

RECOMMENDATIONS

Chapter 2 Skill Shortfalls and Future Skill Needs

Recommendation 1 page: 38

The committee recommends that the Commonwealth, in conjunction with state and territory governments, develops a new, integrated, nationally consistent approach to the collection and reporting of the complete range of statistical information on the labour market and current and future skill needs. This would entail:

- **agreement between all stakeholders on the relevant indicators of skill supply and demand, including underlying drivers, and consistent collection approaches;**
- **inclusion of information on skill shortages and regional labour markets; and**
- **inclusion of information on the skill needs of major resource and construction projects, from the earliest possible stage.**

The National Centre for Vocational Education Research (NCVER) should be tasked with:

- **facilitating this process in consultation with relevant Commonwealth agencies, state and territory governments, the Australian National Training Authority (ANTA) and industry, through industry skill councils; and**
- **developing a national database for recording the information and for permitting analysis of key trends, to be accessible to stakeholders and to the general public.**

Updated information should also be continuously available through a website and disseminated in an annual report on the status of skill formation in Australia.

Recommendation 2 page: 39

The committee recommends that the Commonwealth, in conjunction with states and territories:

- **examines the feasibility of a nationally integrated approach to collecting and reporting information on skill gaps, and for inclusion of such information in the national skills database; and**
- **considers the most appropriate means of incorporating qualitative information on current and future skill needs, including the training needs**

of emerging industries, and the changing nature of skill needs, in the national database and reports on skill formation.

Recommendation 3 page: 39

The committee, recommends that DEWR and the ABS, in developing the Australian and New Zealand Classification of Occupations (ANZSCO) in conjunction with Statistics New Zealand, commit to the implementation of strategies that they are considering to:

- improve ANZSCO's value as a tool for monitoring occupational change and changing skill needs;
- update the classifications regularly as occupations change, to capture labour force data at the occupation level;
- report on specialisations and higher skill levels within occupations; and
- make provision for information on skills to be linked to occupational structure.

Recommendation 4 page: 39

In conjunction with the work to be undertaken in recommendation 1, the committee recommends that DEWR, in consultation with industry representatives, including skill councils, reviews its current approach to assessing skill shortages with the aim of capturing information: on a broader range of vacancies, including vacancies that are not advertised in the print media; on regional skill needs; details of specialisations and the extent or severity of the skill shortages. This skill shortage information should be included in the national database developed by NCVET, and distributed by DEWR.

Chapter 3 Skills Formation and the Labour Market

Recommendation 5 page: 68

The committee recommends that ANTA, in consultation with stakeholders, should consider developing a set of skill performance indicators in addition to the relevant AQF level to better distinguish between basic, intermediate and higher vocational training outcomes. These could be modelled on the OECD benchmarks and would provide an improved basis for targeting incentives under the New Apprenticeship scheme.

Recommendation 6 page: 69

The committee recognises that lack of national consistency in training standards and incentives makes the ideal of nationally portable qualifications difficult to achieve. The committee therefore recommends that the Commonwealth should work towards achieving nationally consistent standards and New Apprenticeship

incentives through ANTA MINCO for the benefit of providers and their clients: employers and trainees.

Recommendation 7 page: 71

The committee recommends that the Workplace Relations Act should be amended, or a regulation made, to ensure that Subsection 170VR (2) applies equally to all New Apprenticeships; that is both apprentices and trainees.

Recommendation 8 page: 71

To prevent abuse of New Apprenticeships, the committee considers that provisions for a training wage should not apply to existing workers.

Recommendation 9 page: 73

The committee recommends that states and territories should review time-based requirements governing apprenticeships and provision be made for true competency based training to be achieved by completion of the full apprenticeship in an unspecified timeframe.

Recommendation 10 page: 74

The committee recommends that, where core competencies have been achieved, these should be accredited through a process of Recognition of Prior Learning to allow additional or supplementary units to be taken to achieve the apprenticeship in a shorter time frame.

