



Australian Government
**Department of Employment
and Workplace Relations**

Inquiry into the Perceptions and Status of Vocational Education and Training

Submission from the Department of Employment and Workplace Relations
to the House of Representatives Select Committee on Perceptions and
Status of Vocational Education and Training



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Introduction

The Department of Employment and Workplace Relations (the department) welcomes the opportunity to make a submission to the House of Representatives Standing Committee on Employment, Education and Training on perceptions, status and information on vocational education and training (VET) available to learners and supported by the Commonwealth.

This submission discusses the current status of VET in Australia acknowledging the contemporary misperceptions, and outlines influences on student learning pathway choices, highlighting the critical role timely, authoritative and accessible evidence-based information plays in shaping decision making. Also outlined are a range of activities the Commonwealth is undertaking to showcase and promote the extensive range of available VET options to attract and retain people at every stage of their career, promoting VET as a primary learning pathway.

Further information is included on a range of Commonwealth programs that aim to better support those undertaking apprenticeships and VET pathways, and increase collaboration with industry, employers and Registered Training Organisations (RTO) to improve VET standards and outcomes. While there is always an opportunity to improve, collectively these initiatives seek to strengthen the status of VET in Australia and address barriers preventing full participation.

1 Our operating context

Australia's economic prosperity relies on workforce participation in environments that provide social wellbeing, and enable access to quality skills, training and employment. This supports Australians to find secure work in fair, productive and safe workplaces. VET is a valuable pathway, opening doors to a range of career opportunities and employment outcomes in a variety of industries, including higher-paying VET-qualified trades. It is crucial that Australia's VET sector responds to dynamic labour market conditions to effectively prepare Australians of all ages and career stages for the workforce opportunities of today and in the future.

In a changing world where remote work and increased digital skills are necessary, VET is essential. Jobs available now may not be the jobs of the future, and labour and skills shortages across many sections of the economy continue to grow¹.

The number of jobs that require VET pathways are growing

Economic forecasts show VET will continue to have a central role in supporting workforce participation and productivity. Over the past year, around 36% of total employment growth has been in occupations where university qualifications are the primary pathway, while just over 60% of total employment has been in occupations where VET qualifications are the primary pathway².

Jobs and Skills Australia (JSA) projects that more than 9 in 10 future jobs will require post-school qualifications. Employment growth is anticipated in many vital sectors that rely on VET graduates, including aged care, disability care, childcare, and agriculture. Australians with a post-school qualification are more likely to be working full-time, and in 2022, 68% of Australians had or were currently studying for a post-school qualification.

More people and employers are participating in the VET system

Of people aged 15 to 74, 30% have already obtained a qualification between Certificate and Advanced Diploma levels³ and the participation rate of working aged Australians (15 to 64 years) in VET has

¹Skill shortages and labour market tightness: a global perspective, 2022, National Skills Commission

²December 2022 Quarterly Labour Market Updates – JSA analysis based on ABS data

³<https://www.abs.gov.au/statistics/people/education/education-and-work-australia/latest-release#qualifications-held>

increased from 22.6% in 2015 to 24.0% in 2021, which is higher than the pre-covid levels of 23.4% in 2019⁴.

The number of jobs advertised in Australia increased by 42% from the previous year to August 2022, to 309,900⁵. The percentage of employers using the VET system for training has increased from 51.9% in 2013 to 56.6% in 2021⁶.

Yet employer satisfaction with VET is slipping

However, employer satisfaction that nationally recognised training (which was not part of an apprenticeship or traineeship) met their skills needs fell from 89.2% in 2011 to 78.7% in 2021, with one of the top reasons for dissatisfaction being that relevant skills were not taught⁵.

The challenge ahead

Widespread skill shortages pose a significant economic challenge which is complex and multifaceted. Addressing this will require cooperation between governments, employer bodies, unions and training providers to ensure the VET sector is delivering the right training where people who need it can get access. It will also mean challenging some traditional stereotypes about who should do what training or participate in any particular occupation and ensuring that groups that lack the necessary foundation skills, or that experience other vulnerabilities are not left behind.

At the Jobs and Skills Summit, the Government committed to reinvigorate foundation skills programs in partnership with states, territories, and other stakeholders, to support workers and vulnerable Australians to gain secure employment and to ensure all Australians have the language, literacy, numeracy and digital skills needed to thrive.

Strengthened industry engagement will be essential to building confidence in the skills being taught through the VET system. New Jobs and Skills Councils will provide strategic leadership in addressing skills and workforce challenges, aligning effort across industries to improve system responsiveness, build stakeholder confidence and drive high-quality outcomes for the VET sector, learners and business.

1.1 VET sector overview

Responsibility for the VET sector is shared between the Commonwealth and the states and territories (states), with the Commonwealth transferring funding to states for skills and workforce development, and directly funding specific skills programs (including apprenticeships programs and foundation skills).

The VET sector is large and diverse. In 2021, over 3,500 RTOs delivered VET courses to over 4 million students, including 1.36 million government-funded students. In 2021, 2.7 million students (63.5%) enrolled in subjects that were not part of a nationally recognised program. The most popular subjects were CPR and First Aid⁷. Of those who completed a qualification in 2021, 72.3% studied for job related reasons, including about 1.6 million students aged 25 to 44 years⁸.

The Australian Apprenticeships System plays a vital role as a subset of Australia's VET sector, with 415,240 apprentices and trainees in-training as at 30 June 2022, including a record high 241,860 trade-based apprentices and trainees⁹. Apprentices and trainees represent around 14% of total VET program enrolments.

