

# **Enterprise and Career Education Foundation**



**SUBMISSION TO**

**THE SENATE EMPLOYMENT,  
WORKPLACE RELATIONS AND  
EDUCATION REFERENCES  
COMMITTEE**

**INQUIRY INTO CURRENT AND  
FUTURE SKILLS NEEDS**

**April, 2003**

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## 1. Executive Summary

- The 21st century “post industrial world” is one of rapid and far reaching change. Successful societies will be those that can adapt to these changes and capitalize on the new emerging opportunities. This requires a fundamental rethink in the way governments and the broader community meet this challenge. It will demand more holistic and integrated economic, social and education policy and programs.
- There is evidence that skills and labour shortages exist at most stages of the business cycle in skilled occupations. These can have a lasting and debilitating effect on sectors of the economy and impact on Australia’s global competitiveness. There will be an increasing need to refine systems that identify and develop relevant skills. Greater emphasis will be placed on the development and recognition of key generic skills linked to the ability to learn and adapt. A dynamic economy will require the constant updating of specific content skills focused on defined disciplines and/or occupations.
- A rapidly aging workforce, means that Australia now more than ever, cannot afford to have young people disengaged from participating in the economy. The recent Ministerial Declaration *Stepping Forward – Improving Pathways for all Young People*, acknowledged that education, training, employment and social policy must provide an environment that enables all young Australian to maximize their potential through access to effective and tailored career transition pathways and assistance. This Declaration and the associated integrated action plan build on the findings and recommendations of the Prime Minister’s Youth Pathways Action Plan Taskforce.
- Australian education and training systems have undergone significant change over the last twenty years which enhance their capacity to respond to the needs of the economy. These include: reforms to the Vocational Education and training system that promote greater responsiveness to the needs of industry and individuals; new career pathways in a range of industries linked to the expansion of the New Apprenticeship system; the provision of vocational education courses for senior school students. There is a need to link these to an overall career and transition management system.
- Concerns about high levels of youth unemployment have seen the major focus of reform activity on youth and their initial transition into the workforce. The recent OECD [Review of Career Guidance Policies](#) noted the “extensive” focus that Australia has had on initial transitions to full time work. However the review team “was struck by the lack of strategic

attention encouraging and supporting individuals in planning their upskilling and in making career moves that not only respond to but take advantage of economic and technological change, thus lubricating such change” (Page 19).

- The focus of the ECEF submission is to inform the Inquiry of current reforms to the education, training and employment systems that will assist young people to consider the employment opportunities that currently exist in industries experiencing skill shortages. These reforms aim to establish a process that will enable Australians to make appropriate choices to live sustainable and rewarding lives by making informed career and employment choices.
- Our submission does not explore strategies to harness the capacity of mature age workers to address skill shortages. However, the current reforms aim to ensure young people have an appropriate understanding of the need to be “life long learners” and help them develop appropriate career management skills.
- Strategies to address skills shortages need to take account of the changing attitudes of young people and the realization of the changing notion of “career”. It is evident that the traditional view that this relates to a single decision point at the conclusion of school is not, and possibly has never been, a reality.
- ECEF is currently working with education systems, business and industry, local communities, NGO’s, parent groups, Indigenous and disabled interests and a large range of other stakeholders to advance the youth transition agenda through the identification and piloting of practical solutions and advocating policy change.
- Australia has made good progress in the past two decades of restructuring its education, training and employment systems. ECEF believes that many of the key elements of an effective career transition system are in place. However, there is still more to be done to integrate currently disconnected components into a more holistic system.
- While Government needs to provide the overarching policy environment, local and regional communities need to be empowered to develop appropriate strategies to address skills shortages in the context of broader economic and community development initiatives.

## 1. Background – The 21<sup>st</sup> Century World in context

*Every few hundred years in Western history there occurs a sharp transformation. Within a few short decades, society – its world views, its basic values, its social and political structures, its arts, its key institutions – rearranges itself...And the people born then cannot even imagine a world in which their grandparents lived into which their own parents were born. We are currently living through such a transformation. - Peter Drucker (Post –Capitalist Society):*

It is now widely recognized that we have entered an unprecedented time of rapid global change. Many of the assumptions on which Western industrial societies have been based are no longer valid.

The “post industrial” realities of the information age encompassing globalisation, mass communication, aging Western populations and the technology revolution are challenging all people to find new responses and approaches to achieve cohesive, wealthy, rewarding and sustainable societies. Australia is no exception.

