

Spotlight falls on TAFE to fix shrinking workforce -

SKILLS CRUNCH - HERALD INVESTIGATION

Brian Robins *The Sydney Morning Herald* April 27, 2011

THE state government has signalled a shake-up for tertiary education as it grapples with ways to respond to the skills shortage caused by workers moving interstate for the higher wages available in the resources industry.

The strong Australian dollar has already hurt employment in NSW and some companies have shifted production overseas.

The ageing population is creating more challenges for some employers who face a rising number of employees retiring over the next decade.

"Our jobs action plan is about making NSW more competitive, which is critically important with the boom going on," the NSW Treasurer, Michael Baird, told the Herald yesterday.

"More broadly we do have concerns with the skills shortage and are considering ways we can more closely align the skills needed with our TAFE sector."

The head of TAFE Directors, Martin Riordan, said his organisation had been pushing for a move away from the traditional apprenticeship training system to cope with the skills shortage.

"It's a huge opportunity for the O'Farrell government to look at putting up funding for new models of skills training," he said.

Industry groups have been reluctant to approve accreditation for those who have not trained in the apprenticeship system, making it difficult to quickly solve skills shortages.

Government inquiries had considered the skills shortage but had been unwilling to advocate a move from the British apprentice system, Mr Riordan said.

But low apprenticeship completion rates and consequent skills shortages would continue unless there was a move to new skills-based systems, he said.

When the global crisis struck in 2008 the state government stepped in with policies aimed at ensuring apprentices would be insulated from the effects of the slowdown, with limited effect.

In NSW, TAFE has been working with employers such as Telstra and the construction firm Abigroup to increase their skills bases by evaluating staff skills and in some cases

creating one-off courses for their employees.

The NSW Chamber of Commerce said the education system did not ease a way into the workforce for school-leavers who did not proceed to university.

A chamber spokesman, Paul Ritchie, said: "We do need a debate around providing greater choice for year 11 and year 12 students who are doing the Higher School Certificate but who won't necessarily go to university.

"We need to provide them with broader employment options - and have a debate about it.

"It doesn't mean dumbing down the HSC," he said, but it might mean giving them the alternative of completing some subjects at TAFE while still at school, which could make school-leavers more employable.

One of the government's election promises was to cut payroll taxes for the first 100,000 jobs created under the new government, although details about how this plan will work are sketchy, as the legislation is yet to be tabled in Parliament.