



AUSTRALIAN INDUSTRY
GROUP

Australian Industry Group
Submission to
House of Representatives Inquiry
Into Vocational Education and Training in
Schools

October 2002

Enquiry into Vocational Education in Schools

Preamble

The Australian Industry Group (Ai Group) is Australia's largest, multi sector employer association with over 10,000 member companies throughout the country. The Ai Group draws members from all industry sectors with the majority of its membership in the manufacturing, construction, engineering and service industries. These member companies produce more than \$100 billion in output, they employ over 1 million people and produce export worth some \$25 billion.

The Ai Group has a long history of leadership in the field of vocational education and training in industry. It understands that the future of Australian industry in the global economy is dependent on the development of a highly skilled workforce and it continually promotes the importance of education and training to its members

The Ai Group directly employs some 250 apprentices and trainees through its Group Training Company in Victoria and NSW and maintains a network of Group Training Companies throughout all mainland States which collectively employs over 2,300 apprentices and trainees. The Ai Group is a Registered Training Organisation for the delivery of nationally accredited courses and through a contract with the Federal Government, it employs six Education and Training Advisers under the Industry Training Strategies Program to advise members on national education and training issues. Ai Group also has a strategic alliance with the Enterprise and Career Education Foundation to facilitate the transition from school to work in manufacturing.

At both national and State level, the Ai Group sits on numerous committees and advisory bodies and is a regular contributor to the debate on the national education and training agenda through its lobbying of Governments and its submissions to public forums.

In preparing this submission, the Ai Group surveyed members in NSW, Victoria, Queensland and SA. It sought direct comment from employers on their experiences with VET in Schools programs and the benefits which they felt had been gained.

Bearing in mind the make up of the Ai Group membership, it emerged that the respondents to the survey were drawn exclusively from the manufacturing sector. The statistical evidence on VET in Schools participation would indicate that this sector hosts relatively small numbers of students compared with other industry sectors.

Introduction

The Australian Industry Group considers the increasing profile that vocational education and training is receiving in schools as a positive and important contribution to the skill formation needs of Australian industry. However, it is important for education systems to continue to develop their consultative and participative relationships with industry to ensure that school based vocational education and training is relevant to industry needs now and into the future. This relevance encompasses enterprises immediate skill needs and also the strategic skill formation needs of industry in general. The manufacturing sector suffers from a poor image with young people and school advisers, consequently participation rates in vocational programs in manufacturing are significantly lower than in the service sectors.

It is difficult to provide one view of what industry needs or expects from VET in Schools. Australian industry ranges from important but declining numbers of enterprises utilising traditional and stable skills through to complex organisations that are continually re-inventing their skill needs through the use of emerging technologies and work practices.

It is however generally accepted that young people leaving school should have a mix of job specific, generic and underpinning employment related skills. There is a growing view within industry that the generic component of VET in schools should provide underpinning skills and knowledge for lifelong learning in an ever changing work environment.

Recent feedback from Ai Group members on their views on VET in schools provided a mix of responses in relation to levels of satisfaction with students undertaking VET in schools programs. Highlighted areas of inconsistency included literacy, numeracy and communication skills. Employers indicated that young people who have successfully completed vocational programs have developed initial work skills, combined with a basic knowledge of industry. In some instances employer dissatisfaction with the mathematical capability of students, is felt to be a reflection of the decreasing quality of the applicant pool being experienced in the manufacturing sector. It is pleasing to note that the recent OECD PISA results into reading, maths and science showed Australia ranking 5th, 7th and 8th respectively out of 34 countries measured. The complexity of the education system and the large number of different agencies or individuals involved in negotiating access to the workplace for students still continue to be raised as issues by employers

In addition employers are recognising and in many cases accepting a social responsibility of assisting young people make choices by accepting them into their workplaces. Even to the extent of acknowledging that if a student decides the industry is not for them, then that too, is a positive outcome.

Employers accept that young people who successfully undertake VET programs develop a sense of responsibility which in turn is reflected in their general school learning. The survey also revealed some very good examples of schools and industry working successfully together in school to work initiatives.