To meet these challenges Australia needs to reconsider its processes for career management and skills development. It must establish processes that enable the current workforce and future generations to respond positively to these new challenges and identify and harness opportunities. It must generate the capability to exist in a world of uncertainty and ambiguity and reduce the potential for individuals to become victims of change.

Many disadvantaged people in the current labour market are products of the old world and lack the necessary skills and knowledge to take advantage of emerging opportunities. Others have been affected by structural changes in the Australian economy that have eliminated many regionally based employment opportunities.

All Australian Governments have recognized that young people who disengage from learning in their early adolescence are more likely to be socially and economically disadvantaged later in their life. There is therefore a commitment to ensure that all young Australians have an opportunity to complete twelve years of meaningful learning. This requires a major rethink as to what, where and how young people should learn during the traditional post compulsory years of schooling. Reforms are being introduced to make education and training systems more responsive to the diverse needs of young people. These foster an understanding of multiple career pathways and challenge the traditional “one size fits all” approach which focuses exclusively on an academic pathway.

ECEF believes these reforms will ultimately challenge the traditional role of and demarcations between schools and vocational institutions. What may emerge is new forms of community based learning institutions that enable young people and the broader community to develop knowledge and skills in a range of settings in and outside of the classroom.

The current reforms have seen a dramatic increase in the number of young people undertaking vocational education programs as part of their senior secondary certificate. In 2002 over 40% of senior students undertook a vocational course.

This reflects a desire on the part of schools to provide more relevant learning activities for the large number of students who will not undertake an academic pathway at the completion of school. These courses however are not restricted to non academic students and are increasingly being undertaken by students who go on to further study. The challenge of maintaining the relevance of learning is hardly new. As John Dewey accurately assessed the challenge for education and training almost 90 years ago:

*The problem is not that of making the school the adjunct to manufacture and commerce, but of utilizing the factors of industry to make school life more active, more full of immediate meaning, more connected with out-of-school experience.” - John Dewey, Democracy and Education 1916.*

The fact remains, however, that only a limited number of programs are available in industries or occupations that are currently experiencing skill shortages. There are a number of reasons for this but greater effort is required to harness the potential for school based vocational courses to provide young people with exposure to, and develop recognized competence in, industries and occupations experiencing skill shortages. .

The potential to utilize new school based learning options to provide a direct pathway to employment in traditional trade areas is reflected in the findings of the ECEF 2001 Destination Survey. This surveys the outcomes of students who undertook ECEF supported vocational learning programs in that year. The Survey indicated that nearly 40% of the limited number of students who were involved in Building and Construction based program were working in the industry.

It is problematic that Australia should find itself with significant skills shortages in important sectors of the economy at any time. It is especially a problem when a number of young people are not in full time employment. Changing demographics and the age profile of many skill categories will make it increasingly important for young Australians to make informed decisions about their futures and have the opportunity to develop the appropriate skills and

knowledge to be competitive and productive citizens in a prosperous and inclusive society.

The challenge remains to maintain the momentum of reform in the education and training systems and ensure that they are linked to broader economic, social and youth development activities at both the national and local level.

The *Stepping Forward –Improving Pathways for all Young People Declaration* acknowledges the need for a “whole of Government approach” to support the development of young people in Australia. This envisages greater integration of Government activities at the national, state and local level. It aims to provide young people with access to career support and customised learning experiences that will enable them to fulfill their potential, and in turn deliver ongoing benefits to the economic and social well-being of this country.

Business and the broader community need to understand the rationale for and provide support to this new approach. While policies can be determined at the national level, improved outcomes will only be achieved through enhanced alliances of key stakeholders at the local and regional level. A role of these alliances is to identify relevant skills gaps and work collaboratively to build awareness amongst young people and build effective links between service providers and the local community.

The focus of the ECEF submission is to inform the Inquiry of current reforms to the education, training and employment systems that may assist young people to consider the employment opportunities that currently exist in industries experiencing skill shortages. These reforms aim to support a process that will enable Australians to make appropriate choices to live sustainable and rewarding lives by making informed career and employment choices.

Our submission does not explore strategies to harness the capacity of mature age workers to address skill shortages. However, the current reforms aim to ensure young people have an appropriate understanding of the need to be “life long learners” and help them develop appropriate career management skills.

### **3.1 The Enterprise and Career Education Foundation (ECEF) – An Overview**

ECEF was established in 2001 as a Commonwealth funded agency. It replaced the Australian Student Traineeship Foundation established in 1996 to promote workplace learning for senior students through local partnerships. ECEF has a broader agenda of supporting initiatives that help young Australians make effective transitions from school to adult life.

