Oil/Gas; Infrastructure; Construction; Power; Transport logistics
Further information

- Contact Austrade’s Education Commissioner, ASEAN, Peter Mackey:
  - Peter.mackey@austrade.gov.au
Thank you – Questions?