⁴ NCVER 2022, Total VET students and courses 2021, NCVER, Adelaide; "National, state and territory population." ABS, June 2022, <https://www.abs.gov.au/statistics/people/population/national-state-and-territory-population/latest-release>.

⁵ National Skills Commission, Internet Vacancy Index Preliminary, August 2022

⁶ NCVER 2021, Employers' use and views of the VET system 2021, NCVER, Adelaide

⁷ NCVER 2022, Total VET students and courses 2021, NCVER, Adelaide

⁸ NCVER 2022, *VET student outcomes 2022*, NCVER, Adelaide.

⁹ NCVER 2022, Australian VET statistics: apprentices and trainees 2022, June quarter

The term 'Australian Apprenticeships' refers to both apprenticeships and traineeships. Australian Apprenticeships combine a formal qualification via a mix of on-the-job and off-the-job training with paid employment. They are available in a variety of VET qualification levels. An apprenticeship or traineeship can be full-time, part-time or school-based.

The VET sector has been under increasing pressure to grow and retain its workforce. To address this, a VET Workforce Blueprint was announced as an outcome of the Jobs and Skills Summit in 2022. The Blueprint will be developed by the department in consultation with key VET stakeholders and the states and will address the challenges currently facing the VET workforce and identify effective strategies for growing the VET workforce, attraction and retention, capability and career development and succession planning.

2 Perceptions and status of the VET sector

Participation rates of working aged Australians in VET is increasing over time, and the number of VET students has increased overall between 2017 and 2021 with strong numbers of apprentices and trainees in-training since 2020. Despite this, stakeholders agree that poor perceptions of the VET sector inhibit the growth required to meet current and future skills demand.

In 2021 developmental research¹⁰ undertaken for the department found that there is an ongoing lack of awareness and understanding of VET. Despite the wide range of high-quality VET courses available, levels of awareness and understanding of VET itself is low. Respondents were more knowledgeable about the qualifications that VET offers (for instance a Certificate III) as opposed to having a good understanding about what VET offers as a further education option. This highlights the importance of providing individuals with complete and accurate VET pathway information to address the perception that the system is fragmented and complicated.

2.1 Factors influencing perceptions of VET

2.1.1 Children are influenced about work and education pathways from a young age

Research¹¹ shows primary school-aged children as young as 7 years old develop biases and stereotypes about the world of work – including VET versus higher education pathways. Parents, carers and teachers have a highly influential role in encouraging curiosity in their children, with exploration and understanding in childhood prompting learnings in adolescence and expanding career-related horizons.

In response to the research, in 2021, the National Careers Institute (NCI) - which is embedded within the department, partnered with the Career Industry Council of Australia (CICA) to develop and launch the *Little Ripples* initiative designed to support parents to spark curiosity and encourage conversations with their children about the world of work. These free and accessible digital materials, available on Your Career, include an online video, conversation cards, activity sheets and games. The resources incorporate a breadth of jobs and industries across a range of career pathways, encompassing both VET and higher education.

In 2022, the NCI again collaborated with CICA to develop a suite of digital non-curriculum-based resources (books, games, video) for primary school teachers/educators to support, enhance and facilitate aspirational conversations with their students about the world of work in the classroom.

2.1.2 People are influenced by family and peers

Parental access to accurate information and advice is important in countering biases that parents/carers may have in preferencing higher education over VET pathways¹².

¹⁰ Developmental Research, JWS Research, 2021

¹¹ [Starting early – the importance of career-related learning in primary school - Education and Employers](#)

¹² Wyman, McCrindle, Whatmore, Gedge & Edwards. (2017). Perceptions are not reality: myths, realities & the critical role of vocational education & training in Australia.

Research¹³ shows that while parents and carers underestimate their influence, their attitudes and preferences towards different pathways can have a highly influential impact on a young person's pathway choices. The advice young people receive from parents/carers and teachers can be biased by personal experiences, including those who went to university themselves promoting university as a preferred pathway to their children.

Research also found that vocational teachers are more influential than parents and carers in providing advice to young people who are certain about choosing a VET pathway. However, the research indicates that young people who are uncertain about their occupation are more influenced by their parents/carers and families. Some parents and carers perceive that VET training is narrowly focused on individual occupations rather than industry-wide careers, which may cause them to provide advice to young people to choose a university pathway to broaden their employment choices. School students who were undecided about their occupation also see the specific occupational focus of VET programs as a barrier¹⁴.

2.1.3 Students are influenced by teachers and schools

Research¹⁵ found Australians are influenced by teachers, family and societal perceptions on status of work. This gap widens significantly as young people progress to year 11 and 12 where the focus in many schools is the Australian Tertiary Admission Rank (ATAR) and pathways to university.

Teachers influence students on their subject selection in years 11 and 12 and this can impact on their broader career decisions. However, teachers are often less equipped to provide advice regarding pathways alternative to university, such as VET or full-time work.

The 2020 report, *Looking to the Future: Review of senior secondary pathways into work, further education and training*¹⁶ highlighted the need for improved information sources for secondary students, including information from online sources and that provided directly by schools and VET providers to students. It also highlighted opportunities to better support teachers and schools to improve information available to school students, as teachers often have limited career education knowledge, especially in relation to non-university or blended pathways.