#### **3.1 ECEF's Mission**

- Our goal is to support the reshaping of Australian Schooling.
- To ensure young Australians achieve their full potential through effective transitions from school to work due to enterprise learning and informed career choice.
- We 'build alliances' that equip young Australians with appropriate information and employability skills.

#### **3.2 ECEF Program Areas**

ECEF has identified seven Program Areas which define key 'outcomes' areas for the organisation.

- An Enhanced Learning System

Goal: the establishment of an effective "Australian learning system" that meets the needs of a post industrial society.

- Engaging Industry

Goal: Business seeks and accepts an active role in activities that support the transition process.

- Build Alliances of common interests

Goal: The transition process is enhanced by the capacity of relevant parties to form effective partnerships.

- Enhance the Capacity of identified groups

Goal: Factors that inhibit the effective transition process for specific groups are eliminated or reduced.



- Predicting Trends in the World of the Future

Goal: The Australian Community has an understanding of future trends and their implication for work, learning and the needs of individuals and the broader community.

- Listening and Responding to Young Australians

Goal: The views, aspirations and expectations of young Australians are canvassed and influence transition policies and strategies.

- Create an efficient and effective organisation

Goal: ECEF is an efficient and effective organization that exhibits best organisational practice.

### **3.3 The Role of ECEF – Building Linkages**

ECEF fosters alliances and partnerships between schools, industry and local communities to identify and create ongoing opportunities for secondary school students to learn and develop in the workplace and in the broader community.

ECEF through these alliances and local partnerships will support the implementation of Integrated Action Plan linked to the *Steeping Forward Declaration*.

This seeks to support the development of effective Career and Transition Management Systems. Such systems seek to enable improved initial career decision making by young people through enhanced awareness and exposure to potential employment opportunities in the local community.

#### **4. Terms of Reference 1 - Areas of skills shortage and labour demand in difference areas and locations, with particular emphasis on projecting future skills requirements**

Recent concern in Australia about the negative economic impact of skills shortages is well documented. However, it is important to discern between actual skills shortages (quality, which is affordable, and available at the right time and place), with labour (quantity) shortages. While these two problems are allied and have a debilitating effect on employers they are not the same.

In the present era of rapid, fundamental structural changes in Australia's economy some disconnection between the supply and demand of skill types in different industries in different locations, at different times is to be expected.

Cyclical economic performance reinforces these problems. This issue has been demonstrated through DEST's current National Industry Skills Initiative (NISI), of which ECEF is a participant. After three years, it is apparent that:

*"Some skill shortages can and do exist at most stages of the business cycle in skilled occupations. What varies is their extent over different stages of the business cycle. Skill shortages are often evident in industries and occupations with modest or subdued employment growth, or even in situations of overall employment decline".- NISI - Nature and Causes of Skills Shortages.*

Australian governments have a number of mechanisms to anticipate these skills shifts. These include programs to support micro-economic reform (eg TCF restructuring), and the provision of employment and economic performance data to project future skills needs and opportunities against current and expected skills development and acquisition by all Australians.

Many Commonwealth departments gather and analyse important and powerful skill and labor force data which feeds into policy and program development:

- DEWR records national employment and skills needs data;
- DEST's NISI program has focused on the skill needs of nine industries to date;
- DITR has been running Action Agenda since 1997 covering over fifteen industries;
- DTRD funds Areas Consultative Committees and the Sustainable Regions Program;
- FACS and HACS run programs with significant benefit to special needs members of society.

These are complemented by similar programs at state and local government level.

In addition State Training Plans are developed to take account of current and future skill needs across the community.

As worthy as these efforts are, they remain often disconnected and top down without significant links to the local community level.

There is increasing recognition at both the national and state level of the need for a “whole of government” approach to improve the delivery of services. This seeks to develop an overarching process that establishes systems that are more accessible, transparent and responsive to the needs of local communities.

ECEF supports the trend towards a more “joined-up” approach by Government and believes that local communities are best positioned to understand their needs and manage their economic and social development. ECEF currently supports over 200 local community partnerships which are a coalition of education, employer and community-group members. While these have traditionally focused on the provision of structure workplace learning opportunities for secondary school students they have also provided a practical forum for local communities to exercise greater control over the direction and prospects of their future.

State Governments are seeking to empower local communities to address a range of youth education, training and employment issues. The establishment of the LLENs Network (Local Learning and Employment Networks) in Victoria is recognition that local communities are best positioned to bring together key stakeholders that understand local needs and conditions.

