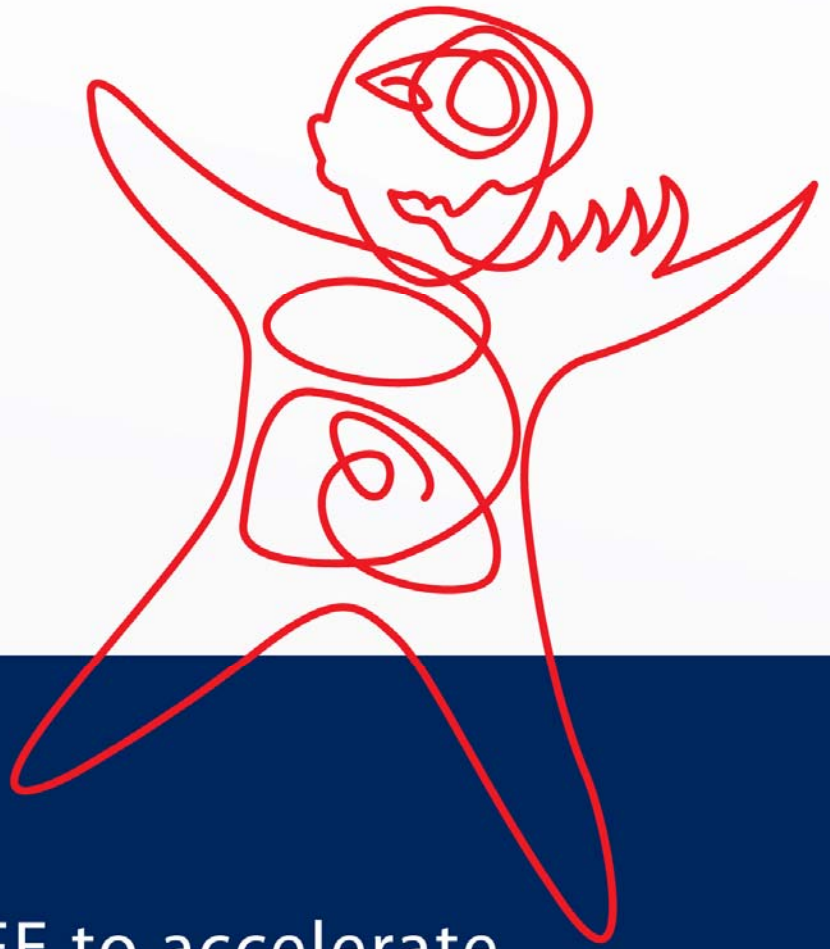


INVESTING IN PRODUCTIVITY!



Engaging TAFE to accelerate Workforce Development and Job Participation

RESPONSE TO THE COUNCIL OF AUSTRALIAN GOVERNMENTS' (COAG)
HUMAN CAPITAL REFORM AGENDA

TAFE DIRECTORS AUSTRALIA
MARCH 2007



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1. EXECUTIVE SUMMARY

***Investing in Productivity!* is a strategic package for the Council of Australian Governments (COAG) to see TAFE as an effective partner to Australia's nation building in skills.**

These are enterprise and innovation proposals to ensure Human Capital development is an effective and growing force in Australia.

The initiatives focus on three themes of enterprise and innovation, with a total of 12 proposals to deliver capability for TAFE to present a vision for vocational education in Australia. Highlights include:

- Introduction of an Australian Trade Diploma
- Extending a system similar to FEE-HELP, extending equal opportunity for students from universities to vocational education
- Articulation for industry training and enterprise courses
- Extension of the Victorian Youth Guarantee to all states and territories
- Extension of the Youth Guarantee to indigenous communities
- Extending industry R&D opportunities to vocational education institutions, matching the CRC Innovation programme with higher education
- Governance reform across states and territories

The outcome will elevate skills as a career preference for both younger and older Australians.

TAFE has grown to be Australia's largest educator. This market position comes with responsibility, and crippling skill shortages require better application of existing educational resources – including TAFE.

Investing in Productivity! is a statement mostly about confidence – in the brand and capability of TAFE, its people and their willingness to grow and further improve their own skills and technology, and competitiveness.

One surprising issue remaining for TAFE Institutes are protocols and systems of the past, which remain real blockages to servicing the demands of students and firms in an industry-led vocational education environment.

This paper outlines how TAFE can be unshackled from these impediments, and along with other reforms, deliver the paradigm shift needed with the forms of training required by Industry.

RECOMMENDATIONS - Investing in Productivity! 1 - 12 ideas to ease Australia's skills shortage.

ACCELERATE SKILLS DEVELOPMENT – THESE RECOMENDATIONS PROVIDE SOLUTIONS ON HOW TO INCREASE HUMAN CAPITAL IN AREAS OF SKILLS SHORTAGES AND IDENTIFIED AREAS OF FUTURE GROWTH.

1. SHORTER SPECIFIC SKILL APPRENTICESHIPS - Create a set of National Qualifications to officially recognise specialised apprenticeships and implement competency based apprenticeships, recently introduced in various Australian states, for specialist trades skills.



2. OFFSHORE SKILLED ASSESSMENT CENTRES - Increase the functions of the proposed COAG Skilled Assessment Centres to provide enhanced services to existing workers in countries where migration could be a high priority.

ADVANCE SKILLS DEVELOPMENT – THESE RECOMMENDATIONS AIM TO ENHANCE THE QUALITY OF HUMAN CAPITAL BY FURTHER RAISING SKILLS OF THE WORKFORCE AND PEOPLE HOLDING POST-SCHOOL QUALIFICATIONS.

3. ENTERPRISE QUALIFICATIONS - Work with industry to articulate the role of the associate professional in the enterprise and ensure VET qualifications are available or created to meet these needs.
4. ARTICULATION PATHWAYS - Increase the delivery of higher end VET qualifications that articulate to employment outcomes as well as higher level VET/university courses.
5. BUSINESS INCENTIVES FOR ACCREDITED TRAINING - Undertake a study into methods to increase private sector investment in VET including incentives both for the private sector and the VET provider.
6. R&D MODEL FOR INVESTMENT - Create a source of funding, similar to the Australian Research Council or Cooperative Research Centres programs and Australian Government Endeavour Scholarship Program, to encourage TAFE research and development.
7. TAFE GOVERNANCE - State and Territory governments to take note of recommendations from the vocational education reviews in Queensland (April 2006) and from NSW iPART enquiry (December, 2006) to enhance financial flexibility and governance accountability for TAFE Institutes, especially with TAFE increasingly delivering programmes at domestic and international platforms.

ACTIVATE SKILLS DEVELOPMENT – THESE RECOMMENDATIONS ARE DESIGNED TO IMPROVE EQUITY OF ACCESS TO HUMAN CAPITAL FORMATION SO THAT ALL PEOPLE CAN ENJOY AN ACTIVE AND PRODUCTIVE WORKING LIFE.

8. THE AUSTRALIAN TRADE DIPLOMA - Develop Australian Trade Diploma pilot programs in areas of critical skills shortages.
9. NATIONAL ROLL-OUT OF YOUTH GUARANTEE - Adopt the Victorian model of Youth Guarantee Australia-wide.
10. INDIGENOUS TRAINING GUARANTEE - Extend the Youth Guarantee to include indigenous people up to 30 years of age. This should be accompanied by new literacy and numeracy programmes.
11. FEE SUPPORT FOR VET - Adopt international practice by extending fee support for high level qualifications across the VET sector. These should be accompanied by literacy and numeracy programmes.
12. LITERACY AND NUMERACY - Extend the Human Capital Reform Agenda, specifically the high level outcomes on literacy and numeracy, to include adult key target groups.



2. INTRODUCTION

2.1 OUR PURPOSE

TAFE Directors Australia (TDA) has produced this 'White Paper' *Investing in Productivity* as a submission to the Council of Australian Governments (COAG).

The White Paper advocates solutions towards Australian skilling institutes to successfully lift Human Capital development, and job participation in Australia.

Both the geographic spread of TAFE Institutes, and their strategic market positioning offering skilled qualifications across most course types, indicates why it is critical for TAFE to successfully engage in the COAG reform agenda.

This White Paper to COAG is dedicated to solutions! And in the finest traditions of TAFE Institutes in Australia, the *Investing in Productivity!* package contains practical solutions - demonstrating how integrated measures can bring about change, especially across three areas:

- Learning for Life to motivate skills development for younger and mature aged Australians
- Investment options for business and individuals in TAFE
- How reforms to the structure of TAFE, and widening options of qualifications, can support expanding requirements for flexibility, client demands in changing markets and offshore delivery

Together these measures will lift workforce development and participation and contribute to a smarter Australia.

2.2 EMPOWERING PEOPLE THROUGH SKILLS DEVELOPMENT

INDUSTRY AND STUDENTS CHOOSE TAFE

One in three Australians participates in lifelong learning at any one time.

Students and industry are choosing TAFE at record levels (NCVER, 2005). TAFE Institutes have earned a solid reputation as a quality and open access source for those seeking vocational education. TAFE remains the largest post-secondary educator across the country, with strong leadership in accredited training – a key issue for the skills shortages.

Australian (ANTA) research showed Australia households trusted TAFE tradesmen and women (2003-04). Yet this set of market success factors also challenges TAFE in how it responds to the rapid changes in the workforce, and the paradigm shift demanded for training as world economies prompt rapid response rates for competitiveness. (Allen Consulting, April 2006)

Just 21% of Australians hold higher education qualifications and only one-third have attained vocational education qualifications. The task of outreaching wider population groups across Australia remains great as almost 50% of Australians remain without post-secondary qualifications.



TDA advocates a more assertive strategy to empower more Australians with the life-arm of qualifications, and vocational education and training. This covers youth and mature aged Australians. The strategy also reaches out to isolated indigenous communities.

TRIPLE A is designed as a productivity strategy. This achieves over-arching reach across structures and systems to overcome limitations on further skills development.

