

## EDUCATION, SCIENCE AND TRAINING

### SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2006-2007 ADDITIONAL ESTIMATES HEARING

**Outcome:** 2  
**Output Group:** 2.1 – Funding for vocational education and training

#### DEST Question No. E838\_07

Senator Carr provided in writing.

#### Question:

National Training Reform Taskforce commissioned report

1. Are you aware of the report prepared by Gerald Burke and Chandra Shah of Monash University for the national Training Reform Taskforce on the future need for skilled labour in Australia?
2. Was this report was commissioned by the Ministerial Council as part of COAG processes?
3. Was the Commonwealth a party to commissioning the report?
4. Have you studied this report? Are you satisfied with its methodology?
5. The report makes the following findings, about the numbers of additional qualified workers needed to meet specified skill targets by 2016:
  - 4.03m people will need to acquire qualifications, 2.25m new labour market entrants and 1.78m existing workers;
  - of these 61.4% will need a VET qualification and 38.6% a higher education qualification;
  - among VET qualifications, 49.3% will need to be at Cert III/IV, 33.7% at Diploma/Advanced Diploma and 15% at Cert I/II.

The researchers say that, if the supply of people with VET qualifications remains at the same level as today, a shortfall of 240 000 can be expected over the ten years to 2016. They say that, to reach the shortfall, net completions will need to increase by 1.9% a year. They also say that training hours will need to increase by 5% a year. They make the point that there will be a shift to higher-level qualifications, and this will contribute to the growth in training hours needed.

- a) Have you looked into the numbers and the assumptions underlying this report?
- b) Do you agree with its conclusions?
- c) Are they reasonable?

#### Answer:

*National Training Reform Taskforce commissioned report*

1. Yes.
2. The report was commissioned by the then Victorian Department of Education and Training to support the work of the Ministerial Council for Vocational and Technical Education in providing a report to COAG on further areas of reform to vocational education and training.

3. The Australian Government as a member of the Ministerial Council for Vocational and Technical Education noted the commissioning of the report by the then Victorian Department of Education and Training.
4. Australian Government officials have examined the report. The methodology used in the report was determined by the Victorian Department of Education and Training. There is difficulty in making long-term predictions of this nature, caveats are contained in the report.
5.
  - a) The Ministerial Council for Vocational and Technical Education considered the numbers and assumptions underlying this report as part of the basis for making its recommendations to COAG on the next stages of VET reform.
  - b) The report provides a broad picture of the future skill needs of the Australian economy based on a set of assumptions. The Ministerial Council for Vocational and Technical Education was advised of the report's conclusions as one basis for its recommendations to COAG.
  - c) The findings were acknowledged by officers supporting the Ministerial Council for Vocational and Technical Education as reasonable estimates.