Local partnerships provide a forum to build better links between education and training organizations, business and the community to develop more relevant and sustainable outcomes for young people based on local needs. They should increase community awareness of local skill needs and employment opportunities and provide a mechanism to evaluate the effectiveness of local service providers in responding to these needs.

It should ultimately lead to more efficient and effective services by eliminating the current overlap and duplication that exists across the myriad of youth related programs addressing education, social and economic development and justice issues.

**5. Terms of Reference 2 - The effectiveness of current Commonwealth, state and territory education, training and employment policies, and programs and mechanisms for meeting current and future skills needs and any recommended improvements.**

Over the past decade there have been significant reforms in education, training and employment systems aimed at addressing the needs of youths. A review of other OECD countries indicates that they are also grappling with the most appropriate way of supporting the development of young people so that they can be a productive and active member of a rapidly changing society.

ECEF believes that the reform process has established many of the key elements of the career and transition management system required to assist young Australian's make informed career choices that will enable them to realise their potential and provide the skills and attributes that Australia will need in the future.

These include:

- Policies such as the Adelaide Declaration, the MCEETYA Framework for Vocational Education and Training in Schools and the Stepping Forward Declaration provide a vision for a more responsive learning system that will meet the needs of Australia.
- Improved programs and services that increase awareness of and access to a broader range of learning and employment options and pathways. These include: the provision of VET in Schools, expansions of the New Apprenticeships system, enhanced career information and planning (eg My Future), employment brokerage and support agencies (Job Networks and New Apprenticeships Centres ).
- The development of local partnerships and business–education alliances that facilitate the sharing of information and lead to enhanced responsiveness of programs to local needs.

Despite these reforms further work is required to create a coherent, sustainable system which links youth education, training and employment policy, programs and services to broader economic and community needs. This was recognized by the OECD Review of Career Guidance Policies which stated that in relation to Transition programs:

*There is a risk that these various overlapping initiatives at both Commonwealth and state level will not be harmonized effectively. Some groups may be over – served and some under-served: “ it’s either feast or famine’, as one observer told us. Moreover, the fact*

*that most of the initiatives are based on programme funding means they tend to remain artificially bounded and do not become systemically embedded.” ( Para 31, page 10)*

Some of the systemic weaknesses reflect the nature of Australian federalism. While the MCEETYA process provides a forum to reach common agreement on policy, processes and mechanisms, the fact that many of the elements are the responsibility of state and territory systems means that differences will continue in some critical and important ways.

There has been significant progress in the development of a national training system. However, further work is required to ensure a consistent approach across the country to ensure the mutual recognition of qualifications. Failure to provide portability of qualifications can restrict the ability of an individual to move across jurisdictions and hence can exacerbate skills shortage problems in regions.

ECEF believes the development of consistent systems that provide young people with greater knowledge of, and exposure to, various career pathways during their adolescence should be an important component in addressing current and future skill needs. This will require enhanced integration of education, employment and youth services and better links between local and national skill needs.

ECEF believes the Integrated Action Plan developed to support the *Stepping Forward –Improving Pathways for all Young People* Declaration provides a blueprint for the next phase of reforms. Its implementation will provide the basis of a sustainable framework to support effective youth transitions.

The Integrated Action Plan seeks to ensure that all young people, with the support of their families and communities have access to services through and beyond school which will assist them to:

- make informed choices when selecting schools, courses and post-school opportunities
- connect education and training pathways with career choices and employment prospects, and
- access the broad range of community services and specialist supports available to them.

The Action Plan involves five key elements:

1. Education and training as the foundation for effective transitions for all young people
2. Access to career and transition support
3. Focused local partnerships and strategic alliances
4. Promulgating effective ways to support young people

## 5. Responding to the diverse need of young people.

The career and transition services should be:

- Delivered by professionally trained and committed staff able to access an extensive school-community network
- overseen by school principals, working with the school and broader community, who should have the prime responsibility for ensuring that each young person has access to services including follow up; and
- supported by appropriate monitoring and tracking arrangements across service and institution boundaries so that young people can be followed up as the move through school into post-school destinations.

The implementation of the Integrated Action Plan needs to take account of a range of things that impact on the decisions of young people. These include.