TRIPLE A addresses key client groups:

- **For Government policy** - Leverage the attributes of the national TAFE network of Institutes, to better engage younger and older Australians, and produce a wiser, more productive, and wealthier nation. Human Capital development is an aim articulated by the Productivity Commission, with strong evidence that vocational education can significantly lift Australia's long-term GDP, and better utilise TAFE infrastructure.
- **For TAFE clients**, especially our many hundreds of large and thousands of SME business partners - Develop a new culture of reform is essential to successfully service the vast paradigm shift in skills demanded from economic change accelerating across Australia.
- **For Training Package delivery** - Collaborate with Australia's 10 Industry Skills Councils, to further integrate enterprise vocational education into the workplace, and work together to widen qualification classifications enabling recognition of skills in the workplace.

TAFE - AUSTRALIA'S LARGEST EDUCATION BRAND

The emergence of TAFE as Australia's largest education brand – operating as individual Institutes across 6 different state jurisdictions, and two territory arrangements – is itself a major drawcard for regional developing markets seeking a quality vocational education system. The commercial and public sector response has been singularly focussed to achieve this outreach.

The World Bank/AusAID \$20M capacity building VET project in Chongqing, in western China, is indicative of the success to showcase the Australian VET system, as a quality brand with industry-led training - and proudly, TDA notes these gains have frequently been won by TAFE leadership.

2.3 THE TRIPLE A STRATEGY

This is how 'TRIPLE A' works.

- **Accelerate skills development** to increase human capital in areas of skills shortages and identified areas of future growth
- **Advance skills development** to enhance the quality of human capital by further raising skills of the workforce and people holding post-school qualifications
- **Activate skills development** to improve equity of access to human capital formation so that all people can enjoy an active and productive working life



The strategy advocates robust solutions to ease Australia's skills crisis and lessen the impact of any future skill shortages.

The capability of the strategy is strengthened by two driving factors:

- Practical solutions to bring significant growth to skilled industry enrolments and job placements
- Leveraging the comprehensive locations and demonstrated capability already operating in the skills delivery market by TAFE.



3. THE MARKETPLACE AND TAFE:

PARADIGM SHIFT THE KEY CHALLENGE

The Australian vocational education and training (VET) sector is undergoing a paradigm shift. There is a need for training providers to move quickly to a new enterprising role, with focus on skill development through multi-partnerships, innovation and customisation.

Industry and firms rely on TAFE to provide workforce development solutions. Increasingly there is a role with TAFE leading workforce development as a participation broker for skills development between the student and industry, firms and business.

In the social framework TAFE has a long established history in community development, mentoring and training roles. This is particularly true for groups which historically have not achieved their potential as key contributors to the economy because of a lack of appropriate skills. TDA believes the further development of employability, literacy and numeracy skills are significant drivers to increase workforce participation in these target groups.

Combined, this is a paradigm shift by TAFE from its role in delivering traditional trades training, to leading the way to improved industry and enterprise schemes, workplace training, along with community and regional development. This extends to facilitating integrated learning, among other solutions, to achieve greater workforce participation and productivity.

TAFE – TOWARDS AN INNOVATION PLATFORM

To continue developing its role as a strategic partner in workplace development TAFE is building an Innovation Platform designed to foster and develop creativity and new ideas across Institutes.

Although in its infancy the Innovation Platform increasingly provides for networks across Institutes as a catalyst for the sharing of knowledge, information and ideas to enhance workforce development and participation solutions, particularly in regional areas. These networks assist in the development of solutions to productivity problems that traditionally have not been considered routine within the VET sector.

TAFE Directors Australia CEOs and their Institutes are also exploring new brokerage roles, facilitating multi-partnerships that connect across industry and firms to community and social groups, to develop skills ecosystems.

Simply put a **skills ecosystem** is where education and training is planned in the context of the existing skills within an industry sector or region. These skill issues are considered in conjunction with the drivers of business productivity and growth, as well as community development needs.

TDA believes the **skills ecosystem** approach is a vital new skills policy framework focussing on workforce development. The framework advocates the value of critical mass in providing innovative responses to training and other workforce related requirements for individual firms, communities or regions.



TAFE - PARTNERING COAG TO DELIVER HUMAN CAPITAL REFORMS

The COAG Human Capital Reform Agenda should address reforms across four criteria:

- **LITERACY & NUMERACY** - An increase in the proportion of young people meeting basic literacy and numeracy standards, and improved overall levels of achievement.
- **TRANSITION FROM SCHOOL TO WORK** - An increase in the proportion of young people making a smooth transition from school to work or further study.
- **ADULT EDUCATION OPPORTUNITIES** - An increase in the proportion of adult workers who have the skills and qualification needed to enjoy active and productive working lives.
- **WORKFORCE PARTICIPATION** - Improve overall workforce participation, with a particular focus on target groups, in a manner consistent with the long term interests of the individual and the economy, giving due regard to productivity.

RESPONSE BY TAFE DIRECTORS AUSTRALIA

The TDA response to COAG's Human Capital Reform Agenda has involved a 12-month outreach across our 55 Member Institutes for practical solutions to skills shortages as well as the wider challenges COAG has identified for Human Capital development.

TAFE Institutes' involvement will remain key to reform strategies affecting the sector, and policy designed to lift workforce participation.

Certainly, past policy to seek alternatives to TAFE have eroded confidence in the 'system' to deliver skills, and impacted results for the trades sector.

In a recent major report, the **Business Council of Australia** concluded, "*The vocational education and training sector has a critical role to play in supporting the development and maintenance of skills, ingenuity and capabilities that are required by Australian enterprises.*"

The Complete Package Report (2006) looked at the value of TAFE. The report showed that for every dollar invested in (TAFE NSW) a 640% return on investment was achieved over 20 years. Allen Consulting, authors of the report, described TAFE NSW as the complete package; the only training provider able to meet the diverse requirements of individuals, employers, communities and regions. While other training providers can undertake some of the activities of TAFE they cannot do so wholly because of their limited capacity or they choose not to because of financial sustainability concerns, says Allen Consulting.

The Australian capital investment in TAFE at 31 December 2005 stood at AUD\$7.67 billion.

This capital investment is based on both assets reported by National Centre for Vocational Education Research (NCVER) (2005 Financial Information publication) and from information provided directly by State and Territory training departments/authorities.



Annual recurrent expenditure for VET, primarily TAFE, is also significant. In 2004 about \$4.5 billion was provided directly to the national VET system, of which about \$3.6 billion came from Governments.

Governments also invest considerable funds to stimulate demand, for example, in employer incentives. Employers themselves also invest significantly in training, at around \$ 2.5 billion per annum, however this is largely in non-accredited training (NCVER).

TAFE - ITS ROLE IN THE MARKETPLACE

TAFE forms the core of Australian institutional capacity to improve human capital and increase workforce participation and development. **TAFE institutes provide 86 percent of total formal VET enrolments**, and TAFE is the principal and, in some instances, the sole provider of most areas of priority VET provision, including apprenticeships and higher level qualifications.

THESE OUTCOMES REMAIN CORE BUSINESS FOR TAFE INSTITUTES.

An additional strength of TAFE Institutes is their partner role with thousands of enterprises across Australia for skills training. Historically this involved curricula-based training, with competent tradespeople attending colleges to undertake the training. In recent years the use of National Training Packages makes TAFE training more flexible with increased levels of work-based learning, designed for students to undertake skills analysis and enterprise specific training, and innovative workforce development programs.

TAFE Institutes are required to deliver national training reform outcomes, increasing delivery through greater efficiencies and shifting priorities to meet government and industry including areas of skills shortages and the drive for non-government investment. As a representative of the National Quality Council, TDA is at the forefront of supporting and mentoring these changes across our member network.

GENERATIONAL CHALLENGES

Intergenerational trends rely significantly upon tracking demographic movements, based on date of birth, as outlined in the table below.

DESCRIPTION	BIRTH	AGE
Builders	Pre 1946	61+
Baby Boomers	1946 - 1964	42-60
Generation X	1965-1979	27-41
Generation Y	1980 -1994	12-26
Generation Z	1995 -2009	Under 12

While not all individuals within these broad market segments will be identical, it is reasonable to assume the shared time of life and experiences engenders a commonality of needs and wants in each of the identified segments.

This is a summary from a range of human resource and marketing professionals, with indicators why each segment holds relevance to the Human Capital debate:

- **GEN X-ERS** are seeking skills-widening with the potential to either advance their careers or enable transfer to different pathways. They are interested in training that fits with their lifestyle.



- As one of the most educated generations Australia has ever seen, **GEN Y-ERS**, also known as the 'me' generation, demand instant skills in the shortest possible timeframe. They want to get to where they are going fast. This assertive group demand that skills are delivered through mediums which are easy to access 24/7, skills on demand when demanded.
- **GEN Z-EDRS** will be entering the workforce within the decade. Although comparatively little is known about this group as yet, they are already under considerable scrutiny by marketers to identify the product development needs and opportunities. What is known is that Gen Zedrs will grow up used to increased technological convergence, immediate access to knowledge, albeit with a shorter half life than is now current, and a realisation that rapid change is the norm.

As a consequence of these market drivers customisation of courses, improved recognition of prior learning (RPL) processes, pathways, enhanced competency-based training (rather than time served) and various other responses to industry and individuals are all part of the armoury of TAFE institutes as they move further into the 21st century.

QUALITY - MENTORING Australian Quality Training Framework (AQTF) 2007

A key principle supporting the Industry-led training system is quality.

In this rapidly changing environment TDA supports initiatives toward nationally consistent, outcomes-based, quality-focused standards. As a Member of the National Quality Council, TAFE recognises its role to support across a diverse geographic, educational, commercial and cultural base, its 55 Member institutes toward these quality objectives.

