

Australian Computer Society Inc

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Review of the Skills and Workforce Development Agreement
Productivity Commission

To Whom It May Concern

Review of the Skills and Workforce Development Agreement

ACS is the professional association for Australia's technology industry. We are passionate about the ICT profession being recognised as a driver of innovation and business – able to deliver real, tangible outcomes.

Our vision is for Australia to be a world leader in technology talent that fosters innovation and creates new forms of value. We have over 45,000 members and seek to influence positive change within industry and in the area of public policy via publications that leverage the knowledge capital of ACS members¹.

The Vocational Education and Training (VET) sector provides critical skills development pathways and enables all working age Australian's to develop skills and qualifications needed to participate effectively in the Australian Labour Market, contributing to Australia's productivity, economic growth and supporting the rate of workplace participation. To maximise this productivity and participation rate in the workforce, Australia needs an additional lever that supports our best talent to achieve domestic and global best-in-class status.

Both the VET and Higher Education sectors need to respond to the velocity of technological change and disruption experienced within our economy, ensuring responsive and flexible education and learning programs to train workers in skills and better recognition of shorter flexible courses such as micro-credentials.

For some occupations, the velocity of technological change is moving so fast that the historical notion of the VET sector providing industry-led and responsive qualifications to address vocational outcomes, no longer holds true. Qualification and Training Package design in its present form fails to efficiently deploy industry-based skills development rapidly to address some economies transforming through Industry 4.0 and the Fourth Industrial Revolution.

The Fourth Industrial Revolution is transforming the nature of work. We are seeing an unprecedented rate of automation and digitisation across global economies in response to citizen demand for mobility and access to services anywhere and anytime – leading to workforce augmentation.

Educating and reskilling workers in the required skills for the Fourth Industrial Revolution, will therefore be required to meet growing employer and industry demand. ACS would encourage investment in reskilling to address sector specific skills shortages and ensure talent required to seize new opportunities created by the fourth industrial revolution are accessible through efficiently deployable training products responding to these areas of future jobs growth.



In Australia's Digital Pulse 2019, the policy initiatives identified to encourage digital reskilling are directly relevant to the Productivity Commission's Review of Skills and Workforce Development Agreement:

- **Flexible** Learning options are required if government and industry are going to entice workers to enter reskilling training opportunities. 78% of workers interested in study want at least half of their learning delivered online, and almost half have a preference for 'bite size' intensive learning opportunities;ⁱⁱ
- **Foundation:** Ensuring that workers have suitable foundational literacy, numeracy and digital skills before they developed in more advanced areas of learning, ensuring educational providers are delivering high quality employment outcomes;
- **Funding** for various stakeholders within the Australian training and labour market ecosystem. Businesses and education providers need to work with each other to identify the skills needs of the future, and design and implement training solutions to enable workers to address skill areas.

Through the review of the Skills and Workforce Development Agreement, ACS encourages the government to consider establishing an Industry 4.0 skills fund: the initiative should be quarantined for the existing workforce and would require proof of employment as a condition of eligibility, administered by an independent broker and implemented via a panel of training providers vetted specifically for their best in class expertise in emerging and disrupted sectors such as tech.

In addition to the establishment of an Industry 4.0 Skills Fund, ACS encourages the Australian Government to:

- Reform the Training Package Development process to achieve high quality training outcomes, with a responsive and strengthen Training Package Development and Endorsement Process Policy;
- Recognition that short, flexible courses such as micro-credentials, need to support the skill needs of the economy whilst ensuring high quality training outcomes;
- Structure of the Vocational Education and Training (VET) market should allow for efficient regulatory oversight, responsive qualification and course deployment for a diversified market – RTOs must deliver to market expectations whilst protecting student and society interest;
- Direct government investment in VET to increase participation in VET and competency-based training, whilst decreasing the confusion on funding models and process at intergovernmental jurisdiction level.

If ACS can be of any further assistance please do not hesitate to contact our Director of Corporate Affairs and Public Policy, Mr Troy Steer

Yours sincerely

Louise Smith
Director Workforce Development & Education



ⁱⁱ [ACS' Australia's Digital Pulse 2019](#); Booming today, but how can we sustain digital workforce growth?

Relevant reports:

[ACS' Australia's Digital Pulse 2019](#); Booming today, but how can we sustain digital workforce growth?

[ACS' Australia's Digital Pulse 2018](#); Driving Australia's international ICT competitiveness and digital growth

[ACS' Australia's Digital Pulse 2017](#); thirteen policy priorities to fuel Australia's digital workforce boom.

[Tomorrow's Digitally Enabled Workforce](#); Megatrends and scenarios for jobs and employment in Australia over the coming twenty years.