### The Nature of Career in a “Post Industrial Society”

*“There is no doubt that the rising generation think that they are going to be more in control and more determined to keep their options open than their parents ever where choice – like change – is an inherent part of their world view.*

*So it would be a mistake to assume that at a time of high youth unemployment, young people will automatically be scrambling to accept whatever job is on offer.*

*On the contrary, employers will have to woo them, because they have already decided that work is not going to be as important to them as it was to their parents. The rising generation of young Australians are likely to be the sharpest, most assertive, most skeptical and most demanding employees we’ve ever seen.” - Hugh McKay – Turning Point*

Social and economic changes over the last twenty years have changed the notion of a “career” and this has implications for skills shortages. The notion that a career is essentially a linear progression which commences with a decision when one leaves school is clearly not a reality any more, and more importantly, has been rejected by the newer generations.

A career in the 21<sup>st</sup> century is more akin to the notion proffered by international economics and social commentator, Charles Handy

*“ A career is now not so much a ladder of roles but a growing reputation for making things happen.”*

Australia, as in other Western countries, is experiencing a disconnection between the views of the older generations and youth about the most effective pathway to “success” .

These shifts in attitudes, values and aspirations must be taken into account by industry, government and the broader community when developing strategies to attract and retain young people in the workforce. This is a particular challenge for many traditional industries which are struggling to communicate the quantity and quality of the employment opportunities to an emerging workforce that has very different expectations to that of their parents. This is despite these industries providing real and exciting modern career opportunities.

The trend for many traditional trades to reconsider the need for initial occupational skills to be developed via a four year apprenticeship needs to continue. Surveys suggest young people are reluctant to make a commitment for an extended period of time. Greater effort is required to establish how the flexibility provided by Industry Training Packages and reforms to the Apprenticeship system that enable school based and part time training opportunities can be harnessed to meet the needs of both young people and industry.

This process needs to take account of the fact that young people will increasingly seek to develop recognized skills in a more fragmented way while addressing the legitimate concerns of industry that a more flexible approach may lead to a reduction in the breadth and depth of skills that an individual needs to be a productive worker in that industry.

Greater effort is also required to help the community reconsider the notion that an individual's “destiny” is determined by the choices they make when they initially leave school. There remains a strong view in the community that a University pathway, undertaken straight from school, is the only way to success. This fails to recognize the fact that only around 30% of young Australians go directly to University from school, over 50% of University entrants enroll later in life, and Australia has a tradition of successful people “starting on the tools” before moving on to other positions.

ECEF believes the commitment to develop an effective career and transition management system advocated in the *Stepping Forward* Action Plan will focus greater attention on the best way to enhance career exploration, education, guidance and counselling opportunities for young Australians.

This will require more accurate information and advice on long term employment opportunities across a range of industries and occupations and will need to be

reflected in the course offering of Tertiary institutions. Young people often believe that the number of places in a particular course is in some way linked to possible employment opportunities. This is often not the case and can mean (i) that a young person attains a qualification that is not valued in the labour market or (ii) does not explore opportunities in many of the industries or occupations experiencing skill shortages.

ECEF also believes that the Committee needs to consider how best to establish a nationally consistent approach for the development and recognition of “generic” or Employability skills. There is evidence that such skills are increasingly seen by employers as more important than specific content skills.

The Business Council of Australia and Australian Chamber of Commerce have developed an Employability Skills Framework. This Framework builds on the Meyer Key Competencies and provides the foundations for a national system to recognise the “generic” human skills, values and attributes that are desirable in all workers and society more broadly.

The Committee also needs to consider how best to link current government initiatives to foster a culture of enterprise and innovation to the overall skill formation process. Changes in the Labour market have seen a reduction in the number of people in traditional forms of employment. This trend is likely to continue and there needs to be a broader understanding of the implications of these changes. People will need to take control of their destinies, create and maximize opportunities and be resilient in times of difficulty. Greater effort is required to ensure that we integrate initiatives to develop the enterprising potential of every young Australian if we are to respond to new commercial and community opportunities.



## **6. Terms of Reference 3 - The effectiveness of industry strategies to meet current and emerging skills needs**

ECEF has established long term alliances with a range of industry groups (ACCI, its member organizations, Australian Industry Group, the National Farmers Federation and Group Training Australia).

In addition, ECEF supports a limited number of special industry initiatives where there is a demonstrated skills shortage. These include nursing and aged care, financial services, IT&T and supply chain management industries.

Through these partnerships ECEF is aware of, and supports, specific industry initiatives to address skill shortages.

ECEF has also been actively involved in the National Industry Skills Initiative (NISI) funded by the Department of Education, Science and Training. The NISI program is an industry led process designed to establish the steps that industry, government in partnership could take to redress industry skills shortages. Nine industries have since been chosen and a series of general and specific findings and Action Plans have been recommended to the Government.