Recommendation 11 page: 75

The Committee reiterates its view, expressed in its report on quality in vocational education and training, *Aspiring to Excellence* (2000) that individual training plans require a higher level of commitment on the part of all stakeholders, and recommends that ANTA MINCO should review its position on the usefulness of these training plans for monitoring, auditing and evaluating outcomes.

Recommendation 12 page: 75

The committee further recommends that at the next meeting with MINCO, ANTA should give consideration to requiring nationally consistent implementation of individual training plans, and support provision of additional Commonwealth funding for targeted incentives directed to TAFE to:

- **develop individual training plans with the input of both the employer and apprentice;**
- **develop and maintain student profiles linked to individual training plans, and**

- **implement quality assessment and mentoring procedures for employers.**

The committee considers that if TAFE is not involved, any additional incentive could be allocated to another negotiator such as a Registered Training Organisation (where it is not also the employer), a union or industry body to help employers negotiate individual training plans with the New Apprentice and carry out the necessary support and auditing roles.

Recommendation 13 page: 78

The committee recommends that incentives for trade level qualifications and higher level traineeships, should provide for the bulk of the New Apprenticeship incentive payment to be awarded to the employer at commencement. The payment should be contingent on compliance with a negotiated individual training plan, attached to the New Apprenticeship Training Agreement.

Recommendation 14 page: 79

The committee further recommends that for training qualifications below AQF Certificate 3, the full New Apprenticeship incentive payment should be awarded on completion on demonstration of skill outcomes, as negotiated under the individual training plan.

Recommendation 15 page: 79

The committee recommends that New Apprenticeships incentives should be available for qualifications at AQF Certificate 5 and above, to foster higher skill development under traditional and non-traditional New Apprenticeships.

Recommendation 16 page: 80

The committee recommends that ANTA should be funded to provide targeted innovation incentives to TAFE and universities to develop of partnerships with industry, and to support efforts to build multiple training pathways between institutions.

Recommendation 17 page: 82

The committee considers that Recognition of Prior Learning (RPL), encompassing recognition of current competencies, should be conducted for all jobseekers to ensure that those with relevant skills or capacities have the opportunity to acquire the necessary skills to meet their own and industry's training needs. To achieve this, the committee recommends:

- **ANTA should endorse the adoption of national common principles and operational guidelines for RPL, and address identified barriers to RTOs and TAFE undertaking RPL;**

- an incentive for RPL should be provided under New Apprenticeship contract arrangements, either as a supplement or as a complement to incentives provided for training ; and
- training should be provided for Job Network staff with relevant industry experience under the proposed *Training and Assessment (TAA) Training Package*. All job seekers registered with Job Network should be RPL assessed and have access to appropriate training and available jobs. For higher level or specialised skills this may require TAFE or other RTOs to undertake the RPL.

Recommendation 18 page: 85

The committee recommends that additional provision should be made through the Job Network Job Seeker account to support 15 to 24 year olds to obtain employment-related training that leads to national qualifications, particularly in the traditional trades and areas of skill shortage.

Recommendation 19 page: 85

The committee recommends that the Commonwealth should identify and develop strategies to address impediments to genuine work placements, including the availability of public liability insurance and workers compensation, so that young people have increased opportunity to gain work experience and build their skills.

Recommendation 20 page: 86

The committee recommends that Job Network providers should enter into arrangements with employers, with the agreement of all industry players, to access New Apprenticeships for unemployed people who have relevant skills to achieve fast-tracked apprenticeship qualifications in skill shortage areas.

Recommendation 21 page: 87

The committee recommends that the Industries Strategies Task Force should monitor the present capacity of Job Network to meet skill shortage needs. It should establish benchmarks to assess employment outcomes and evaluate whether any mechanisms are needed to improve Job Network's capacity to arrange additional training for jobseekers with competencies in skill shortage areas.

Chapter 4 Vocational Education and Training Framework

Recommendation 22 page: 107

The committee recommends that, in the context of the next ANTA agreement:

- the Commonwealth recognises its responsibilities for providing funding for growth and unmet demand for VET and agrees to increase funding accordingly; and
- the Commonwealth and states recognise their respective responsibilities for meeting the diverse skill formation needs recognised in the new national strategy and in this report and supporting improvements in the quality of VET facilities and teaching, and agree to increase funding accordingly.

