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Ms Carole Gardner
Education and Training Workforce
Productivity Commission
Locked Bag 2, Collins Street East,
MELBOURNE VIC 8003

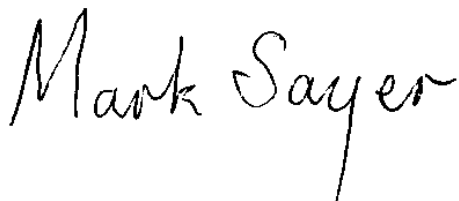
Dear Ms Gardner

RE: Education and Training Workforce – Vocational Education and Training Sector

Thank you for the opportunity to make a submission in to the Productivity Commission's Issues Paper on the Vocational Education and Training Workforce.

Skills Tasmania strongly supports the development of a workforce development strategy for all industries including the VET sector and would be well placed to provide assistance in the development and implementation of such a strategy.

Yours sincerely



Mark Sayer
GENERAL MANAGER SKILLS TASMANIA

SKILLS TASMANIA'S COMMENTS ON THE VET WORKFORCE ISSUES PAPER.

The following comment follows the structure and selected questions in the paper

The VET workforce within the labour market

Skills Tasmania supports the terminology used in this paper to refer to the three broad groups of employees, and offers the following observations about the VET workforce:

- There are patterns of recruitment activity that occur within the VET sector eg, between RTOs, Apprenticeship Centres, Group Training Organisations and State and Territory Training Authorities. It appears that once a person is in the sector they tend not to leave but may move between organisations.
- There is an increased reliance of workplace trainers and assessors by RTOs to support the delivery and assessment. This could be viewed as another group of quasi employees, eg they are employed by the client and provide services that the RTO would normally provide.
- There is a growing need for on-site mentoring/coaching services to assist learners. This need has been raised mainly in the apprenticeship/traineeship area where employers can't afford to take people offline to support and coach the apprentices. Using retired workers as mentors/coaches may provide the solution.

VET, the economy and society

While Tasmania has a strong record of VET reform, coordinated national policy issue has more recently become prominent through COAG processes. This current reform agenda has its origins in the desire to move the VET system from being supply driven to demand driven and has embraced the ideas of competition and client choice.

Skills Tasmania's position statement on VET reform outlines five key areas it sees as essential to have a modern training system.

1. A client centred training system – the opportunities, benefits, barriers and risks
2. The ideal Tasmanian training market
3. Tasmanian priorities for skill development
4. Competition and choice
5. Workforce development – a new approach

(Vocational Education and Training (VET) Reform – Skills Tasmania Policy Statement - <http://www.skills.tas.gov.au/skillstas/policy-and-publications>)

An overview of the VET workforce

Most practitioners come into the sector either as second career choice or as a sessional worker while still working.

Workers within VET often undertake a range of roles including teaching, training, assessment, learning design, resource design, industry liaison, student counselling and so on. It may be more useful to focus on job roles rather than generic, ill-defined, categories of worker.

In 2008 Skills Tasmania conducted a census of Tasmanian Registered Training Organisations. A response rate of 93% has provided a great deal of information about Tasmania's registered training organisation's structure, workforce and issues.

The findings were:

- The private sector workforce is considerably younger than their TAFE counterparts. Working in the TAFE workforce has traditionally been seen as a long-term career choice where the conditions and employment choices are more generous than the private sector.

- Over 60% of workers are male*
- Over 60% of workers are full time*

But within individual areas of training there is often strong gender bias.

In non-delivery areas such as pastoral care, language and literacy, there may be more females.

- Approximately 32% of workers are casual or contracted*
- Nearly 90% of those conducted training and assessment fall into the 35 and over age group*
- 50 of the 112 respondents indicated they had five or less staff members, while 15 RTOs had 20 or more.

*These figures are based on staff who are trainers and/or assessors rather than the whole workforce.

**The Registered Training Organisation Census conducted by Skills Tasmania in 2008 does not include information on the TAFE workforce.