TAFE recognises the underpinning principle for all levels of quality assurance should be the evaluation of an Institute's performance against its own strategic objectives and indicators, as well as client and stakeholder satisfaction with its performance.

However, in recognition of the need to move quickly move beyond a compliance culture, TDA welcomes the proposed introduction of higher order voluntary standards for the assessment of quality committed and outstanding organisations.

TDA will mentor and support its membership toward a culture for continuous improvement and business excellence.

We will work with the NQC and will pave the way for the eventual integration of vocational and higher education accreditation, registration and auditing arrangements within a single national authority.

And TDA will undertake with TVET Australia new approaches toward widening Member support across the three ATQF 2007 standards.

TAFE - RESOURCE AND PEOPLE DEVELOPMENT

International experience demonstrates that more dynamic approaches should be adopted in Australia to satisfy increasing demand for skilled vocational educators. Three challenges for TAFE are:

- Developing and retaining skilled trades sector workforce
- The aging of the workforce
- Resource needs for higher level skills



Finland has promoted a dedicated vocational education teacher strategy, and has successfully achieved high intakes of skilled teachers, especially women, to support its VET reforms. Increased investment by Australian Government and industry is necessary to attract and retain the best TAFE lecturers and senior staff. Flexibility of recruitment and collaboration with Industry will become an increased feature of recruitment over coming decades in TAFE.

These dynamics will support the challenge to respond in Australia's competitive economic environment and successfully renew and revitalise the TAFE academic workforce.

A two and half year NCVET national consortium research program, nearing its end, has looked at all aspects of supporting VET providers in building capability for the future. All research projects within the consortium program focus on building innovation skills and abilities to cover for all TAFE staff and provide a great platform on which to develop future professional development programs.

Incentives and employment agreements also need to be re-developed to motivate TAFE staff to self-invest in their continuing professional development and improve the flexibility of work practices so that programs, advice and assessment services are provided at locations suitable to clients rather than concentrated within the fixed location of existing Institute campus precincts.

Investment is required to revitalise TAFE human resources to ensure TAFE Institutes continue to respond to Government and industry needs in a competitive global market place.

TAFE - FUNDING

Competing priorities at a Whole of Government level, both Federal and state/territory, for the VET sector currently are placing pressures upon the system and as such TDA is of the opinion that comment upon this vexatious matter is required.

Commentators upon the VET sector have argued the quantum of funding provided to VET requires upward revision. However, while an increase in funding would be welcome, TDA recognises this is only part of the consideration needed to enhance VET training delivery.

TAFE is more than willing and able to be industry-led and industry responsive but typically funding regimes, across both the Federal and state/territory jurisdictions, have been predicated on a classroom-based formula, 12 or more people.

Feedback has identified costs involved in delivering training offsite and tailored to be enterprise specific are markedly different to those delivered in a classroom.

Across Australia, the majority of TAFE clients continue to be institutional based clients, that is only about 20% of VET students are involved in an apprenticeship/traineeship, and the system is skewed to responding to this stimulus.

Given the need to satisfy students coming through the door and the fact the funding formulas make it easier to run the business by responding to this particular clientele it is not unexpected that in some cases the VET sector has been slower to respond to industry requirements than would be preferred.



The pressure to keep enrolment numbers up while running higher cost employment-based training has, on occasion, led to institutional student delivery cross-subsidising industry-led training.

TDA is of the opinion the funding provided to the VET sector in this volatile marketplace needs to recognise the duality of the training sector.

Funding formula should recognise the costs associated with differing forms of training delivery models and investigate costs associated with employment-based training.



4. INVESTING IN PRODUCTIVITY!

'TRIPLE A' STRATEGY TO ACCELERATE SKILLS DEVELOPMENT

The COAG Human Capital Reform Agenda addresses reforms across four criteria:

- **LITERACY & NUMERACY** - An increase in the proportion of young people meeting basic literacy and numeracy standards, and improved overall levels of achievement.
- **TRANSITION FROM SCHOOL TO WORK** - An increase in the proportion of young people making a smooth transition from school to work or further study.
- **ADULT EDUCATION OPPORTUNITIES** - An increase in the proportion of adult workers who have the skills and qualification needed to enjoy active and productive working lives.
- **WORKFORCE PARTICIPATION** - Improve overall workforce participation, with a particular focus on target groups, in a manner consistent with the long term interests of the individual and the economy, giving due regard to productivity.

In responding to these reforms, the Triple A Strategy aims to

- **Accelerate skills development** to increase human capital in areas of skills shortages and identified areas of future growth
- **Advance skills development** to enhance the quality of human capital by further raising skills of the workforce and people holding post-school qualifications
- **Activate skills development** to improve equity of access to human capital formation so that all people can enjoy an active and productive working life

The strategy advocates robust solutions to ease Australia's skills crisis and lessen the impact of any future skill shortages.



ACCELERATING SKILLS DEVELOPMENT

SECTION 4.1 - ACCELERATE

AT ITS MOST BASIC LEVEL SKILL SHORTAGES IN THE TRADITIONAL TRADES AREA ARE THE MANIFESTATION OF ENTERPRISE/INDUSTRY DEMAND.

TDA RECOMMENDS:

1. Introduce specialised apprenticeships and implement competency based apprenticeships, with appropriate safeguard, across Australia.
2. Increase the functions of the proposed COAG Skilled Assessment Centres to provide enhanced services to existing workers in countries where migration could be a high priority.

4.1.1 APPRENTICESHIP REFORM

Australia has been the beneficiary of a well-functioning apprenticeship system, producing world class trades people. The system's strength is the integration of the on-the-job training component, predominantly delivered by the employer, and off-the-job training provided by an RTO.

TAFE Directors Australia has strongly endorsed the adoption of a competency-based approach to apprenticeship training which maintains the integrity of the existing integrated training approach. The focus on the acquisition of skills and competencies - as opposed to time served is a sound foundation upon which trades skills can be developed.

Industry has led a variety of reforms to the traditional apprenticeship system in recent years. TAFE Directors Australia advocates that broader application of these reforms can only help to increase the number of apprentices entering the system and also, importantly, the increased number of skilled trades available to industry.

A cross-Industry, TAFE government initiative by the *WESTERN AUSTRALIA'S SKILLS FORMATION TASKFORCE* recently focussed on a review to address skill shortages, and developing skills for the future. As part of the reform to the Western Australian apprenticeship and traineeship system, 10 innovative new trades were introduced - specialising in residential building and construction, requiring a nominal duration of two years.

The Taskforce recognised that the duration of indenture was an impediment to the attractiveness of an apprenticeship, following a lengthy process of industry consultation. Accordingly, as an interim step, the Taskforce also reduced the nominal duration of more than 30 existing trades from four years to three or three and a half years.

The *QUEENSLAND SKILLS PLAN* (April, 2006) has seen a number of reforms to their apprenticeship and traineeship system with both a reduction in term for the nominal duration of a number of apprenticeships and also a move to competency



based training adopted as the norm, with appropriate safeguards in place to protect the interest of employers and apprentices.

Competency-based training enables an apprenticeship or traineeship to be completed once the apprentice or trainee, employer and training provider agree that competence has been reached - regardless of time served. This means that while the training contract has an agreed start date and nominal term, as apprentices and trainees achieve competency through training they can progress through their apprenticeship or traineeship.

The move to recognising the acquisition of skills, and not the duration of the indenture served, maintains the systems focus on producing competent tradespeople and also makes the apprenticeship a more attractive option.

RECOMMENDATION

1) Introduce specialised apprenticeships and implement competency-based apprenticeships, with appropriate safeguards, across Australia.

Accelerated Apprenticeships for Chefs

In May 2006 the Canberra Institute of Technology (CIT) launched an accelerated apprenticeship enabling apprentice chefs to complete their apprenticeship in two years instead of four. Industry has been a key driver in the new apprenticeship, characterised by intensive training along with workplace mentoring.

Participants begin with six months intensive training in commercial cookery followed by a three day per week work placement under a tight mentoring program. Strict controls are placed on the businesses in which the students are placed; Businesses are all highly structured with supervised workplace environments. Simultaneously, the apprentices attend the off the job training program at CIT two days per week.

Skills and competency based assessment processes form the final stages of the apprenticeship where an industry led panel will verify whether participants have gained the required skills in culinary training needed to qualify as a chef.

The new apprenticeship facilitates extensive involvement of industry in the program and assists industry address workforce development challenges including skills shortages. The program is also designed to assist the smooth transition between work and study for young people, enable increased participation of mature aged workers with career transition and facilitate greater participation of mature aged people in traditional apprenticeships

Transforming Trade Delivery

Swan TAFE, Western Australia, on behalf of TAFEWA, is leading the development of training and delivery approaches that move from a time-served apprenticeship to a competency based model.

To address this change and the key recommendations of Western Australia's Skills Formation Tasks Force' Swan TAFE researched national and international trades delivery models to identify best practices approaches that would be effective in Western Australia. This included a review of Queensland's reform of the delivery of trade qualifications and the development of the Trade and Technical Skills Institute (TTSI).



In collaboration with TTSI Swan TAFE have identified many synergies existing between Queensland and Western Australia at both a state and local level and are in the process of developing a memorandum of understanding to establish a collaborative partnership to maximise effort in the development of innovative systems, frameworks, models and resources.



ACCELERATE (continued)

4.1.2 SKILLING MIGRANTS

OFFSHORE ASSESSMENT CENTRES

Australia's multicultural heritage has long been based on skilling as a threshold for successful entry to Australia. COAG proposes Offshore Assessment Centres as an added measure to more effectively review assessment of skills for prospective migrants to Australia.

TDA advocates supplementing this initiative, prospective migrants should be provided with the opportunity to travel to Australia on the basis that they can enrol in selected trade courses, and for these courses to be recognised under the Migration Points System.