To support sound decision making, the report found that it is important to ensure all secondary students have access to clear and up-to-date career advice that supports them to make informed decisions about their course selection, including VET options during their final school years. This is particularly important for regional, rural, and remote students, students with disability, students from low socio-economic backgrounds and First Nations students, all of whom are more likely to choose VET rather than university pathways¹⁷.

A recent New Zealand trial of a Job Pathways tool based on the New Zealand Vocational Pathways model mapped school subjects to selected industry sectors. The aim was to better support students to identify vocational pathways and careers that better suited their skills and interests, mapping school curriculum subject choices and interests to particular sectors.

2.1.4 Perceptions of the quality of secondary school VET

In the VET sector broadly, industry often has strong relationships with RTOs leading to training delivery confidence. However, negative perceptions of VET delivered within secondary schools can impact confidence, this is despite the reality that many VET courses delivered to secondary students are

¹³ The Behavioural Insights Team (2022) Findings and recommendations report - Pre-careers decision making research.

¹⁴ Billet, S., et al., (2020) 'Enhancing the standing of vocational education and the occupations it serves: Australia', *Journal of Vocational Education and Training*

¹⁵ Ibid

¹⁶ Looking to the Future Report: Review of senior secondary pathways into work, further education and training (2020), The Education Council.

¹⁷ Ibid

delivered by the same providers and to the same quality standards as those delivered to post-school students.¹⁸

One barrier to providing effective workplace learning for secondary students is employer reluctance to offering work placements¹⁹. This is often due to a perception that it is too burdensome to take on trainees or due to a perception that they will not benefit significantly from offering the traineeship. Yet workplace learning provides the opportunity for students to develop professional skills through work-based training²⁰, manage transitions from school to work, and offers employers a means of recruitment.

Addressing these perceptions requires a collaborative effort between education authorities and industry bodies to build relationships and deeper understanding²¹. Schools can support the transition of students to the world of work, providing effective career planning, and access opportunities for employment and training.

One way of potentially improving employer engagement may be by more effectively leveraging existing successful partnerships and exploring new ways to facilitate and support school and industry partnerships, including showcasing those partnerships that work.

2.1.5 Perceptions of apprenticeships

At the Jobs and Skills Summit, the Government committed to explore options to improve the apprenticeship support system and drive-up completions. On 16 November 2022, the department released the *Australian Apprenticeship Services and Supports* discussion paper seeking views on addressing key issues at every stage of the apprenticeship life cycle.

Responses highlighted perceptions which may act as barriers to entry into an apprenticeship, including:

- perception that an apprenticeship is a pathway to a single vocation/occupation
- apprenticeships are commonly associated with high school students, whereas in practice, many employers actively seek mature aged apprentices, or they are used to support a career change
- for some, there is a cultural or social barrier to the participation of women in male-dominated trade apprenticeships, as a result of existing systems and structures in current school and work environments.

Targeted promotion of apprenticeships as a pathway to high value employment opportunities and rewarding careers, including making the benefits of a trade more visible to women, those returning to work, First Nations people, unemployed people and highlighting the financial and other support available might assist in addressing some of these barriers.

2.1.6 Perceptions shaping the choices of First Nations people

First Nations people are more likely to participate in VET than Australians overall. In 2021, 30.7% of First Nations people aged 15 to 64 participated in VET, compared to 24.0% of all Australians in the same age group²². Although they are less likely than VET students overall to study subjects outside of accredited courses and qualifications, they are also less likely to complete the qualification. It is projected that 34.0% of First Nations people who started a VET qualification in 2019 will complete it, compared to 48.9% of all VET students²³.

In 2020, First Nations students accounted for 28% of total program²⁴ enrolments in remote areas, commensurate with the population proportion of First Nations people in remote areas (29%).

¹⁸ASQA publishes scoping study on VET in schools | Australian Skills Quality Authority (ASQA)

¹⁹ OECD, p 24-25 *Improving Work-based Learning in Schools: Note on Australia (oecd.org)* 2020

²⁰Ibid, p-6-7.

²¹Looking to the Future Report: Review of senior secondary pathways into work, further education and training (2020), The Education Council. Page 84

²² NCVER 2022, *Total VET students and courses 2021*, NCVER, Adelaide.

²³ NCVER 2022, *VET qualification completion rates 2021*, NCVER, Adelaide.

²⁴ *Program enrolments* excludes non-nationally recognised training including locally developed programs and skill sets, and subject-only enrolments

Conversely, First Nations students accounted for a higher proportion of total program enrolments than their population size in major cities (4% compared to 2%), inner regional (8% compared to 4%) and outer regional (13% compared to 7%). Reflecting the proportion of First Nations people living in regional and remote areas, First Nations students account for a higher proportion of total enrolments in these areas²⁵.

Research²⁶ shows First Nations graduates report high levels of satisfaction with VET and personal benefits from undergoing training. VET is acknowledged as an important pathway for First Nations learners and a key component in the challenge to close the gap in employment disparity.

2.1.6 Perceptions shaping the choices of women

‘Critical to Australia’s success will be harnessing our existing talent pool to its fullest potential ... Removing barriers to participation deepens the talent pool and makes the best use of a country’s human capital. This process still has a significant distance to run in Australia ... [with] some of the highest levels of education for women in the world, we currently rank 38th when it comes to women’s economic opportunities.’ Danielle Wood, Jobs Summit 2022²⁷

Equal contribution from both men and women to workforce participation is key to Australia’s economic prosperity. In 2022, women’s workforce participation was at a record high of 62.3%²⁸. VET has the potential to open doors for women to a range of career opportunities and employment outcomes in a variety of industries, including higher-paying VET-qualified trades.