The issues that have typically been identified by industry as necessary to effect a responsive education and training environment that will better anticipate the skills needs and careers of the future, include:

- closer industry collaboration on issues of common interest;
- improving data collection methodologies;
- improved industry careers information products;
- expansion of pathways into New Apprenticeships;
- industry studies into employer engagement in the New Apprenticeship system
- more flexible training delivery arrangements;

The partners acknowledge the value of these NISI activities in building Australia's skills base and developing further training opportunities, training cultures and related initiatives in industry.

The Commonwealth Department of Industry, Tourism and Resources (DITR), concurrently runs its Action Agenda program, instituted by the Government's *Investing for Growth* statement, released in December 1997.

Action Agendas are a key part of the Commonwealth Government's long term strategy to develop Australian industry over the next decade. The Action Agenda strategy has a number of major sustainable development and competitiveness

goals which can be achieved through better linking industry, education, science, and innovation to:

- produce leading edge products and services;
- boost exports;
- achieve sustainable economic growth; and
- deliver improvements in living standards for all Australians

There are currently some 15 industry Action Agendas being implemented. These industry led partnerships are developed tailored to suit the needs and characteristics of a particular sector. ECEF understands that youth education and training employment is regularly identified as a critical issue, and DITR and DEST do liaise in these matters.

**7. Terms of Reference 4 - The performance and capacity of Job network, to match skills viability with labour market needs on a regional basis and the need for improvements**

ECEF is not in a position to make an informed comment in relation to this Terms of Reference.

However, it should be noted that the Stepping Forward Action Plan envisages the development of local support networks of service providers. This will provide a more integrated approach to the delivery transition services for young people in local communities. It is anticipated that Job Network providers will be involved in these local networks.

ECEF is currently working with the Department of Employment and Workplace Relations to explore ways in which the Job Network can play a more active role in supporting effective youth transitions.

**8. Terms of Reference 5 -Strategies to anticipate the vocational education and training needs flowing from industry restructuring and redundancies, and any recommended improvements.**

ECEF is not in a position to make an informed comment in relation to this Terms of Reference.

However, it should be noted that the development of more integrated systems at the local level advocated earlier in this paper should enhance the capacity for local communities to prepare for and respond to such situations.

**9. Terms of Reference 6 - Consultation arrangements with industry, unions and the community on labour-market trends and skills demand in particular and any recommended appropriate changes.**

ECEF remains concerned that a common understanding as to the nature of, and reasons for, a number of the reforms is still to emerge across various stakeholder groups, education sectors and state and territory systems.

It believes that the new focus on career and transition management foreshadowed by the *Stepping Forward* Declaration will provide the bridge to a common understanding and support the enhanced integration of previously unconnected policies, programs and services linked to youth and skills formation.

In so doing it should foster a more responsive system. A key goal of recent reforms to the vocational education and training system has been to shift from a supplier to a demand driven system.

All education systems will need to reconsider current arrangements and explore ways to develop strategies that facilitate programs that are responsive to the needs of individuals. This will challenge the traditional “one size” fits all approach that has underpinned our education and training systems in the past. It will require processes for key stakeholders at the local and industry level to provide real feedback to governments and service providers to enable fine-tuning of policies and programs.

Effective mechanisms to establish the views of industry need to be in place. The ITAB network provides a vehicle for industry groups to inform decision making in the vocational education area. ECEF is also aware that bodies such as JITEC (Joint Industry Training and Education Council) provide peak industry representative groups including ACCI and the ACTU to collaborate on important development matters relating to education, training and employment.

Processes need to be established to ensure school systems, service providers and local communities are aware of the views of such bodies when planning and making relevant decisions.

## **10. Skill Shortages and the link to Vocational Education in Schools**

The need for the more integrated approach foreshadowed in this paper is reflected in the current provision of vocational education in school.

ECEF believes this should not depend solely on student demand and school capability but needs to take account of industry and community based assessment of need.

There is little correlation between the current pattern of VET in Schools provision and labour market participation, employment growth and skills shortages can be seen as an emerging risk. Current processes for planning and development of programs and delivery arrangements do not address this situation.

A more strategic approach is required to target industries where VET in Schools provision is low relative to projected employment growth, skill shortages and economic and social factors. ECEF has agreed to commission a project on Skill Shortages and emerging industry needs to address these issues.

Schools are now operating in networks and clusters and share advice on strategies, data and map provision in a locality – this is a strong and positive characteristic of best practice VET in Schools. However the inclusion of local business views, industry sector needs and local and state government development strategies is more haphazard and not commonly a major input to decision making.