Further information on the VET workforce includes:

- A policy to support the capability of the VET workforce (<http://www.skills.tas.gov.au/skillstas/policy-and-publications>)
- Research projects including:
 - a census of registered training organisations in 2008.
 - a census of all interstate RTOs who were training or assessing in 2009.
 - a survey to identify what employers/employees value about the training system.The reports can be downloaded from Skills Tasmania's website - <http://www.skills.tas.gov.au/systemtas/research>

Demand influences on the VET sector

Demographic and economic change

Tasmania has the fastest ageing and oldest population of the nation and has more people leaving the workforce than entering each year.

This has several impacts. The policy to increase the low workforce participation means that the VET system will have more clients with significant barriers to training and work and will require specialist skills in the VET workforce to get them through.

It also means a shift in demand toward higher level skills to generate the increases in productivity required to maintain levels of output and it means shifts in demand towards skills that support the ageing population, including community and health.

Skills Tasmania's analysis of Tasmanian RTOs scope of registration against identified priority industries and occupations shows the sector is responding to the demands of industry.

85% of respondents from the RTO Census have developed a business strategy to identify new opportunities for their business. Those strategies include expansion of scope, expansion into areas where training had not been previously offered and new geographical areas.

However, improvements could be made, for example:

- Access to quality industry data/market trends is crucial for RTOs to plan their workforce, particularly in the areas of emerging industries or those that are in decline.
- VET providers have to be more responsive to their clients and more professional development on industry partnerships is needed.
- There needs to be more trainers and assessors able to provide training at diploma and advanced diploma level
- There are cost barriers to providing training in "thin market" areas, particularly in high value sectors
- There is too much reliance on government funding to maintain business

Tasmania takes the view that matters on training packages appropriateness (but not their impact on the VET workforce) are outside the terms of reference for the Commission's study, that significant work has recently been undertaken by NQC and COAG on the policy framework for training packages. This work is currently being implemented and it is suggested the Commission should exclude this matter from its findings.

Supply of the VET workforce

Maintaining workforce capacity

Typically, when industry is in growth, trainers go back to industry where the pay and conditions are better and return to the vet sector when the industry slows down.

Skills Tasmania expect that this is a cyclical phenomenon and unlikely to have a long term impact. Other factors, such as the availability of more attractive, better remunerated work are likely to

have a more significant impact. In terms of the entire VET workforce, it needs to be kept in mind that trade apprentices comprise a minority of students, so the wider need for industry-experienced workers across a wide range of occupations and student groups is a more significant issue.

Enhancing workforce capability Professional development

There is an important distinction between professional development and workforce development. The opportunities for professional development (integrated into workforce planning) are not well resourced, following the winding up of "Reframing the Future" Program.

There is a growing need for RTOs to provide additional services to support their clients learning, such as counselling, language, literacy and numeracy, etc. These services require more specialised training not found in the TAA qualification.

The minimum standards for entry into the workforce are irrelevant if the quality level is not agreed to, maintained and resourced appropriately.

The current system does not support the quality component. As a minimum, trainers and assessors with less than 12 months experience should be supervised/mentored by an advanced practitioner.

Given the number of RTOs who operate across state jurisdictions, a nationally funded scheme for professional development activity is supported.

Workforce Development

The Tasmanian Skills Strategy identifies workforce development as a one of four themes with related *Areas for Improvement* and *Actions*. As an industry sector in its own right the VET workforce would benefit from a planned and coordinated approach to its future workforce needs.

Skills Tasmania supports the recommendations of Skills Australia in respect of an investment of \$40m over six years to develop and implement a workforce development strategy for the tertiary workforce.

A key issue is whether the needs of the public and private VET providers can be integrated into a single workforce plan. In the broader context Skills Tasmania supports industry and sector leadership of the workforce planning and development processes, through active industry associations and networks. It is important that the processes differentiate between those activities and programs that can be taken on at an industry level and those that remain essentially the responsibility of individual entities, organisations, businesses and public providers.

Skills Tasmania supports high level direction and leadership around a national framework of principles with the development of state workforce plans through a partnership developed and led by the Skills Tasmania.