Perceptions of VET, and its associated biases, shape career decision-making; connections may be drawn from significant under-representation of women in trades. These early influences impact women resulting in over-representation in the lowest paid VET-attainable occupations.

2.1.7 Participation of women in VET and apprenticeships

Women are less likely to participate in VET than Australians overall and their choice of training is markedly different from males. 22.6% of Australian females aged 15 to 64 did VET in 2021, compared to 24.0% of all Australians in the same age group.

While women represent 46.8% of all VET students²⁹, fewer women are currently in training for trade occupations compared to men (11% versus 89%, respectively). Women are most likely to undertake qualifications directed at caring roles, and account for more than 9 in 10 enrolments in Early Childhood Education and Care qualifications, more than 8 in 10 of Diploma of Nursing and more than 7 in 10 enrolments in the Certificate III in Individual Support. Also, women who complete a VET qualification are less likely than males to have been employed before training (64.4% compared to 67.0%) and less likely to be employed after training (77.0% compared to 77.9%)³⁰.

²⁵ Vocational education and training in regional, rural and remote Australia (2023), Jobs and Skills Australia.

²⁶ Indigenous VET participation, completion and outcomes: change over the past decade (2017), NCVET

²⁷ [Think big: a new mission statement for Australia - Grattan Institute](#), Danielle Wood, 2022

²⁸ ABS, Labour Force, December 2022

²⁹ NCVET 2022, Total VET students and courses 2021, DataBuilder, NCVET, Adelaide.

³⁰ NCVET 2022, VET student outcomes 2022, NCVET, Adelaide.

The following tables show the top 5 trade occupations for males and females. Women are under-represented as apprentices in-training across almost all trade occupations, with the exception of hairdressing.

Table 1 - Apprentices In-training as at 30 June 2022

Top 5 Trade Occupations for Males³¹	Total in training	% Female
331 Bricklayers, and Carpenters and Joiners	38,650	2.5%
341 Electricians	39,635	5.2%
321 Automotive Electricians and Mechanics	30,835	5.6%
334 Plumbers	21,990	1.6%
322 Fabrication Engineering Trades Workers	12,540	3.4%
Other Occupations	98,205	24.3%
Total	241,860	12.2%

Table 2 - Apprentices In-training as at 30 June 2022

Top 5 Trade Occupations for Female³²	Total in training	% Female
391 Hairdressers	10,055	85.2%
351 Food Trades Workers	15,170	32.9%
399 Miscellaneous Technicians and Trades Workers	5,405	39.9%
341 Electricians	39,635	5.2%
321 Automotive Electricians and Mechanics	30,835	5.6%
Other Occupations	140,755	7.1%
Total	241,860	12.2%

Construction is a traditionally male-dominated industry that remains highly gender segregated. ABS data shows women make up only 14.5% of workers in the Australian construction industry³³ and the NCVET reports only 5.2% of apprentices in training in construction are female³⁴. This is significantly below the 30.9% of apprentices across all industries who are female³⁵. Additionally, 51% of women and 12% of men working in construction experienced sexual harassment³⁶ highlighting the importance of early intervention to address perceptions of girls and women, provide equal opportunities and attainment of skills, and the need for programs to encourage a more inclusive mindset.

The Government is taking steps to better support women in trade apprenticeships. Women who take up an apprenticeship in a trade occupation that has had historically low female participation will have access to intensive support through the \$38.6 million Women in Non-traditional Trades Initiative. In addition, the Government has committed to implementing the Australian Skills Guarantee, which

³¹ NCVET 2023, Australian vocational education and training statistics: apprentices and trainees 2022 — June quarter, NCVET, Adelaide.
Note: Numbers have been rounded to the nearest 5.

³²Ibid

³³ Australian Bureau of Statistics, Labour Force, Detailed, Quarterly, cat no. 6291.0.55.001, Nov 2022 release.

³⁴ NCVET 2022, Australian VET statistics: apprentices and trainees 2022, June quarter

³⁵Ibid

³⁶ Derived from the 2018 National Survey on Workplace Sexual Harassment.

will see one in 10 workers on Australian Government funded major projects an apprentice, trainee or paid cadet. The Government has committed that the Australian Skills Guarantee will include targets for women.

2.1.8 Addressing apprenticeships barriers

To assist in improving the experience of apprentices and address some barriers to completion, including those faced by women, the Government is considering opportunities to improve the apprenticeship support system. The Australian government-funded Australian Apprenticeships Support Network (AASN) provides a range of supports, including tailored in-training support across the life of the apprenticeship.

In an effort to encourage participation in apprenticeships, AASN providers are required to undertake marketing and promotional activities in their contracted region, with the aim of increasing apprenticeship commencement, retention and completion rates.

2.1.9 Australian Apprenticeships Incentives

The Government is investing \$2.3 billion to encourage take up of an apprenticeship or traineeship through the Australian Apprenticeships Incentive System. Targeting skills shortages, completion rates and accessibility, the system includes financial support such as wage subsidies, incentive payments, targeted industry incentives and a living away from home allowance.

To boost the take up of apprenticeships and traineeships in areas of skills demand, higher employer incentives and direct payments to the apprentice/trainee are available where the apprentice takes up an apprenticeship listed on the Australian Apprenticeships Priority List. This list is updated at least annually, based on the most recent analysis released by Jobs and Skills Australia.