Advice on industry needs is not routinely provided by jurisdictional administrations, nor do schools access VET planning data from ITAB or TAFE. Sourcing advice, however, should not be the sole responsibility of schools.

Many business associations and the like are already a source of advice to the VET sector and have the capability to include consideration of VET in Schools – only a handful of sectors experiencing skill shortages are actively engaged with VET in Schools.

State systems (eg. LLEN in Victoria) are providing advice centrally and building on regional arrangements to facilitate local community and business networks. These should ensure that planning for VET in Schools provision is a shared responsibility among schools, business organisations and the broader community.

Industry sectors through their trade associations and major employer bodies can be more actively engaged in recruiting the support of enterprises, generating innovative group schemes, suggesting options for workplace simulations and mediating mutual expectations between schools and enterprises. The

involvement of enterprises should be seen as an investment in their sector's future skills pool.

Education and Training systems must affirm the importance of diverse pathways including those potentially available in schools but explore new ways to more actively engage industry in the development of these learning pathways and delivery models. The high level of support for vocational programs aimed at preparation of young people entry to industries and occupations is a major area of 'common ground' between industry bodies and education and training authorities and institutions. These arrangements must also include the development of post school educational pathways across the post compulsory education sectors, including universities.

Accordingly Governments, schools systems and authorities and industry groups will need to collaborate to:

- Explore the most appropriate learning pathways and models for organisational delivery for specific industry sectors with a priority to those industries experiencing high levels of skills shortages and those with high levels of projected employment growth;
- Ensure that these pathways are available through either the flexible use of current Training Packages or the re-development of Training Packages; or the development of industry endorsed pre-employment programs, particularly where work placement opportunities are limited.

This process will build on the recent success and create a new dialogue between the various parties with key roles to play in the design, development delivery and facilitation of VET in Schools programs and outcomes. This process will also assist in developing a shared understanding of the role of vocational learning and VET programs and promote the benefits they can bring to both students and to industry.

## **11. Conclusions**

ECEF believes that a the development of an effective national career and transition system as foreshadowed in the Integrated Action Plan for the *Stepping Forward* Declaration will increase the capacity of the Australian education, training and employment systems to respond to current and emerging skill shortages.

A number of the key elements of the proposed system are already in place in Australia. However, greater effort is required to build these components into a cohesive system.

ECEF is in a unique position to play an active role in this process. It has long standing alliances with key industry bodies, a national network of local community partnerships and strong links to key Commonwealth and State government agencies.

# *Stepping Forward:*

*improving pathways for all young people*

**A COMMITMENT TO THE YOUNG PEOPLE OF AUSTRALIA BY MINISTERS FOR  
EDUCATION, EMPLOYMENT, TRAINING, YOUTH AFFAIRS AND COMMUNITY SERVICES**

## **VISION**

Young people make a significant contribution to Australia today and will shape what it will be tomorrow. The vitality, ideas, creativity and visions of all young people must be embraced.

## **CHALLENGE**

## **OUR DECLARATION**



The majority of young people are doing well, moving successfully through the different stages of their lives and responding to the challenges of the future. We can be confident that they will achieve success, find fulfilment in their adult lives and make a positive contribution to this country.

Some young people find their journeys more difficult and challenging. They may face problems in acquiring the knowledge, skills and self-confidence that form the foundations of their adult lives. We recognise the emotional, physical, cultural and learning barriers faced by these young people and the social, economic and locational factors that may negatively impact on their lives. There are opportunities for governments to address these barriers so that young people can achieve their best.

As Ministers entrusted with the collective wellbeing and interests of young people, we must foster an environment in which young people are nurtured and challenged—a society where all young people can realise their full potential. We must work together to support young Australians to achieve success as individuals and as members of society. We need to act collectively and we need to act now.

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**MINISTERIAL COUNCIL ON EDUCATION,  
EMPLOYMENT, TRAINING AND YOUTH AFFAIRS**



# Stepping Forward:

*improving pathways for all young people*

A COMMITMENT TO THE YOUNG PEOPLE OF AUSTRALIA BY MINISTERS FOR  
EDUCATION, EMPLOYMENT, TRAINING, YOUTH AFFAIRS AND COMMUNITY SERVICES

## VISION

## VISION

### CHALLENGE

Our vision is of an Australia where:

### OUR DECLARATION

- young people benefit and flourish through sustaining networks of family, friends and community, and through their engagement in education, training, employment, recreation and society
- young people's opinions and contributions are sought and valued, and they are encouraged and supported to take an active role in their communities and the nation
- young people's lives are enriched by positive learning experiences and opportunities that assist them to reach their full potential
- we recognise and celebrate young people's achievements.