Recommendation 23 page: 107

The committee also recommends that ANTA MINCO develops a broader range of accountability and reporting measures for VET, to apply during the life of the next ANTA Agreement. A focus on student contact hours and enrolments must be balanced against accountability measures that value and support key outcomes, such addressing current skill shortages, increasing the skills of the workforce against clearly defined targets and meeting the skill needs of individuals and communities.

Recommendation 24 page: 107

The committee recommends that ANTA MINCO develops a long-term vision to guide and direct future investment in public infrastructure so as to ensure the sustainability of the TAFE system. This should include a professional development strategy for TAFE teachers to ensure that they have both up-to-date industry experience, appropriate teaching competencies and qualifications, and the skills necessary to develop generic skills, including critical thinking, as well as technical skills.

Recommendation 25 page: 107

The committee recommends that the evaluation of ‘user choice’ policy currently underway should include a consideration of the policy’s role within the broader objectives of the new national strategy, and jurisdictions’ own strategies for skill formation.

The committee also recommends that ANTA MINCO defers further consideration of user choice policies and principles until after the report of the evaluation has been provided to it and there has been an open and public debate on the policy, including with the full range of VET stakeholders.

Recommendation 26 page: 109

The committee recommends that MINCO directs ANTA to review all training packages to ensure that the requirements for grant of the AQF qualification take account of any licencing requirements for the occupation, including international licencing requirements, where appropriate (for example in some aviation and marine occupations).

The committee also recommends that relevant Commonwealth and state authorities work towards the goal of national consistency of licencing requirements for the traditional trades.

Recommendation 27 page: 118

The committee recommends that ANTA's review of training packages address the full range of concerns about their design and implementation, including:

- the need for greater focus on the development of underpinning knowledge, critical thinking and generic skills;
- more consideration of the requirements of Small and Medium Enterprises (SMEs) and the differing industry structures in the smaller states;
- provision for all qualifications within a package to articulate to higher level qualifications within the package;
- greater scope for combining competencies from a range of packages into national qualifications;
- the need for quality learning and assessment support materials to be included with the release of every package; and
- measures to strengthen the integrity, consistency and informative nature of assessments, which might include one or more of: greater use of graded assessments, moderation of assessments, involvement of state industry advisory bodies and better integration with workplace and institutional learning.

Recommendation 28 page: 118

The committee also recommends that, in order to improve the quality and consistency of the assessment process, ANTA:

- reviews the current competency standards for assessors to address criticisms about the adequacy of the current requirements for pedagogical skills and industry knowledge; and
- examines the scope for approaches such as moderation or involvement of industry advisory bodies in assessment.

Recommendation 29 page: 125

The committee recommends that MCEETYA agrees that the further development and implementation of the employability skills framework should involve employee as well as employer interests and include a focus on:

- the need for unemployed people to have recognition of their current level of employability skills, and for assistance with upgrading these where necessary;

- the role of workplaces and employers in developing, fostering and utilizing employability skills;
- any necessary adjustment to the suite of employability skills to include or highlight, skills that are important for individuals, such as career management skills;
- appropriate support for the development of basic numeracy and literacy skills, particularly among older workers with limited formal education and the long-term unemployed;
- the implications for professional development and professional standards for teachers and trainers; and
- an agreed convention to clarify when a reference employability skills includes reference to the set of preferred personal attributes.

Recommendation 30 page: 127

The committee recommends that the Commonwealth government agrees to fund the proposed pilot scheme for increasing apprenticeship training in the Illawara, to meet some pressing social and economic problems in the region, and as a possible model for other regions experiencing high youth unemployment and chronic skill shortages in trades areas such as manufacturing.

Recommendation 31 page: 128

The committee recommends that there should be consistent standards for the maintenance of training records, including the keeping of log books by apprentices, in all industry sectors. Where Group Training Organisations are the hiring agency, they should be responsible for ensuring these standards are met, and that the required competencies are achieved within the period allotted for the apprenticeship. The whole process should be subject to external monitoring against an agreed training plan and monitored by an appropriate body.