2.2 Promoting VET

Promotion of VET occurs in a multitude of ways ranging from broad ranging national activities to individual businesses seeking to fill skills vacancies. There is a collective role and opportunity to influence and shape people's choices around participation at many points throughout their lifetimes. This includes families, schools and education systems, governments, industry and unions.

VET pathways are promoted widely by the department through the Australian Training Awards and the Australian VET Alumni, with over 600 ambassadors from across Australia who have achieved success and recognition in their field through a VET pathway both at the state and national level.

Showcasing excellence and best practice in VET for students, individuals, businesses and RTOs and acknowledging the best helps promote continuous improvement and innovation in training design, delivery and outcomes, and increased awareness and respect for skills-based careers.

The VET Alumni program was established after departmental research found that those who know little about VET respond very positively to testimonials of real stories, from real people, showing real achievements.

Through the VET Information Strategy program, the NCI supports National Skills Week, an event dedicated to raising the profile and status of vocational learning, dispelling outdated myths, and showcasing the attractive VET career opportunities for all Australians. The NCI also supports the ABC's Heywire competition, encouraging young rural, regional and remote Australians to share their stories and develop regional projects to improve their communities.

The NCI supports best practice internationally through its support of WorldSkills Australia, a national not-for-profit organisation promoting skills excellence for young Australians by benchmarking and showcasing Australian skills through regional, national and international competitions. Every 2 years over 500 young tradespeople compete across 60 skills to be selected as part of the Skillaroos – the national team competing for the title of the world's most skilled country.

Continuing to expand and promote the VET Alumni program will build on the existing collaboration with states and assist to target priority cohorts and industry skills gaps by encouraging participation across emerging and in-demand industries.

3 Information available to students about VET and careers

The department focuses on equipping Australians who are starting, advancing or changing their career with the relevant skills, knowledge and experience to gain or regain employment including through the provision of evidence based information.

3.1 National Careers Institute

Given the range of information available from multiple sources, consistency, transparency and ease of access to careers information is essential. One of the government's key levers to do this is the National Careers Institute (NCI). The NCI, as a national entity, conducts research and shares evidence-based best practice resources to ensure all Australians, including those who are traditionally left behind in education and work transitions, have access to authoritative, pathway-agnostic careers information.

The NCI translates labour market research and analysis produced by Jobs and Skills Australia (JSA) to promote opportunities and provide user-friendly careers information on the Your Career website. Information is reader-tested and brought to life by case studies and stories about real people. Your Career aims to be a primary source of information for users at all stages of their careers, from student through employment to retirement.

The NCI was formed in 2019 following the *Strengthening Skills: Expert Review of Australia's Vocational Education and Training System* which described careers information in Australia as '*a confusing maze of fragmented information that did not support citizens to make informed choices about their career pathway.*'

The NCI's strategic direction is informed by the [NCI Advisory Board](#), members of which include youth advocates, First Nations people and women, who represent a diverse cross-section of Australian business, industry and education providers and ensure the NCI is connected to and advised by the sector.

The NCI's careers information services currently target Australians of all backgrounds and at all stages of their career journey as well as those who support them.

The NCI researches the influences on people's career choices, stigmas around VET pathways and societal perceptions, highlighting the broad range of options available and outcomes at key decision points. This and other research and data is then packaged into user-friendly, practical information and tools. Sources of information include JSA and the National Centre for Vocational Education and Research (NCVER).

The NCI meets its objectives by:

- **researching** and sharing best practice in providing access to relevant and accurate careers information, such as supporting career practitioners to provide effective guidance through the internationally recognised Australian Blueprint for Career Development, hosted on the Your Career website
- **providing** career information through the **Your Career** website, which recasts labour market intelligence into readily accessible terms, supporting Australians to realise their aspirations through awareness of the breadth of occupations available, and better targeting labour supply to areas of the workforce most in need
- **delivering** the national register of VET (training.gov.au), relied upon by stakeholders and IT systems in the VET sector as the central source of information on nationally-recognised training and the RTOs that deliver it. The NCI engages closely with VET regulators, training package developers, and student management software developers to ensure data supports the training system's response to industry needs

- **supporting** Australia’s training market through the My Skills directory of VET which collates information from multiple sources to support students and employers to find the courses and providers that best suit their needs. The NCI engages with RTOs, the NCVET and state training agencies to provide a diverse source of information to support consumer decision-making
- **developing targeted and tailored resources** supported by research to understand how, when and why people make career-related decisions. Resources include the School Leaver Information publications, developed for different cohorts of school leavers and their parents, including for First Nations peoples, people with disability and people in regional, rural and remote areas
- **collaborating, and engaging in partnerships, and outreach** across industry and states, avoiding duplication and addressing gaps, through both the VET Information Strategy which aims to improve the status and appeal of VET by encouraging participation in high quality training that meets the needs of industry; and collaborating with employers, training providers, schools and community organisations to improve training pathways and career outcomes
- **showcasing excellence** through the Australian Training Awards, VET Alumni Network and WorldSkills Australia, illustrating how VET qualifications and skills embedded employment leads to strong business outcomes and rewarding careers.

3.1.1 NCI best practice approach

Along with initiating its own research, the NCI monitors international approaches to career guidance and interventions. For example, the Lifelong support model, established in New Zealand, Wales and Scotland, whose objective is to ensure people have access to career support, whether they choose to use it or not, at each transition point in their career. This model is defined by

- continuity and consistency
- a common touch point via an online portal that is assisted by multiple support avenues
- engagement with the model from an early age
- clear governance with localised support and partnerships with key bodies.