Training Packages and Other VET Pathways

Ai Groups primary concern is the capacity of schools to deliver training package outcomes outside of contracts of training, particularly in industry sectors such as manufacturing. The issue of understanding workplace competence is central to this concern. The training packages that have been designed for industries such as manufacturing and construction have safety and/or industrial requirements that can preclude delivery in any circumstance other than in a structured workplace program. The current focus on using AQF programs and competency standards designed for delivery in the workplace may not be the most suitable vehicle for achieving employment skills outside of an apprenticeship or traineeship. This is especially so where training packages have been designed around very technical work based specifications. As technically based training packages are unlikely to change significantly from their workplace focus, it may be timely to consider other ways to deliver VET in schools whilst still maintaining close consultation with industry.

There needs to be more options for VET in Schools programs outside of training packages and the Australian Qualifications Framework. There should be provision for learning and assessment against agreed employability skills that can also articulate into the Australian Qualifications Framework, provide for a tertiary ranking where appropriate, and/or an entry point to employment.

Where training package programs are used, particularly in school based apprenticeship/traineeships, then the issue of curriculum and school timetabling needs to be addressed. Competency acquisition in some programs requires significant periods of equipment use in a workplace setting. Current timetabling may not facilitate this requirement.

It has been the goal of Australian industry to have career pathways established which provide for a seamless progression through the education and training system. Industry, educational institutions and government must work together to ensure that proper credit transfer arrangements are in place. Credit transfer at the entry point level is central to this philosophy.

Changing Nature of the workplace

The increased use of technology and the impact of globalisation have changed the nature of skills required for work. Increasingly generic skills are becoming critical to companies. Enterprises are increasingly focusing on adaptation, cost reduction, increased productivity, and improvements in quality through introducing new technology and work practices and these workplace changes are often underpinned by sophisticated generic skills and understandings.

Increased competitive pressures are leading firms to improve their utilisation of human resources through the introduction of changed work practices. An example of this is the introduction of new management practices. These changes alter the mix of skills required by enterprises from being overwhelmingly technical to a mix of technical and behavioral skills.

The increased sophistication of capital equipment and production processes has shifted traditional craft skills towards maintenance of plant where diagnostic and conceptual skills are important.

Vocational skill and knowledge development should not necessarily be confined to the current labour market requirements. The labour market skill requirements are changing at increasing rates. There needs to be a system that prepares young people for work through the implementation of learning programs that recognise and provide underpinning skills and knowledge required for the world of work.

A recent paper by the Australian Industry Group on skill needs for emerging technologies determined that significant skill sets required for employment in these industries in many cases do not yet exist.

VET in schools should cover the skills and knowledge required to underpin the capacity to effectively embrace new technology skill sets which will be critical to the success of new industry in Australia.

Employability/Generic Skills

As part of the Department of Education, Science and Training's National Industry Skills Initiative, a project managed by the Business Council of Australia and including other peak industry associations including Ai Group has identified industries requirement for employability skills. The Australian Industry Group supports the outcomes of this project as a platform for further debate on what ultimately will become an agreed set of employability skills and attributes. These 'employability' skills are intended to inform educators on the generic skills and attributes that should be integrated into the learning experiences of young people. The employability skills build on the Mayer Key Competencies and have been informed by the latest international research from the United Kingdom, Canada and the United States.

Some of the skills and attributes that enterprises identified included workplace communication, teamwork, problem solving, planning and organising, technology, learning, self-management, and initiative and enterprise skills.

While the skills and attributes identified in this project require some further refinement and suitable learning methodologies need to be agreed through debate with educators, VET practitioners and industry there is general support from industry for a set of employability skills and attributes. Obviously these generic underpinnings require a context for learning through carefully designed vocational programs. The right mix of school and work can provide this context. This approach would also minimise the requirement for occupationally specific access to the workplace for students as a particular work context is less important in acquiring generic underpinning skills and knowledge. An analysis of how well the Victorian Certificate of Applied Learning incorporates and overtly measures employability skills will be important in determining to what extent schools can provide young people with industry required underpinning skills and how well they can be reported against.

Educators need to recognise the constantly changing skill requirements of industry. What may be relevant to an enterprises skill needs today may have no bearing on that same enterprises skill needs in five years time. There is no point in providing learning opportunities to young people if the outcomes of these learning opportunities are not relevant to the workplace by the time the young person makes the transition from school to work.

