

MEDIA RELEASE

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Report shows VET sector's vital role in a new era of jobs automation

A new report showing the impact of automation on jobs is yet another clear sign that Australia's vocational education system must gear up for change, the peak body TAFE Directors Australia (TDA) said today.

The report - <u>Technology Impacts on the Australian Workforce</u> - released by the Australian Computer Society shows some 2.7 million Australian workers at risk of being displaced by automation technology by 2034 and 4.5 million needing new capabilities to engage with technology as it augments work.

"These changes are due over the next 15 years and it's time to prepare," the CEO of TDA Craig Robertson said.

The report calls for an agile workforce able to take up the new jobs that can come from applying new and emerging technologies.

It's not to be feared. If Australia maintains its long run growth rate the report predicts up to an additional 700,000 people will be required over that period. But it warns that if Australia maintains its current approach, up to 400,000 people would be victims of structural unemployment.

"When Australian industry was opened to global trade, around 400,000 blue collar workers, mostly male, were permanently lost to the workforce. We can't afford that loss again", Mr Robertson said.

He said that while the federal government has established a Digital Technology Skills Organisation, it risks being captured by the old way of doing things in VET.

"The focus in VET qualifications on task specification for stable occupations, enforced by rigid compliance is anathema to the future of work that the report envisages," Mr Robertson said.

"The government has the network of TAFEs at its disposal to develop programs and wash these skills through economy. National figures show a clear deficit in technicians and technologists being trained for these new jobs. Technologists were the mechanics of the new, cleaner economy, Mr Robertson told 2GB's Alan Jones on Monday (starting at 1:42:00).

The VET Student Loan scheme run by the federal government is targeted to meet these needs, however, restrictive rules and low loan limits mean it is not being used to its full capacity. The government has made over \$2 billion available each year for loans, but latest reports show that only \$300 million is made to students each year.

"The government can act quickly to respond, and all TAFEs are geared to offer more places and loans to students if the courses and rules are freed-up," Mr Robertson said.

TDA is already working with industry partners, CISCO and Optus, to bring new strategies to develop the 'blue tech' workforce.

"TAFEs are the natural go-to point for this type of learning – their focus is on applied education, linked to the current and future needs of firms and integrated with industry practice.

"With the Australian labour force changing so rapidly, there is a wholesale need to look at our preparedness and capacity to generate the skills that will be vitally needed," Mr Robertson said.

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TAFE Directors Australia is the peak national body representing 28 TAFE institutes, including six dual sector universities with TAFE divisions.