This ensures that Australia takes the opportunities to learn and leverage from the experiences of other similar countries and economies. See Attachment A for more international examples.

3.1.2 Evidence-based careers information and advice

The NCI has undertaken a suite of research focused on how, why and when people make career choices at different ages and stages, and uses these insights to inform how it supports people to make informed decisions about their career.

The NCI’s citizen-centred research approach focuses on identifying people’s ‘moments of inspiration’ and ‘moments of choice’ when deciding between university, VET or work pathways and what influences this behaviour including social norms, influencers, work experience, exposure to various industries, careers and jobs, costs, and income.

- ‘Moments of inspiration’ are events that can spark or introduce the thought of going down a particular career path. These moments occur spontaneously and incidentally, including through social or professional connections or through contact with particular communities or industries. Understanding moments of inspiration leads to a better understanding of how people make career choices, including how career pathways, such as VET, are perceived and influenced.
- ‘Moments of choice’ are key decision points which can have a significant influence on future career pathways. NCI research showed that some choices can expand or narrow down career options, and engagement with information tends to increase around these moments. Knowing when and how to provide career information and guidance enables the NCI to target, tailor and time career products and services to greatest effect.

3.1.3 Your Career - Promoting VET pathways

The Your Career website run by the NCI is a primary information source for individuals seeking information to inspire and support informed career choices. Information is translated into 'plain English' materials to help people better understand how they can forge successful careers through formal education and training, recognised prior learning and work experience.

Your Career is designed to support individuals to explore a broad range of career options based on their personal interests and skills sets and provides simple and accurate information about VET and higher education pathways. Your Career highlights the career journeys of real people across a broad variety of industries with a strong focus on individuals who have advanced their careers through a VET pathway.

NCI research³⁷ shows that once someone has chosen a VET pathway, they are highly influenced by time, course or training costs and anticipated pay rates. The research found:

- a significant driver for secondary students choosing VET was the perceived advantages of reduced course completion time and ability to obtain paid employment sooner
- while most in their mid-career (30 to 49 years of age) are open to upskilling or reskilling to advance their career, they face barriers such as cost, lack of time and motivation³⁸
- people are influenced by anticipated pay rates of different professions. This issue is particularly relevant in the first 2 years of an apprenticeship when wages are less attractive than many semi-skilled and unskilled occupations.

Your Career is being enhanced by integrating My Skills to create a more seamless, personalised experience and make it easier for people to make decisions confidently. My Skills provides transparent consumer information about nationally recognised courses and providers. This will enable users when seeking career information to compare VET courses and RTOs and select training services that meet their needs through a single website experience.

3.2 Careers guidance has measurable benefits

3.2.1 Providing careers advice for individuals

International research has found³⁹ that while many students make an active decision on what they will do after school, this does not indicate confidence that this first step will necessarily contribute towards their long-term career. Students undecided on their long-term pathway were more likely to choose university, rather than VET as it is perceived as an occupation-specific training choice. This highlights the importance of career guidance and support to help provide school leavers with pathway-agnostic, informed career information and to foster aspiration for career choices that think beyond qualifications.

There is currently a lack of consistency in the delivery of careers guidance services across Australia. Large jurisdictions such as NSW and Victoria provide career guidance services, including for young people, while smaller jurisdictions are still building capability and draw on the career guidance information provided by the Commonwealth. All jurisdictions access the information published on Your Career to support career education in their state.

The Commonwealth is working with states to identify how best to complement their careers guidance efforts, working with jurisdictions to build professional capability, and guiding best practice - informed by research undertaken by the NCI, the CICA, and internationally.

³⁷ The Behavioural Insights Team. (2022). Desktop research report: NCI pre-careers project.

³⁸ Behavioural Economics Team of the Australian Government (2022). Mid-career decision making: Exploratory 'deep dive' research report prepared for the NCI.

³⁹ Pye Tait Consulting, Carol Stanfield Consulting. 2021. *International approaches to careers interventions*. UK Department for Education.

The Australian Jobs Report publication provides an overview of trends in the Australian labour market in a format designed to support students, career advisers, job seekers, those considering future training and work and people interested in labour market issues. Australian Jobs is produced by the NCI with data provided by JSA, and is available on Your Career, with copies provided to schools, employment services providers and career guidance officers.

3.2.2 Supporting best practice - career practitioners

The NCI assists professional career practitioners in providing career advice. The Australian Blueprint for Career Development (ABCD) is a resource for career professionals that defines the knowledge, skills and attitudes an individual needs to make sound choices and effectively manage their own career.

In 2022 the NCI modernised and relaunched the ABCD on the Your Career website. The refresh involved research and extensive consultation across the career industry sector. The ABCD is considered best practice as it now incorporates an additional childhood development 'awareness' phase whereas similar frameworks commence from middle high school. Professional development sessions on the refreshed ABCD for Career Practitioners commenced in February 2023 and continue until April 2023.

While gains have been made, there is a current focus on building better engagement between the NCI, the states and territories and their school systems, as well as expanding resources available on Your Career to assist Career Practitioners. This will positively influence and champion the use of career guidance for people at all ages and stages in their careers and complement the efforts by the states.

4 Partnerships between VET providers and employers

Upskilling and reskilling is a focus for individuals and businesses, with technology rapidly changing work practices. The Commonwealth, in partnership with state governments, provides assistance to school leavers and job seekers to gain new skills by retraining and upskilling in areas in demand.