SKILLED MIGRATION RECRUITMENT

Skilled migration has historically been a plank in Australia's response to ensuring a skilled labour force. However, despite the current major shortage of skills, especially in the area of traditional trades, Australia has been relatively unsuccessful in attracting tradespeople from overseas. Birrell, B et al, 2006, shows that in comparison with professionals particularly, the number of migrant tradespersons is indeed small.¹

Fierce competition from other countries in the same markets as Australia, a lack of a coordinated and systematic approach to skilled migration recruitment, particularly comparative to refugee support, and little in the way of a formal support structure for skilled migrants once they arrive in Australia, are some of the reasons put forward to explain this phenomenon.

ACCELERATING SKILLED MIGRATION

TDA believes that Government can create stronger and more flexible pathways into skills shortage trades by accelerating more internationally skilled workers through the VET system. The synergy between the Australian VET system, being a major exporter of educational services, and an international recruiter of skilled and smart tradespeople has not been widely utilised in framing government policy.

This lack of exploration is in part due to factors such as the commercial focus of international student recruitment, lack of incentives to recruit international students for trade training and the discontinuity between a student visa and a residency or work permit.

Additionally the general mechanism for recruiting skilled migrants is limited to countries where there is an established vocational education system and where the authentication of 'competence' is reliable. This is primarily because in countries without an established VET system it is difficult to verify skill levels and trade experiences of prospective migrants.

The TAFE/VET international education industry could be effectively leveraged to produce a more effective mechanism to recruit international skilled workers and therefore increase productivity in areas of skills shortages.

¹ This refers to net migration, taking into account the migrant outflow as well as inflow, considered to be the most meaningful measure.



RECOMMENDATION

2. Increase the functions of the proposed COAG Skilled Assessment Centres to provide enhanced services to existing workers in countries where migration could be a high priority.

Migrants Skills Deepening Assist in Skill Shortages

The City West Program is a Bridging Course offered by TAFE SA through the Children's Services Team at the Elizabeth Campus. The program aims to address skills shortages by updating and deepening the skills of migrants with teaching or nursing qualifications from their country of origin not fully recognised in Australia

A combination of theory-based learning and on-the-job practical skills, in a learning centre which specifically offered care and education for families and children from diverse and multicultural backgrounds, has been an outstanding success in either encouraging migrants to start careers in Children's Services or further study in a related field.



ADVANCING SKILLS DEVELOPMENT

SECTION 4.2 - ADVANCE

THE CHALLENGES OF AN AGEING DEMOGRAPHIC AND THE REDUCTION IN THE NUMBER OF YOUNG PEOPLE ENTERING THE LABOUR MARKET, NECESSITATE MAXIMISING THE EFFICIENCY AND OUTPUTS OF THE EXISTING LABOUR FORCE IF AUSTRALIA IS TO MAINTAIN, IF NOT INCREASE, ITS GLOBAL COMPETITIVENESS.

While new entrants to the labour market, through skilled migration and young people entering the workforce, afford a source of labour to enterprises, the most readily reliable source of labour is the existing workforce.

Skills deepening, acquiring knowledge and the irrefutable need for life long learning to get the best out of those people in the workforce must become firmly entrenched in the minds of policy makers, enterprises and the larger community.

Increasing the productivity of Australia's workforce, to address the challenges facing future generations, will increasingly rely on building a smarter economy and harnessing the talents of the existing workforce.

To **ADVANCE** skills development to enhance the quality of human capital by further raising skills of the workforce and people holding post-school qualifications.

TDA RECOMMENDS

3. Work with industry to articulate the role of the associate professional in the enterprise and ensure VET qualifications are available or created to meet these needs.
4. Increase the delivery of higher end VET qualifications that articulate to employment outcomes as well as higher level VET/university courses.
5. Undertake a study into methods to increase private sector investment in VET including incentives both for the private sector and the VET provider.
6. Create a source of funding, similar to the Australian Research Council or Cooperative Research Centres programs and Australian Government Endeavour Scholarship Program, to encourage TAFE research and development.
7. TAFE Governance should ensure flexibility in financial systems, and accountable for Board or TAFE Council decisions, and engage industry and community widely in governance structures.



ADVANCE (continued)

4.2.1 HIGHER LEVEL OF SKILLS

EXPECTED GROWTH IN DIPLOMAS AND ADVANCED DIPLOMAS

State Governments and TAFE institutes across Australia are already implementing strategies to build a smarter economy by increasing the number of people undertaking higher level qualifications such as Certificates IV, Diplomas and Associate Degrees.

COAG also noted the growing need for higher skill levels to increase the productivity of Australia's workforce and "to increase the proportion of adult workers who have the skills and qualifications needed to enjoy active and productive working lives."

Research into the demand for workers with qualifications in the Australian labour market for 2006-2016, shows that the highest projected growth areas are at the Australian Qualifications Framework (AQF) Diploma and Advanced Diploma levels. There is also expected growth at the AQF Certificate III level.

The CEET Report, 2006, The Future Labour Market and Qualifications in Australia, shows large projected growth rates, particularly in the three high skills occupations groups of managers, professional and associate professionals. Additionally there is a large expected shortfall in the supply of people with these qualifications, if nothing is done to overcome this situation (see table 1 below).

TABLE 1: GAP IN THE SUPPLY OF AND DEMAND FOR PERSONS WITH VET QUALIFICATIONS IN THE TEN YEARS TO 2016, AUSTRALIA)

Qualification level	Total number of persons with qualifications 2007-2016 ('000)			
	Requirements to meet 2016 target	Supply at 2005 completions rate	Expected surplus (+) / shortfall (-)	Annual % increase to meet requirements
Adv Diploma	346	84	-262	27.2
Diploma	536	253	-283	14.1
Certificate IV	310	344	34	-1.9
Certificate III	911	799	-112	2.4
Certificate II	259	566	307	-14.9
Certificate I	111	186	75	-9.7
All	2,473	2,233	-240	1.9

Note: All data relate to 15-64 year-olds excluding overseas students.

ADVANCING HIGHER LEVELS OF VET TRAINING

It is timely under COAG for Australia to build on experience from parts of Europe, and advance higher level vocational education qualifications in Australia.

Higher level VET qualifications (Diplomas, Advanced Diplomas and Associate Degrees) provide viable training pathways to fill skill needs for today's more technological, complex and challenging work environments.

The advancing of higher level VET training needs to occur particularly where workplace learning is a key component to provide work-ready graduates that meet employer expectations.



This has been an enduring feature in the innovation reform agenda adopted in countries such as Finland, Denmark and Germany, and has relevance for Australia. This has included a strong focus on employer and workplace involvement (e.g. Finland, Norway, Sweden and New Zealand.) (Finch, 2003)

One option for advancing higher level VET qualifications could involve creating access through Australian Apprenticeships. Stanwick and Saunders (2004) found that while such employment-based models are a training option already available to associate professionals (typically those performing complex technical and administrative functions, and qualified at Diploma or Advanced Diploma levels), relatively few associate professionals undertake training through an Australian Apprenticeship.

Currently, much of the training at Associate Professional level appears to be undertaken in the students' own time and at their own expense, being seen as the responsibility of the individual rather than the employer or government.

Late last year the Australian Government announced the extension of employer incentives for apprentices to higher level VET qualifications.* (PM announcement November 2006).

EMPLOYER COLLABORATION

Working with employers to advance higher level VET qualifications is viewed as being very important in relation to deepening the nation's current skills and knowledge base to ensure that the labour force is prepared to cope with future demands. There is a need to develop a clear definition of the role of the associate professional in the industry. Stanwick and Saunders found that only one-third of existing associate professionals hold the normally stipulated minimum qualification of a diploma.

In some industries the training of associate professionals also appears to be somewhat laissez faire, with loose and informal training arrangements, often with individuals pursuing training on their own accord. The data in the table below from Stanwick and Saunders highlights the large degree of variability that exists across the associate professional occupational groups.

TABLE 2; EXPECTED DURATION OF NEW APPRENTICESHIPS FOR ASSOCIATE PROFESSIONALS BY QUALIFICATION LEVEL DECEMBER 2002, PERCENTAGE

Qualification	<1 yr (%)	1-2 yrs (%)	2-3 yrs (%)	>3 yrs (%)	Total (%)	(number)
Certificate II	51.7	41.6	3.8	2.9	100	998
Certificate III	10.7	65.1	22.4	1.8	100	10 665
Certificate IV	16.7	52	21.6	9.6	100	9 282
Diploma	0	2.7	3.1	94.2	100	450
Advanced diploma	0	0	0	100	100	48
All Occupations	15	56.9	20.8	7.3	100	21 443

Source: Derived from NCVER Apprenticeship collection March 2003, collection 35

TDA believes that employers need to be better informed about formal arrangements and structured training and work experience offered by Australian Apprenticeships as an opportunity to enhance training for associate professionals.

Advantages of employment-based training models in comparison with existing associate professional training, that need to be promoted to employers include:



- More clearly defined and structured training
- Greater security of employment during training
- Increased engagement in training

RECOMMENDATIONS

3. Work with industry to articulate the role of the associate professional in enterprise and ensure that VET qualifications are available or created to meet these needs.
4. Increase the delivery of higher end VET qualifications that articulate to employment outcomes as well as higher level VET/university courses.

Diploma Meets Demand

The Canberra Institute of Technology's (CIT) new Diploma of Project Management, launched in 2006, is a direct response to one of the fastest growing skills demand areas in the Australian Capital Territory. Project Management is an emerging industry and requires high level skill development.

In collaboration with the Australian Institute of Project Management, the CIT has developed a self-paced, accessible and fully online program to meet the unprecedented demand in these higher level qualifications.

The incorporation of recognition processes means participants can gain recognition for existing skills and speed up completion of the program. Workplace learning and assessment are critical and each participant is able to customise the program to their workplace and individual needs.

New Diploma for Industry

Collaboration between power supplier Country Energy and three regional TAFE NSW Institutes has led to the development of new course designed to assist industry with workplace development. The new Diploma of Electrical Engineering is delivered across the State of New South Wales and forms part of Country Energy's Trainee Technical Officer Program.