Recommendation 32 page: 129

The committee recommends that the MINCO should review and assess the most appropriate Commonwealth and state and territory requirements for companies tendering on government jobs with a view to establishing a national benchmark to sustain the skills base in skill shortage areas. These could include a commitment to percentage of the tender value for training, or direct hire of apprentices, where appropriate.

Recommendation 33 page: 131

The committee recommends that the Steering Committee which undertook the 2002 review of group training for ANTA should resume to oversight implementation of the new funding arrangements to:

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- **closely monitor the effect on rates of trade training, and other areas of skill shortage, and the hire of New Apprentices by small and medium enterprises; and**
 - **advise ANTA of any further changes needed to address any problems that may arise during the implementation.**

Recommendation 34 page: 135

The committee recommends that the review of skill centres currently being undertaken by ANTA consider the broader role that they can play in meeting the training needs of industry, including:

- **providing intensive upfront training, whether through pre-apprenticeship training or providing all the theoretical and practical work required for the first year of an apprenticeship;**
- **providing access to the latest technology for training; and**
- **promoting collaboration between enterprises within an industry and partnerships between industry and the education sector.**

The review should also consider any revision to funding arrangements and guidelines which may be needed to support these broader objectives, including support for intensive upfront apprenticeship training as a variation on current incentive arrangements for New Apprenticeships. Any such funding could and should be tied to an equal commitment of funds from the relevant local industry.

Recommendation 35 page: 135

The committee also recommends that state and territory governments investigate innovative and effective models for the local delivery of vocational education by both public and private providers. Models to be investigated should include access to industry's state-of-the-art facilities for the practical component of training.

Recommendation 36 page: 139

The committee recommends that the MCEETYA Taskforce on Transition from School and ANTA, which are considering new funding models for VET in schools, specifically consider:

- **removing any disincentives to collaborative arrangements with TAFE;**
- **facilitating the introduction of programs in a broader range of industry and occupational areas; and**
- **ensuring that fees and charges are not a barrier to student participation in any chosen VET in schools program.**

Chapter 5 Education and Training Pathways

Recommendation 37 page 144

The committee recommends that the MCEETYA Task Force on Transition should consult with TAFE about the particular literacy and numeracy requirements of current vocational training, including for emerging industries and traditional trades, and how schools could best provide these to students planning to follow VET pathways on completion of school.

Recommendation 38 page: 148

The committee recommends that the MCEETYA Task Force on Transition should support the funding and development of mechanisms to help schools provide opportunities for all students, from years 8 and 9 onwards, to learn about the nature of industry and the world of work through workplaces visits so that they can make informed choices about future education and careers.

Recommendation 39 page: 148

The committee also recommends that the Commonwealth and states and territories support the establishment of local networks of schools, industry associations and representatives, the VET sector and higher education sector and the community, to help link vocational education and training, both in schools and in the VET sector, with industry needs and to assist transition between school and employment or further education.

Recommendation 40 page: 148

The committee recommends that the MCEETYA should examine VET in schools models, such as the T3 model in New South Wales and promote their value for traditional apprenticeship and other vocational training, with state and territory education authorities. Industry should also take responsibility for promoting the development and implementation of best practice models.

Recommendation 41 page: 148

The committee also recommends that ANTA develop, in conjunction with TAFE, industry bodies, schools and universities, programs based on the RMIT/Bosch model which combine school and apprenticeship training with an option for simultaneous progression to diploma, and that ANTA provides financial assistance for the national implementation of those programs.

Recommendation 42 page: 152

The committee recommends that all students should have access to professionally trained and well informed careers advisers, whether these are located in schools or are accessible through rotation, industry partnerships, or outsourcing

arrangements. To facilitate this, MCEETYA should direct the task force examining career counselling issues to develop a set of national set of standards for career development services:

- in consultation with the Australian Association of Careers Counsellors and universities and TAFE institutes offering awards in career development;
- to require that all career counsellors are educated about the technical sophistication, challenges and career opportunities in industry today, and establish contacts with relevant local industry associations;
- to recommend that units in career development should be made available as part of the teacher training curriculum.