The department is working to improve collaboration between key VET stakeholders, including partnerships between VET providers and employers through various programs and initiatives.

4.1 Jobs and Skills Councils

The department is implementing the Jobs and Skills Council – Strengthening Australia's National Vocational Education and Training System Program and is committed to delivering a collaborative, tripartite VET sector that brings employers, unions and governments together to find solutions to skills and workforce challenges.

As a national network of industry-owned and industry-led organisations, JSCs will provide strategic leadership in addressing skills and workforce challenges, aligning effort across industries to improve system responsiveness, build stakeholder confidence and drive high-quality outcomes for the VET sector, learners and business. JSCs will perform a critical role in ensuring that the skills taught through the VET system meet current and emerging employer needs for skilled workers.

JSCs will draw on JSA's workforce analysis and projections to undertake planning for their industry sectors, creating a consistent understanding of the skills landscape and how skill gaps can be addressed. The NCI will work with the JSCs to support employers to understand and promote career pathways and assist learners and workers to make well informed career decisions through the promotion of evidence-based education pathways, newly developed VET training products and career pathways across industries.

4.2 Partnership Grants

Four rounds of NCI Partnership Grants have provided funding for organisations such as employers, training providers, schools and community organisations to create education and training pathways to improve career outcomes.

The program supported:

- people at all stages of their careers, including students, job seekers, people developing their career, and people looking to change careers. Research shows people are twice as likely to be engaged in work, and are more productive in the workplace, if they have the opportunity to engage in high quality careers development⁴⁰
- career influencers, parents and peers—we know 48% of young people get their most trusted career guidance from parents/carers⁴¹
- employers—research shows that a lack of career development is one of the top reasons why an employee leaves a job, and it costs employers an average of \$27,000 to replace an employee⁴².

The final round of grants focused on the career needs of young people. Out of 9 successful applicants, 5 programs emphasised the need to better connect young people to industry through mechanisms such as industry placements and work experience opportunities.

All grants conclude by 30 June 2023. An independent program evaluation will capture the reflections of grant recipients and their partners, focused on what worked best, what was less successful and any challenges faced as well as provide a useful resource for career practitioners and those designing future policy. Sharing evaluation findings and outcomes of grant programs across industry and states will encourage adoption of best practice in tailoring and targeting career information and VET pathways.

5 Commonwealth programs

The department supports and encourages Australians to access the VET system, through a range of programs and incentives, with a particular focus on supporting job seekers and those with barriers to participation in employment and training to gain skilling opportunities.

5.1 National Skills Agreement

At the Jobs and Skills Summit, the Prime Minister, the Hon Anthony Albanese MP announced a two-stage approach to skills reform, comprising a 12-month Skills Agreement from January 2023 and a new long-term National Skills Agreement to commence in 2024.

The \$1 billion 12-month Skills Agreement, with costs shared with the states, makes available 180,000 Fee-Free TAFE and vocational education places in 2023. Notably, the Agreement includes specific funding for wrap-around support services to help disadvantaged learners to access training, promotion of Fee-Free TAFE, funding to states and territories to provide supports which can include accessing required work placements, or support for learners to access training that is best suited to their needs and the local jobs market and to transition from learning to employment.

In addition, the Commonwealth, states and territories are in the process of negotiating a new five-year National Skills Agreement to take effect from January 2024. The new agreement will aim for a VET sector that provides high-quality and accessible education and training to boost productivity and support more Australians into secure work. The vision statement and guiding principles for the new agreement have been agreed by Skills Ministers and endorsed by National Cabinet:

<https://www.dewr.gov.au/skills-reform/national-skills-agreement-vision-and-principles>.

⁴⁰ Whiston, S. C., Li, Y., Goodrich Mitts, N., & Wright, L. (2017), Effectiveness of career choice interventions: A meta analytic replication and extension, *Journal of Vocational Behaviour*, 100, 175–184.

⁴¹ Year 13, After the ATAR, [cica.org.au/wp-content/uploads/Y13_YS_ResearchPaper.compressed.pdf](https://www.cica.org.au/wp-content/uploads/Y13_YS_ResearchPaper.compressed.pdf)

⁴² Work Institute, 2017 Retention Report, cdn2.hubspot.net/hubfs/478187/2017%20Retention%20Report%20Campaign/Work%20Institute%202017%20-Retention%20Report.pdf

5.2 Foundation Skills

Low rates of language, literacy, numeracy and digital skills present challenges in addressing the current skills shortages. Skilled workers are more readily employed and earn higher wages. They are also more resilient in the face of changes in the economy and better equipped for the work of the future. Around 3 million Australians have low literacy and/or low numeracy skills. Through the Skills for Education and Employment (SEE) program, Adult Migrant English Program (AMEP), the Foundation Skills for your Future programs and the Remote Community Pilots program, the Australian Government supports the development of foundation skills so that individuals are equipped with the language, literacy, numeracy and employability skills required by businesses. Other government funding for VET delivery also support access to foundation skills training, such as through the 12 month Skills Agreement.