Skills Tasmania's experience suggests engagement of workforce planning professionals with industry credibility is an important component of the processes.

Key elements of a workforce plan are broadly articulated in the Skills Australia's publication *Australian Workforce futures – a national workforce development strategy*.

The goal needs to be to align the capability of the VET workforce and the business and operational practices of VET providers with future skill needs of the workforce, the quality of training outcomes and to position the VET sector to meet the future challenges of local, regional and national social and economic activity.

Institutional arrangements

Employment and work practices

The VET workforce, in broad terms, has always comprised a mix of tenured and casual/sessional teaching/training staff. This provides a core of experienced professional staff while enabling current industry experience to be accessed by providers. This approach, when well-balanced, increases the effectiveness and efficiency of providers.

RTOs are encouraged to explore developing partnerships with other RTOs to provide training and assessment services. In Tasmania this is one of the criteria of funded programs.

Regulation of the VET sector

Regulatory requirements of the VET sector (but not their impact on the VET workforce) are outside the terms of reference for the Commission's study. COAG has recently agreed to new national regulatory arrangements including a national VET regulator and standards council, and changes to the AQTF standards. The new regulatory structures are currently being finalised and the changes to the AQTF standards implemented from 1 July 2010. We would not expect the Commission to make findings on these matters.

The potential impact of the national regulator on the VET sector workforce could produce delays in processing scope changes and increased fees may result in a decrease in the number of private sector RTOs.

In addition, constant changes to policy on training packages, AQTF, etc could result increase costs creating difficulties for private RTOs to absorb.

VET workforce planning

In common with other industries, the VET industry faces three workforce and workplace challenges which can be characterised as:

- Capability - A focus on ensuring the staff are highly trained and able to deliver training services and products required by their clients
- Values – the value the client associates with the training system and how those values can be measured
- Workforce – develop and increase the capability of the VET sector workforce to be productive and sustainable.

Issues surrounding the VET workforce are comparable with other industry sectors, for example ageing workforce, recruitment and retention issues, quality trainers and assessors.

The VET sector is essentially a service provider, much like the hospitality and tourism industry. Like any service industry, it relies heavily on its workforce to be successful. The sector must be able to supply a high quality service using the latest available products, consistently. The staff (trainers and assessors) must be able to deliver the service, consistently to achieve client satisfaction.

The main difference between other industries and the vet sector is the variety and scope of the product and the variety of client needs.

A number of activities have taken or are taking place in Tasmania:

- Workforce Planning was the focus of Skills Tasmania's 2010 conference.
- Skills Tasmania has initiated the development of a Workforce Development Action Plan
- Skills Tasmania has conducted a Census of Registered Training Organisations
- Skills Tasmania has initiated and funded a number of industry action plans which are developed and implemented by industry. The plans identify their skills needs for the future workforce.
- Skills Tasmanian subsidises a VET Professional Development Program. This year the focus is on workforce planning and development

A national approach to the development and funding of a workforce development strategy for the VET sector with state and territory participation would be Tasmania's preference. The key to the success of such a program is flexibility to recognise and adapt the strategy to suit the needs of individual states and territories.

Professional development, access to experts and resources and ongoing support are activities that lend themselves to suit both individual and industry requirements for workforce planning activities.

In line with comments on workforce development and planning above, Skills Tasmania supports and promotes a collaborative industry driven approach to workforce planning.

In terms of the overarching framework and principles for workforce planning, Skills Tasmania is well placed to facilitate, coordinate and provide leadership to these processes in this state. Of course, peak bodies for the VET sector such as ACPET have an important role.

Projects and programs coordinated and facilitated by Skills Tasmania, have demonstrated the willingness of VET providers to collaborate on sector wider challenges. Such collaboration has included the establishment and on-going operation of the Skills Tasmania's Service Provider Committee, a community of practice funded under the Council of Australian Governments' Recognition of Prior Learning Program and the cooperation between providers funded under the Australian Flexible Learning Framework.