The committee also calls on employer peak bodies and industry associations to encourage their members to establish closer links with schools and career counsellors in particular, to ensure that they have access to accurate and up-to-date advice on the full range of career opportunities.

Recommendation 43 page: 159

The committee recommends that the Commonwealth and the state and territory governments make a joint commitment to significantly increase the proportion of young people completing year 12 or equivalent vocational education and training, within the next five years. This will require them to adopt formal agreements to implementing a more systematic, integrated and comprehensive approach to youth transition, featuring more intensive support and stronger safety nets and backed up by significantly increased resources.

DEST should report each year on the proportion of young people achieving these outcomes.

Recommendation 44 page: 159

Consistent with its view that all young people should have a right to 12 years of school education or equivalent VET or decent full-time employment, the committee recommends that all young people under 21 who have not achieved this outcome, should have access to transition arrangements including career counselling to reconnect them with education or into full-time employment consistent with their needs and interests. The entitlement to this form of assistance should over-ride any other policy frameworks relating to unemployment assistance, such as Work for the Dole, or other requirements for certain unemployed people.

Recommendations 45 page: 160

The committee recommends that the Commonwealth and states and territories recognise the special role that pre-apprenticeship training can play as another pathway between school and further education and training, and employment for

young people and make funding available to support such training. The committee also recommends that the Commonwealth and states and territories should consider the availability of pre-apprenticeship training as part of a VET in schools program.

Recommendation 46 page: 170

The committee recommends that ANTA undertake extensive consultation and research towards developing a model that allows for graded assessments to be provided within the competency-based system, where students require this for articulation to higher education.

The committee recommends that ANTA should require that all training packages include support materials which outline basic content and knowledge as well as competencies; include study skills as well as workplace skills; and accept the classroom as well as the workplace as a legitimate site for assessment.

Recommendation 47 page: 170

The committee recommends that ANTA, in conjunction with the AVCC, evaluate the Cast CRC model for a national integrated education program, as a possible model for other disciplines or industry areas with low student numbers and a need for skill sets from both VET and higher education. The committee also recommends that ANTA and the AVCC consider possible funding arrangements to promote the development and implementation of such models.

Recommendation 48 page: 170

The committee also considers that MCEETYA should examine the feasibility and merits of introducing a system for tracking students' education and training from year 7 onwards. This examination should include consideration of the skills passport concept for recording the full range of VET outcomes.

Recommendation 49 page: 178

The committee recommends that the Commonwealth consider introducing a separate scheme to support the training of existing workers, in place of the incentives under the New Apprenticeship scheme. The National Industry Skills Forum should provide advice on the key features of a new scheme which would better focus on the career development needs of workers, including casual employees, and on training which supports enterprise and industry skills development strategies and national skill priorities.

Recommendation 50 page: 179

The committee also recommends that the Commonwealth provide funding to enable mature workers who are unemployed or at risk of being retrenched, to have a formal Recognition of Prior Learning, career counseling and access to

training to develop new skill sets which will enhance their future employment prospects.

Chapter 6 Role of Industry and Other Stakeholders

Recommendation 51 page: 203

The committee recommends that ANTA should:

- **review, at the end of 2004, the effect of reduced funding of state and territory industry advisory arrangements on their capacity to support the national advisory arrangements, and the national system;**
- **consider expanding the roles of the national skills councils to include developing skills formation and workforce development strategies for their industries and supporting this with appropriate funding; and**
- **announce its commitment to the continuing, central importance of the bipartite approach (based on a partnership between employers and unions) to industry advice, to be reflected throughout all of ANTA's advisory bodies and working groups.**

Recommendation 52 page: 203

The committee also considers ANTA should commission independent research on the full range of strategies that can contribute to increased and more effective and targeted employer investment in training and more equitable access to training for the casual and contract workers. The research should include consideration of collective bargaining arrangements, levies, incentive arrangements, taxation arrangements, industry training plans and workforce development strategies.