The Diploma combines centrally located 'block' training, where students attend intensive training on campus for one week at a time for six sessions. Additional to block training students also participate in distance education, delivered flexibly to address individual circumstances. This can take many different forms including email, telephone consultations and group teleconferences. The program is underpinned by on the job competency assessment undertaken by Country Energy.



ADVANCE

4.2.2 THE VALUE OF RESEARCH AND DEVELOPMENT (R&D)

AUSTRALIA'S INVESTMENT IN R&D

A recent Business Council of Australia (BCA) report argued that Australia is under-investing in research, development and innovation by OECD standards. The BCA report indicated that a very small proportion of value-adding innovation is generated in this way and the current research policy leads to a serious underestimation and under-capitalisation of Australia's innovative capacity.

Another recent economic impact study of the Co-operative Research Centres (CRC) program also demonstrates that benefits delivered through the end-user application of research by means other than direct commercialisation processes (spin-offs and licensing) remain the most significant channel of quantified benefits from the CRC program.

CRCs focused on promoting incremental performance improvement within existing large sectors or companies deliver benefits more easily than those fostering the development of new industries or companies (*Insight Economics, 2006*). This type of research and development and innovation is where VET plays an important role which could expand into an even larger role (*Dawe, editor, 2004*).

TAFE ADVANCES WORKFORCE DEVELOPMENT THROUGH R&D

Across Australia, TAFE institutes work with enterprises and industry groups to develop, adapt and modify production processes and practices which result in the creation of new workplace knowledge and innovation.

However, TDA believes that current public policy on research and development, which focuses almost entirely on the intellectual capital created in and by universities and other dedicated research institutions, is limiting Australia's potential to achieve optimum workforce development and participation outcomes, particularly with respect to using innovation to solve short or longer term productivity issues.

TAFE has considerable aptitude to make a significant contribution to the new innovation paradigm advocated by the BCA. TAFE staffs are recruited from industry and many of them have a scarce, if not unique, combination of academic qualifications and applied knowledge of specific technologies. Additionally, TAFE's technical facilities and equipment are frequently of high quality - especially in regional areas - and could be accessed on a collaborative basis to assist companies with required testing and to prioritise and plan training in the context of an overall workforce development strategy.

PRIVATE SECTOR INVESTMENT IN R&D

To support increases in productivity TDA also believes there is a need to increase the levels of private sector investment in VET, which significantly lag behind those in the higher education sector. While investment by individual employers will continue to focus on the needs of their own workforce TDA believes this investment could be leveraged with appropriate incentives for industry to engage in further collaboration with VET sector.



Given this TDA also considers that collaborative, multi-partnerships need to be regarded as a higher priority for using any spare capacity in TAFE facilities rather than the current focus on third party access – by providers other than TAFE -to facilities which is entirely directed at delivering ‘more of the same’ .

RECOMMENDATIONS

5. Undertake a study into methods to increase private sector investment in VET including incentives both for the private sector and the VET provider.
6. Create a source of funding, similar to the Australian Research Council or Cooperative Research Centres programs and Australian Government Endeavour Scholarship Program, to encourage TAFE research and development.

Link from Applied Research to Industry Best Practice and Innovation

Challenger TAFE’s Western Australian Aquaculture Development Unit (ADU) undertakes projects of an applied nature with industry. The main objective being the development of new skills, researching and developing new technology to enhance industry outcomes, the production of handbooks, (for example, to assist in hatchery management) and the provision of hands-on training courses.

In 2005 the Centre was recognized through the ABC Inventors program and the annual Premier’s Awards for its role in developing a Semi-intensive Floating Tank System (SIFTS) allowing farming of increased numbers of fish and minimal environmental impact.

The direct link from applied research to industry best practice captured in the ADU training programs is demonstrated through the following:

- *Sixty aquaculture students per year for the past 15 years have undertaken work experience within the ADU simulated workplace*
 - *A Graduate Diploma in Marine Finfish Hatchery Management was developed by the ADU and its partnering organisations and delivered since 2001*
- Development of specialised training modules through sustained collaboration with industry and NGO groups.*

The ADU also assists in management of the broader environment through the supply of fish and live foods sometimes used in restocking waterways. The ADU won an award for the Best Recreational Enhancement Project at the national inaugural RecfishWest Annual Awards for work associated with restocking the Blackwood River in the south- west of Western Australia.



ADVANCE (continued)

4.2.3 TAFE GOVERNANCE: THE ABILITY TO RESPOND

Further financial flexibility and Board accountability are key factors to enhance the capability of TAFE to respond to industry-led training, and in a competitive framework.

The capability of TAFE to respond with innovation and flexibility to industry-led training is fundamental.

As previously stated, TDA is of the opinion the governance of TAFE is a matter that lies within the control of the individual jurisdictions. Based upon the various factors with which each state or territory are required to deal, it is understood the responses to these stimuli in terms of structure, policy and process will differ to accommodate individual differences. Recent examples include:

- An incorporated governance model continuing in Victoria for its State-based TAFE Institutes
- Retention of current governance for TAFE Institutes in Western Australia, to remain statutory authorities
- Reviews of governance in Queensland, for those Institutes undergoing significant capital expenditure and change – proposed under the *Queensland VET Skills Report (April 2006)*
- ‘Up-skilling NSW’ by the Independent Pricing and Regulatory Tribunal, chaired by Dr. Michael Keating, proposed more flexibility in financial capability for TAFE NSW, with a review continuing by the NSW TAFE Commission

In overview, the training system should:

- Encourage innovation and risk taking
- Reward Institutes for undertaking commercial and research activity
- Allow Institutes flexibility in responding to and implementing policy requirements
- Encourage partnership arrangements between TAFE and industry/community

The focus of reforms in the training sector should ensure outcomes delivered by the various training regimes remain consistent with the national agenda, while allowing individual jurisdictions the ability to manage the inputs with an eye to their capacities and limitations.

RECOMMENDATION

7. TAFE Governance should ensure flexibility in financial systems, and accountable for Board or TAFE Council decisions, and engage industry and community widely in governance structures.



ACTIVATING SKILLS DEVELOPMENT

SECTION 4.3 - ACTIVATE

A BUOYANT ECONOMY, NEAR RECORD LOW UNEMPLOYMENT RATES, DECLINING FERTILITY RATE, PREFERENCE FOR SMALLER FAMILIES AND AN AGEING POPULATION ALL COMBINE TO ENSURE THAT ENGAGING AND RE ENGAGING THOSE PEOPLE CURRENTLY OUTSIDE THE LABOUR MARKET IS A PRIORITY.

Recent government initiatives such as Skilling Australia's Workforce and the Australian Skills Voucher program are indicative of policy desires to increase the skills of those people currently outside the labour market, or without post-secondary qualifications.

Engaging marginalised people not only enhances their social and financial well being but also enables them to contribute to the nation's economic prosperity. For employers, the increased engagement by a wider section of the population increases the pool from which to obtain labour.

Additionally, improving the skills and capabilities of people who are marginally attached to the labour market, under employed, underutilised owing to literacy and numeracy issues and hold low-skill positions will also serve to afford increased employment options to industry.

To **ACTIVATE** skills development to improve equity of access to human capital formation so that all people can enjoy an active and productive working life.

TDA RECOMMENDS

8. Develop Australian Trade Diploma pilot programs in areas of critical skills shortages.
9. Adopt the Victorian model of Youth Guarantee Australia-wide.
10. Extend the Youth Guarantee to include indigenous people up to 30 years of age.
11. Introduce fee support for high level qualifications across the VET sector.
12. Extend the Human Capital Reform Agenda, specifically the high level outcomes in literacy and numeracy, to include adult key target groups.



4.3.1 THE AUSTRALIAN TRADE DIPLOMA

The Honourable Andrew Robb AO, MP., provided guidance to an Australian Government review on 'MasterClass' and further qualification categories in a special presentation to the National Press Club, on 15 March 2007. Minister Robb outlined the goal of a review of Australian VET qualifications would be to grow wider interest in vocational education careers.

His address featured a key proposal contained in the TDA 'Green Paper' *Ideas, Inspiration, Innovation*, (Sept, 2006) advocating the introduction of a Trade Diploma as a supplement to apprenticeships, to revitalise and grow additional pathways into the trades.

What is the Trade Diploma?

It is a concept designed to:

- (i) Provide an alternative or supplementary training model to existing apprenticeship programs.
- (ii) Offer Australia's youth a similar educational pathway to that which is currently available to international students.
- (iii) Provide an educational framework which would provide a qualification for participants to enter both managerial/professional as well as skilled tradespersons' positions.
- (iv) Ensure that Australia's skilled training system is equal to or compares with best international practice.
- (v) Increase the chances of apprentices going onto further study.
- (vi) Reduce the training time for apprentices.
- (vii) Reduce attrition rate for apprentices.

Why was the concept developed?

The concept has been developed to address a number of issues:

- (i.) It has been well reported that Australia has a skills shortage. The AI Group report that over the next five years 175,000 workers are expected to leave traditional trades and only 70,000 are expected to enter. The Trade Diploma is designed to make skills training more attractive and to boost apprenticeship numbers.
- (ii.) Student apprenticeship numbers are healthy but apprenticeship is dogged by poor completion rates (as high as 50% in some areas) and they are showing any signs of improving. The Trade Diploma may assist in improving completion rates.
- (iii.) Access to apprenticeship is controlled by employment or indenture. This can be a limiting factor in relation to students wanting access to skills training. The Trade Diploma does not rely on indenture or a contract of training.



- (iv.) Existing apprenticeship programs are focused primarily on the development of skills for the workplace. Little attention is given to the development of the individual in the context of personal development, further education and career aspirations. The Trade Diploma addresses these issues.