Parity of esteem/ Engagement of industry/community

Given the importance of both tertiary and vocational education to Australia's economic growth and prosperity it is unacceptable that vocational education be devalued in comparison to tertiary preparation. This reinforces the perception that to be successful you must hold or be studying the high value tertiary entrance subjects. Which has the consequence of suggesting that those 70% of young people who do not undertake tertiary study from school and are involved in vocational education are low achievers or holders of a lower value product. This perception must be dispelled if vocational education is to become a valued commodity within the senior schooling curriculum. Employers facing current skill shortages are looking to the students coming from the school sector as the future employees upon which business competitiveness, productivity and growth can be built. This future cannot be limited by any artificial devaluing of vocational education.

ANTA training funds should only be provided to schools that can demonstrate a significant commitment to integrating VET in schools into mainstream schooling.

To ensure relevance of learning programs and generate understanding between industry and educators, strategic alliances will need to be strengthened and built. Educators need to understand how the workplace skill needs continually change, industry needs to understand the school environment and what can realistically be achieved in supporting the skills formation needs of the workplace.

There are a number of successful school/industry alliances in Australia, there needs to be increased marketing of these successes directly to industry. There are still a significant number of enterprises that are not engaged in VET in school activities. Employer surveys conducted by Ai Group to inform this submission identified a number of enterprises that had very low levels of awareness of the opportunities now available in VET in schools.

There needs to be a robust debate about VET in Schools to ensure that programs are relevant to industry needs now and into the future. Employers need to have faith in the learning and assessment systems used by schools, including a more overt method of identifying achievement against generic and underpinning skills and knowledge.

Currency of Teacher Skills

Due to the changing nature of work and the increasing level of technology, there is a need for teachers to have current skills and knowledge in the area of VET they are involved in delivering.

This raises the question of how teachers can best maintain currency in the industry. This is essentially a resourcing issue. Ideally, teachers of VET should be released for professional development through training courses, or more importantly through release to industry for work experience.

Currency of industry skills and knowledge are critical for a school delivering a training package qualification. Professional development associated with VET should attract at least the same opportunities as other professional development activities.

The alternative delivery, which focuses more on delivering the broad skills and knowledge as well as underpinning knowledge, would be less of a burden on already stretched resources, as the broad skills and underpinning knowledge are usually more static in terms of movement in technology and would therefore not require the teacher to be in industry as often in order to upgrade his or her skills.

Resourcing and Labour Market Forecasting

Increased sophistication in labour market forecasting to more accurately reflect demand and to enable a proactive approach to resolving skill shortages is required in Australia.

The Commonwealth in conjunction with the States should develop a National labour market forecasting system. The Commonwealth could delegate this responsibility to the Australian National Training Authority.

This labour market forecasting system should be incorporated into State education systems forward planning procedures. Commonwealth resourcing of VET in Schools should recognise the strategic skill formation needs of industry when allocating resources to occupationally specific VET in schools programs.

The Commonwealth's National Industry Skills Initiative identified several sectors of Australian industry, including manufacturing that have, and currently still experience

severe skills shortages. The impact of these shortages may have severe and lasting consequences for Australian enterprises and ultimately Australian society. The allocation of resources to VET in Schools should reflect to a greater extent these needs.

Enterprise and Career Education Foundation (ECEP) funding to States for school to work coordinators should require reporting against strategic skill formation activity as a performance measure.

Careers Advice/Industry Image

The provision of careers information, counseling and guidance in Australian schools has been the subject of two significant forums in which Ai Group has been recently involved.

Ai Group supports the MCEETYA Taskforce on Transition from School's research into the provision of a national strategy to guide the principles of career investigation and lifelong learning.

The outcomes of the OECD research into career delivery in Australia, in which Ai Group participated, highlights the disparity of resources devoted to careers counseling and subsequently VET in schools programs. State differences in the provision of such information should be addressed so as to achieve minimum mandatory levels of career and VET information and counseling.

The image of the manufacturing sector cannot be left to the perceptions of those who are not involved in it. Those who deliver VET in schools programs need to experience first hand the level of technology, automation, safety, skill formation and opportunity which now abounds in the sector. These experiences could take many forms of involvement in the workplace, with the resulting experience being tailored to accommodate the needs of VET in Schools students and the wider community.