### HOME



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## VISION

## CHALLENGE

## CHALLENGE

Our challenge is to:

## OUR DECLARATION

## HOME



- listen and respond to young people
- work creatively in partnership with young people to build comprehensive networks that draw together jurisdictions, government departments, families and communities so that united we can address the complex issues confronting young people
- recognise and address structural barriers faced by young people
- ensure that our governmental systems recognise the diversity of young people through being inclusive, flexible and adaptive
- create effective opportunities for young people that are accessible, integrated and meaningful
- encourage young people to take increasing responsibility for their own lives, support their peers and contribute to their community
- ensure that young people have the information, skills and support needed to negotiate the transition to adult life and to make informed life decisions.

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**VISION**

**CHALLENGE**

**OUR DECLARATION**

**HOME**



**OUR DECLARATION**

With this declaration, we commit to developing practical ways to increase the social, educational and employment outcomes of Australia's young people including those who are at risk, disconnected or in vulnerable circumstances. We agree to establish a common direction to make a real and lasting difference to the lives of young people. We are united by a shared commitment and a joint responsibility. We unanimously agree to work in partnership towards implementing a shared vision for all young people.

**Australia's Ministers for Education, Employment, Training, Youth Affairs and Community Services**



The Hon. Lynne Kosky MP  
Chair, Ministerial Council on Education, Employment, Training and Youth Affairs  
Minister for Education and Training (VIC.)



The Hon. Matt Foley MP  
Chair, Ministerial Subcommittee on Young Peoples' Transitions  
Minister for Employment, Training and Youth Affairs  
Minister for the Arts (QLD)



The Hon. Bronwyn Pike MP  
Chair, Community Services Ministers' Conference  
Minister for Aged Care (VIC.)



The Hon. Simon Corbell MLA  
Minister for Education, Youth and Family Services (ACT)



The Hon. Tony Abbott MP  
Minister for Employment, Workplace Relations and Small Business (Cwlth)



The Hon. Larry Anthony MP  
Minister for Children and Youth Affairs (Cwlth)



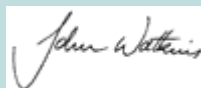
The Hon. Brendan Nelson MP  
Minister for Education, Science and Training (Cwlth)



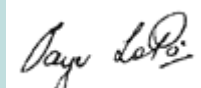
Senator Amanda Vanstone  
Minister for Family and Community Services (Cwlth)



The Hon. Carmel Tebbutt MLC  
Minister Assisting the Premier on Youth (NSW)



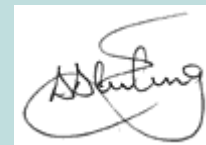
The Hon. John Watkins MP  
Minister for Education and Training (NSW)



The Hon. Faye Lo Po' MP  
Minister for Community Services (NSW)



The Hon. Clare Martin MLA  
Chief Minister, Minister for Young Territorians (NT)



The Hon. Syd Stirling MLA  
Minister for Education, Employment and Training (NT)



The Hon. Jane Aagaard MLA  
Minister for Health and Community Services (NT)



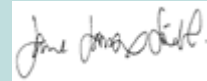
The Hon. Anna Bligh MP  
Minister for Education (QLD)



The Hon. Judy Spence MP  
Minister for Families (QLD)



The Hon. Stephanie Key MP  
Minister for Youth (SA)



The Hon. Dr Jane Lomax-Smith MP  
Minister for Employment, Training and Further Education (SA)



The Hon. Patricia White MP  
Minister for Education and Children's Services (SA)



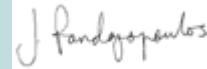
The Hon. Paula Wriedt MHA  
Minister for Education (TAS)



The Hon. Judy Jackson MHA  
Minister for Health and Human Services (TAS)



The Hon. Monica Gould MLC  
Minister for Education Services  
Minister for Youth Affairs  
Leader of the Legislative Council (VIC)



The Hon. John Pandazopoulos MP  
Minister for Employment, Gaming and Tourism  
Minister Assisting the Premier on Multicultural Affairs (VIC)



The Hon. Alan Carpenter MLA  
Minister for Education, Sport and Recreation, and Indigenous Affairs (WA)



The Hon. John Kobelke MLA  
Minister for Consumer and Employment Protection, and Training Packages (WA)



The Hon. Sheila McHale MLA  
Minister for Community Development, Women's Interests, Seniors and Youth, Disability Services, Culture and the Arts (WA)

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