Attractions of the Scheme

The scheme has a number of attractions. These include:

- (i) The students would be closely monitored by the TAFE Institution and/or a sponsoring employer. Arguably closer monitoring and a reduction in exposure to poor treatment on the job, a major cause of apprenticeship attrition would be minimized.
- (ii) It lessens reliance on long term employment contracts (4 years) to provide a steady flow of skilled workers.
- (iii) Trade Accreditation Tests could be standardized across Australia and then used for assessing the skills of migrants so that it adds to Australia's quest for skilled workers.
- (iv) It enhances trade training and vocational education. One reason why trade training is not the first choice of parents for their children is because when it comes to making an education decision at say Year 10, apprenticeships are not seen as a positive educational choice. The widely held perception is that greater long term employment opportunities and status accrue to University/tertiary educated individuals. This scheme facilitates access to higher education as well as skilled trade status. Wider opportunities immediately and in the future become available to the vocational education student.
- (v) It modernizes apprentice training. The current apprenticeship system was designed in another age – when there were large government or semi-government organizations that had a social charter – part of which was to train apprentices and to ensure breadth and quality in On the Job Training. With privatization and specialization the relationship with Off the Job Training and On the Job Training is more ambiguous than ever before. This scheme focuses on broadening the training program for apprentices – but reducing time served.
- (vi) The existing apprenticeship scheme is regarded by many as too long. By contrast, an international student can already satisfy Australian Immigration requirements for skilled trades' people in two years* (**SEE FACT SHEET -- APPENDIX 1**) In other advanced countries it is less onerous than Australia. Even within Australia, the existing apprenticeship arrangement on a comparative basis is out of kilter with other occupations. For example, If we compare the Off the Job and On the Job training of a Nurse with a Carpenter –

Nursing (La Trobe University)	Carpenter (Victoria)
900 hrs Theory (Off the Job)	960 hrs (Off the Job)
900 hrs On the Job Training	6339 hrs (On the Job)



1800 hours Total

7297 hours total

the length of an apprenticeship seems excessive.

From a student's perspective, the advantages are:

- (i) they could access skills training without having to obtain an indenture.
- (ii) By undertaking Certificate IV or a Diploma it means they are well positioned to move into managerial and professional positions which are the fastest and growing area of employment in Australia.
- (iii) By organizing the program in advance and introducing trade testing, a student would have a clear idea of their Off the Job as well as On the Job commitments – thus eliminating the current practice of students not being released by employers to attend block or day release training.
- (iv) They could undertake their trade test whenever they wanted to and in the event of failure could re-sit. Under the current apprenticeship system no such opportunity is readily available and time serving dominates the system.

From an employer's perspective, the advantages are:

- (a) They are not locked into long term employment arrangements. The scheme is ideally suited to group training arrangements.
- (b) They could have access to highly skilled workers in about 1/3 of the time of the current system.
- (c) They would have a clear idea of when students were available and from where.
- (d) They have confidence through trade testing of the skill levels of completing students.
- (e) The On the Job component and employer's responsibilities could be better aligned with off the job learning.

Development Issues

There are of course a number of issues that need to be considered. These include:

1. Ideally, courses would be reconstructed to provide better links between various Australian qualifications framework levels.
2. Employers may not want skilled trades people quickly. Apprentices are seen by some as a source of cheap labour and not as trainees.
3. Employer's incentive payments may be reduced.
4. The existing apprenticeship system has been in place for a number of years and some would argue an industrial arrangement rather than a training/education scheme.
5. Payments for apprentices may have to be reconfigured.



6. Trade Accreditation Tests would have to be developed and the costs of implementing such a scheme determined. This is not as big an issue as some would wish to make it to be because the Federal government is demanding practical assessment for potential skilled migrants to Australia so Trade Accreditation Tests will have to be developed.
7. The programme would be required to be in accordance with Australian Training Packages, and mentored under the National Quality Council.

Trade Diploma – Flexibility toward Skills

All of the issues that have been raised reflect to a large extent the neglect that apprenticeship training – our key means of obtaining a skilled workforce -- suffers from compared with more recent EU experience.

We have little knowledge in Australia as to what attracts students to skilled training, why retention rates appear to be so poor, where do apprentices go if they drop out, why employers take on apprentices, what would enhance the status of skilled training in the eyes of the community – what detracts from it and so on.

TAFE Directors Australia believes Australia’s current training system for apprentices is not meeting the individual’s full needs, contains blockages to entry for many mature aged workers, and ultimately fails to meet Australia’s productivity requirements.

There seems no reason why two parallel qualification systems could not operate. Maintaining the current training system has failed to meet current skill needs.

There is no good reason not to try the “Trade Diploma” model – it is already being implemented with great success with international students. It would be enlightening to run some pilot “Trade Diploma” programs and compare their outcomes against the existing scheme. TAFE Directors Australia (TDA) believes that the “Trade Diploma” would prove to be a highly effective alternative to what which currently exists.

Trade Diploma – On the Job and Off the Job Summary

To provide COAG with an overview of how the model could successfully operate the following details for the area of Carpentry and Joinery is provided.

PHASE 1 -YEAR 1

Off the Job Training (Certificate II)	–640 Hours (16 wks @ 40hrs)
On the Job Training	–320 Hours (8 wks @ 40hrs)
Off the Job Training (Certificate IV)	–340 Hours (17 wks @ 20hrs)
TOTAL YEAR 1	–1300 Hours over 41 weeks)

PHASE 2 -YEAR 2

Off the Job Training (Certificate IV) Certificate IV requirements)	–340 Hours (17 wks @ 20hrs) (Completes
Off the Job Training (Certificate III)	–320 Hours (8 wks @ 40hrs)
On the Job Training	–600 Hours (15 wks @ 40hrs)
TOTAL YEAR 2	–1260 Hours over 40 weeks)

PHASE 3 – YEAR 2

Trade accreditation testing – 80 hours (2weeks@40hours)



While the apprenticeship system will remain an established workforce pathway, particularly for Generation Y, the Australian Trade Diploma reduces the lag time between commencing training and gaining a trade qualification. This has appeal both to the individual and employer. Importantly, the Diploma is also anticipated to assist in stemming the decline in apprenticeship take-up rates by demonstrating clear career pathway options. The views of employers and individuals on intensive upfront trades training, and other fast tracking options, are well explained in the Australian Minerals industry report: Addressing barriers to the employment and training of trainees and apprentices in the Australian Minerals Industry.

MIGRANT POINTS VALIDATION

Short and long term projections for economic growth in Australia indicate continued demand for skilled trade workers. It is anticipated this higher level qualification with higher levels of skills, with wider and more open access across generational groups and cross cultural appeal, will assist to address both short term skill shortages and provide some protection for tradespeople and employers to cyclical economic fluctuations

As well as being open to all Australians, TDA proposes the Diploma be extended as a parallel strategy with Offshore Assessment Centres, to facilitate points validation for migration candidates. The Trade Diploma would be one only of several options for addressing skills needs at higher VET qualification levels (refer to Accelerate Attraction and Retention of Apprentices, Cadets and Trainees)

RECOMMENDATION

8. Develop Australian Trade Diploma pilot programs in areas of critical skills shortages.



4.3 ACTIVATE (Continued)

4.3.2 YOUTH ENGAGEMENT, PRODUCTIVITY AND PARTICIPATION

NURTURING OUR YOUNG PEOPLE

It is recognised that Australia is facing a major skills formation challenge both in the immediate future and accelerating over the next two decades. This is due to the combined effect of shrinking cohort of young workforce entrants, a depletion of skills in some key industries and occupations, and the need for new skills in projected growth industries.

It is critical, given the scarcity of young people and their importance in facilitating the continued economic wellbeing of Australia, that all young people are nurtured to maximise their potential and guided through the various pathways to workforce participation.

YOUTH ENGAGEMENT

COAG, in its Human Capital Agenda, recognised the important link between young people meeting basic literacy and numeracy standards, their smooth transition from school to work or further study and overall level of achievement, with raising levels of national productivity.

TDA and its members have long been renowned for assisting young people in all three areas. Engaging youth in training, through individual pathway planning, has been a key focus of TAFE's continuing paradigm shift. TDA believes that building upon best practice programs for youth engagement in both productivity and participation is a key foundation for Australia's economic and social prosperity.

SMOOTH TRANSITIONS

TDA also believes the VET system has a significant role to play in facilitating the smooth transition of young people from school to work or further education and training.

International experience suggests that great strides can be made in increasing the positive retention of young people in an educational and training environment by the creation of high quality vocational programs in schools and alternative educational environments.

COMPLEMENTARY SUPPORT MODELS

Factors identified as critical to support young people include the need to increase appropriate pastoral care, the provision of comprehensive career guidance and alternative VET programs catering for the diverse needs of the younger generations.

There is already a wealth of youth support and engagement programs that address specific local needs and TDA believes greater dissemination of best practice in this area would serve to refine service provision to young people.

At a Federal level, and in some state jurisdictions, a number of alternative mechanisms have been established. Whilst TDA supports diversity, it believes that new delivery models should be evaluated in terms of the cost benefit to the Australian community. TDA feels that such an evaluation may lead to the recognition that there are complimentary strategies including the establishment of more modern



vocational curriculum and the development of student resource material to support student learning.

TDA is also of the opinion that while any increase in service provision to young people is to be applauded greater consideration should be given to better use of TAFE, its infrastructure and its intellectual capital to facilitate increase outcomes for young people.

New Model a Transition Success

The take up of apprenticeships and traineeships by young people and employers of Arabic-speaking background increased as a result of the successful implementation of a culturally and linguistically targeted model of service provision by TAFE NSW in South Western Sydney.

The model entailed a transition coordinator who established and strengthened links between potential apprentices or trainees from an Arabic Speaking background and employers, and undertook a brokerage role between schools, young people, local service providers and employers.

The transition coordinator worked with 86 early school leavers and young people in high schools in the South Western Sydney area increasing their awareness of apprenticeships and traineeships, vocational education and training pathways and related employment support services.