Australian Quality Training Framework

From an industry perspective, the apparent ease by which some schools gain registration for delivery of vocational qualifications and competencies is concerning. The practice of State Training Authorities delegating authority to Education departments undermines the confidence of industry in the vocational outcomes being

achieved by young people. It is necessary to convince industry that schools seeking registration are subject to the same level of quality and rigor as other VET providers.

Registration procedures for schools should be the responsibility of the State Training Authority and not delegated to other agencies.

Teacher Training

There have been questions raised by employers as to whether teachers of VET in schools are sufficiently well trained to deliver VET to an industry standard.

It is important to incorporate some industry experience into teacher training for those teachers who may be expected to deliver VET courses. However, this may not always occur. Teachers with a smaller class or student allocation may be directed to deliver VET and as a consequence may not have been prepared through their teacher training for industry specific vocational programs.

Industry would expect that those teachers who deliver VET in Schools are given the appropriate professional development and relevant industry experience before and during the time they are required to teach VET courses.

Another alternative may be to include some exposure to the VET in schools for all teachers so that all teachers are aware that there is an alternative to the mainstream academic courses for school students.

RECOMMENDATIONS

1. There needs to be more options for VET in Schools programs outside of training packages and the Australian Qualifications Framework. There should be provision for learning and assessment against agreed employability skills that can also articulate into the Australian Qualifications Framework, provide for a tertiary ranking where appropriate, and/or an entry point to employment.
2. Vocational skill and knowledge development should not be confined to the current labour market requirements. There needs to be a system that prepares young people for work through the implementation of learning programs that recognise and provide underpinning skills and knowledge required for the world of work.
3. VET in schools should cover the skills and knowledge required to underpin the capacity to effectively embrace new technology skill sets which will be critical to the success of new industry in Australia.
4. Educators need to recognise the constantly changing skill requirements of industry. What may be relevant to an enterprises skill needs today may have no bearing on that same enterprises skill needs in five years time.
5. ANTA training funds should only be provide to schools that can demonstrate a significant commitment to integrating VET in schools into mainstream schooling.
6. To ensure relevance of learning programs and generate understanding between industry and educators, strategic alliances will need to be strengthened and built. Educators need to understand how the workplace skill needs continually change, industry needs to understand the school environment and what can realistically be achieved in supporting the skills formation needs of the workplace.
7. There needs to be a robust debate about VET in Schools to ensure that programs are relevant to industry needs now and into the future. Employers need to have faith in the learning and assessment systems used by schools, including a more overt method of identifying achievement against generic and underpinning skills and knowledge.

8. Currency of industry skills and knowledge are critical for a school delivering a training package qualification. Professional development associated with VET should attract at least the same opportunities as other professional development activities.

9. Labour market forecasting systems should be incorporated into State education systems forward planning procedures. Commonwealth resourcing of VET in Schools should recognise the strategic skill formation needs of industry when allocating resources to occupationally specific VET in schools programs.

10. Manufacturing and some other industry sectors experience severe skills shortages. The impact of these shortages may have severe and lasting consequences for Australian enterprises and ultimately Australian society. The allocation of resources to VET in Schools and subsequent learning activity should reflect to a greater extent these needs.

11. Enterprise and Career Education Foundation (ECEP) funding to States for school to work coordinators should require reporting against strategic skill formation activity as a performance measure.

12. The OECD research into career delivery in Australia highlights the disparity of resources devoted to careers counseling and subsequently VET in schools programs. State differences in the provision of such information should be addressed so as to achieve minimum mandatory levels of career and VET information and counseling.

13. The image of the manufacturing sector cannot be left to the perceptions of those who are not involved in it. Those who deliver VET in schools programs need to experience first hand the level of technology, automation, safety, skill formation and opportunity which now abounds in the sector. These experiences could take many forms of involvement in the workplace, with the resulting experience being tailored to accommodate the needs of VET in Schools students and the wider community.

14. Registration procedures for schools should be the responsibility of the State Training Authority and not delegated to other agencies

15. Teachers who deliver VET in Schools should be given the appropriate professional development and relevant industry experience before and during the time they are required to teach VET courses.

Where training package programs are used, particularly in school based apprenticeship/traineeships then the issue of curriculum and school timetabling needs to be addressed. Competency acquisition in some programs requires significant periods of equipment use in a workplace setting.