

Senate Standing Committees on Economics

The Australian manufacturing industry

QUESTION ON NOTICE

Date of hearing: 11 November 2021

Outcome: Skills

Department of Education, Skills and Employment Question No. IQ21-000151

Senator Anthony Chisholm provided in writing.

Connections between industry and our education/training providers

Question

Several submissions to this inquiry have argued that, notwithstanding recent efforts, more work still needs to be done on building connections between industry and our education/training providers. This has included several recommendations including increased number of placements as part of courses within industry, an increased focus on industry-linked PhD programs, and even a greater role for industry and unions in shaping the curriculum of courses. Would you be able to provide us with an overview of what initiatives are currently being examined to foster these connections, and where possible, how these initiatives might relate to the advanced manufacturing sector specifically.

Answer

Skills Ministers have agreed that industry needs a strong strategic voice in vocational education and training (VET) to address workforce challenges, ensure training products are developed and updated faster to meet evolving needs, and drive collaboration across sectors.

New Industry Clusters will be established by 1 January 2023 to provide industry with a stronger, more strategic voice and broader role in ensuring Australia's VET system continues to deliver on employer and learner needs. The Industry Clusters will be groups of aligned industries with a strategic leadership role to identify, forecast and respond to the current and emerging skills needs and workforce challenges of their industries.

Industry Clusters will need to build strong partnerships with registered training organisations, including engaging them early in the development of nationally-recognised training products, ensuring training and assessment practices meet employer needs, and ensuring that employers are more engaged and participating in the VET system.

Industry Clusters will establish taskforces and sub-committees as part of their governance arrangements to drive the strategic direction, provide advice to the board and deliver on the broad range of functions of the clusters. Industry Clusters will be required to engage with diverse stakeholders through these groups, including representatives of registered training organisations, unions, peak industry and training bodies, and employers.

While the final number and groupings of industries in each cluster will be settled with industry through a two-stage grants process, it is expected there will be a Manufacturing, Print and Textiles Industry Cluster.

The Government is also incentivising universities to work more closely with business and industry through the 2021–22 Budget measure *Growing industry internships for research PhD students through the Research Training Program*. The Research Training Program

provides a flexible funding stream for higher education providers to support the training of domestic students and overseas students undertaking higher degrees by research, with an additional weighting for each student who completes an eligible internship from 2022. Industry internships will drive early engagement between higher education providers, research students and industry; strengthen links between the latest research and industry innovation; improve employment prospects; and open a pipeline for industry's recruitment of highly skilled graduates.

The Government is considering ways to better enable businesses and governments to translate research into breakthrough products, new businesses and ideas to grow the economy. This work is being driven by an expert panel supported by a written consultation process. Outcomes of this work are expected to be announced in the coming months.