Twenty eight of the young people were provided case management support and commenced employment in butchery, metals engineering, hairdressing, travel & tourism, furniture making, business administration, plumbing, beauty, and paving and tiling. Eighteen of these young people were subsequently registered as apprentices and trainees.

The transition coordinator model was very successful in reinforcing a holistic approach to service provision and in engaging the community, raising awareness of apprenticeships and traineeships, matching young people to employment based training opportunities and diversifying the pool of employers able to offer employment opportunities to young people from an Arabic Speaking background.

YOUTH GUARANTEE

A fundamental platform for ensuring Australia's current and long term future economic and social prosperity is the need to invest in young people to ensure they have the skills, knowledge and confidence necessary to actively participate in the workforce and, importantly, act as a source of skilled labour to address the ageing of the existing workforce.

Different jurisdictions will have different strategies and funding constraints which determine the provision of services and training to the youth cohort. However evidence suggests some marked success of one State-based model to increase youth participation in the VET sector. This was trialled in Victoria, and now the Youth Guarantee, Victoria, is worthy to be considered for adoption on an Australian-wide basis.

The Victorian model guarantees a place with a public training provider for young people aged under 20, who have not completed Year 12 or equivalent vocational studies. Given that various states and territories are raising the school leaving age, and making VET studies an integral part of secondary schooling, this measure could



be seen as an interim step to ensure those youth who do not possess Year 12 or equivalent are not further disadvantaged in the future.

Additional funding may be necessary to implement this model over the next few years, as VET studies are better integrated into the school system and the school leaving age is raised. However, at a whole of Government level the financial impost of implementing the Youth Guarantee will be obviated as the mainstream system assumes the responsibility for students exiting the school system with the necessary skills and qualification levels.

GUARANTEE EXTENDED FOR INDIGENOUS SUPPORT

Considerable progress is being made to increase indigenous participation in education and training. However, indigenous rates of participation and attainment of formal qualifications remain below mainstream outcomes.

In recognition of less effective opportunities provided to indigenous participants and the additional barriers related to indigenous participation in the VET sector, TDA is of the opinion the proposed Youth Guarantee should be extended to indigenous communities to support those up to 30 years of age.

COAG and the various state and territory governments have long recognised the need to increase employment and training opportunities for the indigenous population, particularly those in remote and rural communities where access to the labour market has been limited.

Nationwide skill shortages have been exacerbated in remote and rural locations where the opportunities to source labour have been lessened by the limited availability of a skilled pool of workers and the difficulties in attracting skilled labour to isolated locations.

Conversely, many isolated locations have ready access to labour sources of indigenous communities that exist in these labour markets.

TDA has a particular commitment to this objective, following the development of the TAFE Australia Indigenous Charter, proposed for release to TAFE Institutes in 2007 academic year. This project was co-developed by TDA and the Department of Education, Science and Training, and has demonstrated the opportunities of widening community engagement in TAFE for indigenous rural and remote locations.

By providing increased access to VET qualifications and the requisite skills necessary to obtain locally relevant and meaningful employment, the Youth Guarantee may serve as a catalyst to break the cycle of welfare dependence that continues to challenge remote and rural communities.

RECOMMENDATIONS

9. Adopt the Victorian model of Youth Guarantee Australia wide.
10. Extend the Youth Guarantee to include indigenous people up to 30 years of age.



Plan-It Youth Program

TAFE NSW Hunter Institute has been the lead Institute in the successful delivery of the Plan-It Youth Program, conducted in partnership with schools, the Dusseldorp Skills Forum, Central Coast ACE, the Hunter Valley Training Company and the NSW Active Retirees and Mentors Incorporated.

Plan-It Youth provides a strategic approach to addressing the needs of potential early school leavers. The program matches specifically trained adults from the local community to work in a one-on-one mentoring relationship with young people who are at risk of leaving school early

It is a model for linking community members with young people who may need extra support in the transition from school to work, or from school to further education or training. The Plan-It Youth program provides a structure for a one-to-one mentoring relationship between students and mentors. Community members complete a 10 to 12 week mentor training course through TAFE NSW Hunter Institute Outreach Unit.

The program has been expanded to the regions of North Coast, Hunter and Central Coast, South Western Sydney, Illawarra and South Coast, Riverina, New England and Sydney. In 2006, 796 trained mentors actively supported 1087 students across the state of NSW.

Plan-It Youth improved the retention rate of potential school leavers. It also provided students with a realistic picture of post-school options available at the end of Year 10 and provided effective support in their transition from school, including making links with potential employers and exploring further training options.

Aboriginal Youth Leadership Program

In 2006 TAFE NSW, Western Sydney Institute, Blue Mountains College, worked with the local Aboriginal community to develop a program for young Indigenous people. The course provided extended opportunities to young Indigenous people to assist them re-engage with formal education and training.

Based on developing mentoring and leadership roles in the community, this leadership program has a strong focus on developing communication skills including time management, problem solving, listening/questioning skills, literacy, numeracy and the ability to set and achieve realistic educational and vocational goals.

The program has two strands, Aboriginal Identity and Cultural Values and Outdoor Recreation. Students receive credit towards their Certificate II in Vocational and General Education and / or Certificate II in Outdoor Recreation.



4.3 ACTIVATE (continued)

4.3.3 IMPROVED FEE SUPPORT

BALANCING PROFESSIONAL AND VOCATIONAL CAREERS

Australia's 30-year national investment priority in university education has created undue differences between professional and vocational career choices. Barriers at structural levels, differences across the taxation system, and market research all demonstrate deep prejudices curtailing the choice towards training careers.

The introduction of income-contingent student loans has been proposed for the VET sector as a means of encouraging individuals to invest more in their own education and training.

At an international level, Canada and parts of Scandinavia have extended student loans from higher education to vocational education, albeit in Scandinavia both institutional groups offer higher education courses or qualifications.

ACCESS TO FEE HELP

Students in Australian TAFE full fee courses do not at present have access to the Australian Government 'Fee Help' student loan scheme. Extension of this scheme to encompass full-fee vocational qualifications would increase individual investment and participation in up-skilling and in longer-cycle qualifications which have a high private rate of return but a relatively low strategic and economic priority and which TAFE could then offer on a cost recovery basis.

RECOMMENDATION

11. Introduce fee support for high level qualifications across the VET sector.

TAFE SA Equity Fee Assistance Scheme (EFAS)

Introduced in January 2006 TAFE SA Equity Fee Assistance scheme provides assistance to students experiencing financial hardship. The scheme replaces various scholarships and grants providing some \$300,000 annually in fee relief.

EFAS provides for payment of 30% of the regulated fee (although no payment of monies is made to successful applicants so in effect to fees payable amount is reduced by 30%) and covers the course fee only.

Institute-based Student Services Officers or Counsellor assess student eligibility and work with applicants to other support services and opportunities. Eligibility is evidenced by the student being in receipt of Youth Allowance, Austudy, Abstudy, Pension, Newstart, limited income and/or a holder of a current healthcare card, or having a combined household income of less than \$25,000.

The success of EFAS is measured and recognised by improved training outcomes for students in terms of time, cost and quality as well as streamlined administrative process and time efficiencies for TAFE SA.



ACTIVATE (continued)

4.3.4 LITERACY AND NUMERACY

THE CHALLENGE

COAG noted the compelling evidence of the effects of core skills, particularly literacy and numeracy, on school retention and subsequent workforce participation and productivity outcomes.

Australia's productivity and workforce development is hampered by the inability of a very sizeable proportion of the workforce to undertake higher level activities owing to the restrictions of literacy and numeracy skills.

TDA supports COAGs position and also advocates a broader involvement of the VET sector in ensuring that young people transitioning to the workforce have appropriate literacy and numeracy.

ENGAGEMENT AND INTERVENTION

COAG has indicated a key target is to "increase the proportion of adults who have the skills and qualifications needed to enjoy active and productive working lives". Therefore TDA advocates considerable intervention to assist adults with low literacy and numeracy skill levels, both in the workforce and non-participating, to obtain a higher level of skills to enable career progression. This would also assist in increasing participation on a national level and provide employers with greater opportunities to ensure their business success

TAFE institutes have a proud history in engaging with a diverse range of target groups and successfully providing specialised and intensive support for these groups reach their full potential. TAFE institutes are well placed to facilitate the achievement of this key COAG target in the future.

It needs to be recognised that specialised courses require a more intensive level of resource particularly in regard to:

- customising relevant training to specific enterprise needs.
- providing a more intensive teaching resource.
- developing and or sourcing appropriate learning materials.

RECOMMENDATION

12. COAG extend the Human Capital Reform Agenda, specifically the high level outcomes on literacy and numeracy, to include adult key target groups.

Business Performance Increases With Literacy and Numeracy

Developing and delivering literacy and numeracy training programs has been a key driver for TAFE SA Workplace Education. Winner of the Adult Education Australia 2004 Adult Education Provider of the Year, TAFE SA Workplace Education programs focus on upskilling existing workers through developing the literacy and numeracy skills of the employees while offering credible pathways to their career progression and sustainability. Resultant benefits include enhanced business performance and increased focus on workplace safety.

In 2006, 2220 employees from 31 industry enterprises and 7 government agencies, community and local government councils participated in the workplace literacy and numeracy training program.



Partnership Results in National Recognition

An innovative partnership between TAFE SA and the Phoenix Society resulted in the development of a nationally recognised resource 'Steps into Quality! Internal Audit Team Member Training, Implementation and Training Guides' for training workers with disabilities.

The initial training program focused enhancing leadership, planning and organisational skills for more than 50 support staff. Of those staff 14 team leaders gained accreditation in the Certificate IV in Frontline Management.

The project also played a crucial role for the Phoenix Society in achieving accreditation for the National Disability Services Standard.



APPENDIX 1 --- 'TRADE DIPLOMAS'

FACT SHEET -- What is the Australian Trade Diploma?