5.3 Employment programs

Additional Commonwealth programs and initiatives that have the capacity to influence education and training choices include:

- Workforce Australia is the employment service managed by the department, which includes an online platform and a network of providers delivering tailored support. All Australians can use the Workforce Australia online tools and resources that help them explore their options, apply for and prepare for work. These resources include information to help people explore options to improve their job prospects, including links to fee-free TAFE courses, Your Career and state-based websites. Job seekers may also participate in foundation skills programs, accredited and non-accredited training.
- The Career Transition Assistance program supports individuals aged 45 and over to improve their confidence and boost their skills to become more competitive in their local labour market. Practical support is provided to identify existing skills and how they can transfer to other jobs or industries, and to build skills and confidence use every-day ICT such as computers, tablets and smart phones.
- The Employability Skills Training program offers 75 hours of practical support to help individuals build employability skills. It can also deliver industry specific training, both accredited and non-accredited, that can be used as a steppingstone to further training, or to access entry level positions in the local labour market.
- Transition to Work (TtW) provides targeted pre-employment and employment support for young people at risk of long-term unemployment and plays a strong role in influencing disadvantaged young peoples' engagement with training, including VET. TtW is the youth specialist service under Workforce Australia.

This voluntary, demand-driven service focuses on building the skills, confidence and work readiness of school leavers aged between 15 and 24 and young people with significant non-vocational barriers who have had difficulty transitioning from education to employment. Between 1 July 2022 and 31 January 2023, 3,169 accredited education and training activities were started by TtW participants, with 3,001 of those in the VET system.

5.4 Registered Training Organisations standards improvements

RTOs have a critical role in ensuring training delivery is high-quality and meets the diverse range of learner and employer needs. The current standards for RTOs describe the requirements an organisation must meet to be an RTO and have been in place since 2015. They ensure training delivered meets industry requirements, has integrity for employment or further study, and that RTOs operate ethically considering the needs of learners and industry.

The standards revisions aim to strengthen current requirements with emphasis on ensuring industry feedback and advice is meaningful. Revision is based on extensive sector consultation along with analysis of other sectors, expert reviews, and research.

Revisions to the standards are exploring the potential to strengthen the community linkages between RTOs, educational institutions, community groups, job networks and wellbeing support services. This will support training progression and facilitate pathways through and from training, improve training outcomes and engender lifelong learning, cementing the connections from school to VET, VET to community, and VET to employers.

6 Summary statement

The department recognises the critical role VET plays in the Australian economic landscape. Strengthening perceptions of VET through the provision of targeted, reliable, current information and services to students, parents, schools, job seekers and employers, as well as showcasing the sector through the Australian Training Awards and VET Alumni, will support economic and labour market sustainability going forward.

Increased stakeholder confidence in VET qualifications through better engagement between the VET sector and industry is a focus of a range of Government programs. The Commonwealth, in partnership with state and territory governments, assists school leavers, job seekers and others to gain new skills through VET, maximising existing infrastructure while responding to the skills-shortage challenges.

Working closely with stakeholders and key partners to source the most accurate and up-to-date labour market data and analysis, understanding future training pathways, and determining industry and workforce needs, will ensure that government investment and policy decisions going forward are evidence-based. It will also lead to joined-up solutions that are focused on supporting an increasingly educated, prosperous and effective workforce made up of individuals who have access to safe and secure employment and satisfying career opportunities in a variety of industries.

The NCI plays a primary role in providing individuals with accurate, tailored career pathway information, enabling people to make informed decisions. It is critical to help learners choose the right path, at the right time and as far as possible set them up for success in their chosen occupation. This could be by undertaking a single VET unit or a tertiary pathway that is the beginning of a lifelong learning journey in a particular field.

There is more work to be done to strengthen the perceptions of VET in Australia and meet current and future workforce challenges. The department will continue to actively look at new ways of disseminating and promoting information and best practice ways of working to ensure that no one is left behind as industries transition, and the workforce adapts in the decade ahead.

7 Attachment A:

International approaches to career guidance and intervention

According to a review⁴³ of international approaches to careers interventions, the following are some best practice examples of effective models and holistic career information and support.

- The Ontario Ministry of Education introduced the Creating Pathways to Success program in 2014, to support students in making decisions for post-secondary education and increase their confidence in making these decisions. The All About Me portfolio and Individual Pathway Plans (developed in one portal) encourage consistency and familiarity, as well as contributing to a personalised career plan.
- In 2016 Northern Ireland implemented a Careers Strategy which was closely linked to their Economic and Skills Strategies. The Department of Education and the Department of Employment and Learning were both responsible for achieving the aims of the strategy, by raising awareness of career pathways and assisting people in making informed decisions. The bipartisan approach was reviewed 2018 and was found to be 'probably the strongest model for the delivery of career services'.
- The SkillsFuture division in Singapore drives the SkillsFuture policy and aims to diversify employment opportunities which were traditionally based on family and community networks. Focused on individuals' skills and interests, the policy empowers Singaporeans to commit to lifelong learning. Careers counsellors communicate with parents, staff and industry partners to engage them in the decision-making process. Added supports to the policy have packages specific to mid-career workers to enable upskilling and transitioning.
- Germany's tripartite approach means employers, through Chambers of Commerce, deliver projects for young people in post-compulsory education. The Federal Employment Agency coordinates a top-down approach, including arranging work placements and internships for students, who navigate to different professions or conduct self-assessments using the 'CheckU' web portal. Information is supplemented by careers advice, mandatory in schools, provided by chambers of commerce and trade unions. A research evaluation of the self-assessment tool found that after career counselling, career choice readiness improved. The Chambers of Commerce also provide careers guidance initiatives and projects which tend to be focused on vocational occupations, apprenticeships and degree apprenticeships. The German Trade unions also provide career guidance and information.

⁴³ Pye Tait Consulting, Carol Stanfield Consulting. 2021. *International approaches to careers interventions*. UK Department for Education.