The Australian Trade Diploma is a concept designed to:

- (i) provide an alternative or supplementary training model to existing apprenticeship programs.
- (ii) offer Australia's youth a similar educational pathway to that which is currently available to international students.
- (iii) provide an educational framework which would provide a qualification for participants to enter both managerial/professional as well as skilled tradespersons' positions.
- (iv) ensure that Australia's skilled training system is equal to or compares with best international practice.
- (v) increase the chances of apprentices going onto further study.
- (vi) reduce the training time for apprentices.
- (vii) reduce attrition rate for apprentices.

Why was the concept developed?

The concept has been developed to address a number of issues:

- (i.) It has been well reported that Australia has a skills shortage. The AI Group report that over the next five years 175,000 workers are expected to leave traditional trades and only 70,000 are expected to enter. The Trade Diploma is designed to make skills training more attractive and to boost apprenticeship numbers.
- (ii.) Student apprenticeship numbers are healthy but apprenticeship is dogged by poor completion rates (as high as 50% in some areas) and they are showing any signs of improving. The Trade Diploma may assist in improving completion rates.
- (iii.) Access to apprenticeship is controlled by employment or indenture. This can be a limiting factor in relation to students wanting access to skills training. The Trade Diploma does not rely on indenture or a contract of training.
- (iv.) Existing apprenticeship programs are focused primarily on the development of skills for the workplace. Little attention is given to the development of the individual in the context of personal development, further education and career aspirations. The Trade Diploma addresses these issues.



The Trade Diploma and Australia's Labour Market Needs

For Australia to meet its labour market needs, three complementary strategies are being undertaken:

- (i) Increase the intake of skilled migrants or new entrants to Australia.
- (ii) Improve the skill levels of new entrants to the labour market.
- (iii) Enhance the skills of those in the workforce – through continuing education.

In relation to skills migration, the Australian Government offers permanent residency to international students who at the completion of their studies in a skilled occupational area fulfil certain requirements. These requirements are that a student must engage in activities whilst in Australia that enables them to score 120 points. This can be gained in a number of ways. The most common is:

A student -

- (i) completes a two year qualification (1440 academic hours and does 900 hours of Professional Placement in an identified skills shortage area (e.g. Bakery, Hairdressing, Engineering) = 75 points
- (ii) Scores 5.5+ on English language test = 20 points
- (iii) is under 30 years of age = 30 points

Total = 125 points

Additional points can be obtained by student obtaining employment in a regional area including Adelaide (5 points), studying in Australia (5 points) and by having a letter which offers the student employment at the end of a course (5 points).

Once a student has completed a course of study and approved work experience they are able to make application to Trade Recognition Australia for the issue of trade qualifications.

The Trade Diploma Explained

The 'Trade Diploma' is based upon the scheme that is available to and currently being used by employers, for international students. That is with one exception. In the model proposed a summative assessment for Certificate III qualification is introduced at the end of the two year program. This is designed to reinforce and to ensure that an individual's work experience adds to their competencies. This arrangement makes the assessment of the skill level of the individual and the relevance of the work place experience far more rigorous than with existing apprenticeship training.



How Does the Trade Diploma Work?

The Trade Diploma is best illustrated by example. The example is for a Carpenter and Joiner who over two years will have completed the Certificate II and III and IV requirements and will undertake 900 hours of work placement. In most other industries other than the Building industry and some Engineering courses, a student will complete Certificate II, III and Diploma requirements in two years as well as obtain 900 hours of approved work experience as well as undertake a trade accreditation test.

Example – Year 1 – Carpentry Trade Diploma

Off the Job Training (Cert II)	-	16 wks x 40 hrs = 640 hours
On the Job Training	-	16 wks x 40 hrs = 640 hours
Off the Job Training (Cert III)	-	8 wks x 40 hrs = 320 hours (completed Cert III Off the Job requirements)
Total Year 1	=	1600 hours over 40 weeks

Year 2

Off the Job Training	-	34 wks x 20 hrs = 600 hrs (completion Cert IV Off the Job requirements)
On the Job Training	-	8 wks x 40 hrs = 320 hrs
Total Year 2	=	1000 hours over 42 weeks
Total Years 1 and 2	=	2600 hours (excluding T.A.T.)

In this configuration the student at the end of Year 1 will have completed all of the academic requirements for a Certificate III. They will still have to complete approved work experience. At the end of Year 2, they will have to undertake a Trade Accreditation Test (say 80 hours maximum).

In the example given a student would be better qualified and as well skilled as an existing apprentice because they would have completed a trade accreditation test and undertaken more intensive off the job training than currently is available.

The example given assumes that an equivalent full time course of study for two years is available to students and that such a course would involve Certificate II and Certificate III and Certificate IV. In most other fields or areas of study the pathways between Certificate III and Diploma studies is more integrated than in the Building industry and so after two years a student has both the Trade Certificate and the Diploma.

Attractions of the Scheme

The scheme has a number of attractions. These include:

- (i) The students would be closely monitored by the TAFE Institution and/or a sponsoring employer. Arguably closer monitoring and a reduction in



exposure to poor treatment on the job, a major cause of apprenticeship attrition would be minimized.

- (ii) It lessens reliance on long term employment contracts (4 years) to provide a steady flow of skilled workers.
- (iii) Trade Accreditation Tests could be standardized across Australia and then used for assessing the skills of migrants so that it adds to Australia's quest for skilled workers.
- (iv) It enhances trade training and vocational education. One reason why trade training is not the first choice of parents for their children is because when it comes to making an education decision at say Year 10, apprenticeships are not seen as a positive educational choice. The widely held perception is that greater long term employment opportunities and status accrue to University/tertiary educated individuals. This scheme facilitates access to higher education as well as skilled trade status. Wider opportunities immediately and in the future become available to the vocational education student.
- (v) It modernizes apprentice training. The current apprenticeship system was designed in another age – when there were large government or semi-government organizations that had a social charter – part of which was to train apprentices and to ensure breadth and quality in On the Job Training. With privatization and specialization the relationship with Off the Job Training and On the Job Training is more ambiguous than ever before. This scheme focuses on broadening the training program for apprentices – but reducing time served.
- (vi) The existing apprenticeship scheme is too long. We have already seen that an international student can satisfy Australian Immigration requirements for skilled trades' people in two years. In other advanced countries it is less onerous than Australia. Even within Australia, the existing apprenticeship arrangement on a comparative basis is out of kilter with other occupations. For example, If we compare the Off the Job and On the Job training of a Nurse with a Carpenter –

Nursing (La Trobe University)	Carpenter (Victoria)
900 hrs Theory (Off the Job)	960 hrs (Off the Job)
900 hrs On the Job Training	6339 hrs (On the Job)
1800 hours Total	7297 hours total

the length of an apprenticeship seems excessive.

From a student's perspective, the advantages are:

- (i) They could access skills training without having to obtain an indenture.
- (ii) By undertaking Certificate IV or a Diploma it means they are well positioned to move into managerial and professional positions which are the fastest and growing area of employment in Australia.



- (iii) By organizing the program in advance and introducing trade testing, a student would have a clear idea of their Off the Job as well as On the Job commitments – thus eliminating the current practice of students not being released by employers to attend block or day release training.
- (iv) They could undertake their trade test whenever they wanted to and in the event of failure could re-sit. Under the current apprenticeship system no such opportunity is readily available and time serving dominates the system.
- (v) They could access skills training without having to obtain an indenture.
- (vi) By undertaking Certificate IV or a Diploma it means they are well positioned to move into managerial and professional positions which are the fastest and growing area of employment in Australia.
- (vii) By organizing the program in advance and introducing trade testing, a student would have a clear idea of their Off the Job as well as On the Job commitments – thus eliminating the current practice of students not being released by employers to attend block or day release training.
- (viii) They could undertake their trade test whenever they wanted to and in the event of failure could re-sit. Under the current apprenticeship system no such opportunity is readily available and time serving dominates the system.

From an employer's perspective, the advantages are:

- a) They are not locked into long term employment arrangements. The scheme is ideally suited to group training arrangements.
- b) They could have access to highly skilled workers in about 1/3 of the time of the current system.
- c) They would have a clear idea of when students were available and from where.
- d) They have confidence through trade testing of the skill levels of completing students.
- e) The On-the-Job component and employer's responsibilities could be better aligned with off the job learning.

Development Issues

There are of course a number of issues that need to be considered. These include:

- 1) Ideally, courses would be reconstructed to provide better links between various Australian qualifications framework levels.
- 2) Employers may not want skilled trades people quickly. Apprentices are seen by some as a source of cheap labour and not as trainees.
- 3) Employer's incentive payments may be reduced.



- 4) The existing apprenticeship system has been in place for a number of years and some would argue an industrial arrangement rather than a training/education scheme.
- 5) Payments for apprentices may have to be reconfigured.
- 6) Trade Accreditation Tests would have to be developed and the costs of implementing such a scheme determined. This is not as big an issue as some would wish to make it to be because the Federal government is demanding practical assessment for potential skilled migrants to Australia so Trade Accreditation Tests will have to be developed.
- 7) Development of qualifications should be aligned with Australian Training Packages, with mentoring through the National Quality Council.



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INVESTING IN PRODUCTIVITY! PRESENTS PRACTICAL SOLUTIONS TO A NATIONAL SKILLS SHORTAGE.

TAFE Directors Australia (TDA) embarked on this 12-month review across its 55 Member Institute network, with its scope reaching to best practice models in skills innovation nationally and internationally.

We acknowledge the commitment of each our Institutes for their thoughts, ideas and consultation towards this review for COAG 2007. The process was extensive, beginning with a commitment by the TDA Board from March 2006, to ensure ours was a full commitment to COAG and provide solutions to Australia's skills crisis. Thanks also to those Institutes so prepared to offer case studies on enterprise and innovation. Our regret is only being able to showcase a limited number for this Report.

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