

Mr John Carter
Secretary
Senate Employment, Workplace Relations and Education Committee
Australian Government

3 September, 2008

Re: Inquiry into the Effects of Climate Change on Training & Employment Needs

Dear Mr Carter,

Thank you for the opportunity to comment on the inquiry into the *Effects of Climate Change on Training and Employment in Australia*.

NSW Business Chamber represents the interests of 30,000 businesses and is affiliated with over 110 NSW Chambers of Commerce representing a further 11,000 businesses. The Chamber members are located across the State and are supported by a network of regional offices.

The NSW Business Chamber's purpose is to champion the cause and growth of business and offer solutions that stimulate business growth nationwide and globally. The Chamber consistently engages both NSW and Australian Governments on policy issues related to lifting workforce skills and participation.

Australia faces significant challenges in responding to emerging skill needs resulting from climate change and sustainability challenges, particularly as we approach the introduction of the Carbon Pollution Reduction Scheme.

The issues for both large and small business include:

- Building business awareness of organisation specific measures required to reduce the environmental impact of the business
- Appropriate public funding mechanisms to develop and broaden the existing suite of national Training Packages to include sustainability skills
- Creating training that is responsive to current and emerging business needs
- Limited access to climate change resources – professionals, learning materials and infrastructure – which may create barriers to accessing structured sustainability training
- Creating appropriate auditing standards for sustainability professionals as well as currently qualified individuals in areas of energy, water and power
- Raising the profile of the employment opportunities in sustainability sectors through communication of accurate career advice, training and employment pathways

Term of Reference:

Measures to assist understanding of climate change in the Asia-Pacific region, including provision of training and skills assistance

Role of vocational training

Vocational training will play a critical role in supporting Australia's successful transition to a carbon-neutral economy.

Vocational training covers 80% of occupations in Australia and provides nationally recognised training developed by industry, for industry. Vocational training is competency based, delivered and audited against national standards and recognised in all states and territories of Australia.

Whilst there are a growing number of tertiary qualifications in the field of sustainability, it must be acknowledged that university qualifications will form only part of the solution to addressing Australia's environmental challenges. The majority of changes to daily operational practice will be enacted by people who are not university educated climate change professionals.

As a result, providers of vocational and tertiary training in sustainability will need to demonstrate a strong connection between sustainability training and workplace implementation and provide opportunities for students to apply these skills in practice.

Emerging training in sustainability will need to include both full qualifications and targeted skill sets to meet immediate business needs, as well as providing pathways into full and higher level qualifications.

Integration of sustainability into all vocational training

Sustainability skills need to be included in vocational qualifications at a range of levels, including for Australian Apprenticeships, stand-alone courses undertaken prior to employment or as part of ongoing professional development.

National Training Packages provide an ideal framework to integrate sustainability skills and knowledge into a practical vocational framework. As with other broad-ranging skills such as occupational health and safety and employability skills, sustainability skills specific to sectors and occupations have the capacity to form an important component of all skills, or units of competency, within national Training Package qualifications.

NSW Business Chamber supports the Australian Chamber of Commerce and Industry's position on a new model for Training Packages that recommends the inclusion of environmental considerations into every unit of competency.

Building the capacity of the existing workforce

Like occupational health and safety, sustainability considerations have a universal relevance within home and the workplace. Sustainability will be the responsibility of a range of business owners and employees.

The challenge for skill development will be to maximise the utilisation of available sustainability professionals while effectively integrating sustainability responsibilities into a much broader range of job descriptions.

The broader employment base will need to be supported to develop complementary skills to enact changes to business process and practices, working in conjunction with the professionals.

With the number of new entrants to the workforce progressively shrinking, increasing reliance is being placed on Australia's existing workforce and the need to develop the required skills internally through the training of existing staff.

While there is a role for classroom modes of delivery, these are less likely to appeal to employers due to the loss of productive staff time on the job.

Consequently flexible learning delivery models, including online, workbook or CD-ROM based resources, will play a critical role in supporting greater business uptake.

Funding skill development training

NSW Business Chamber acknowledges that it is businesses' responsibility to work with Government and other agencies to minimise the ecological footprint of their activities and comply with relevant state and national legislation.

Currently sustainability is a relatively low priority for businesses that are not large emitters.

As a result, business commitment to changing practices to reduce the impact on the environment needs to be developed through education to achieve incremental change in business operations. Over time, businesses will be better placed to respond to supply chain requirements from the larger organisations with which they interact.

Exclusive reliance on legislation as a lever may achieve base level compliance, however this strategy is unlikely to support the innovative business responses required in the longer term. Sustainability is an ongoing process that cannot be achieved overnight. It requires greater internal support and motivation by a business than could be achieved successfully through legislation.

If publicly funded training for existing staff is not available, it will be incumbent on government to provide strong incentives and case studies to support employers to achieve this attitudinal and behavioural change.

Recommendations

The NSW Business Chamber recommends that the Australian Government:

1. Define vocational skills and knowledge needed to address climate change according to qualifications, skill sets and units of competency found within national Training Packages
2. Support business uptake of training in sustainability skills through strong marketing of economic and business benefits, innovative case studies and good practice solutions to sustainability challenges
3. Support participation and uptake of sustainability skills by business and existing employees by prioritising flexible learning delivery modes

Term of Reference:

The ability of universities and other research and training institutions to meet current and future demand for climate change professionals

Emerging sustainability skill requirements

As the CSIRO's *Growing the Green Collar Economy* (2008) and the Board of Vocational Education & Training, *Skills for Sustainability* (2007) have identified, the need for specialist training in sustainability skills are required as a first priority in the key sectors of:

- Manufacturing
- Mining and energy
- Utilities
- Construction
- Agriculture
- Transport

Individual states and territories are moving to respond to these emerging skill needs through jurisdictional strategies and programs. For example, the NSW Department of Education and Training has anticipated these emerging skill needs through

- July 2008, *NSW Green Skills Strategy Implementation Plan*
- July 2007, *Strategic Skills Program; NSW Skills Development Priorities 2009 – 2010*

Poor definition of climate change professional role

The lack of skilled professionals and the absence of any benchmark to define what a sustainability specialist is constitutes a significant risk to business uptake.

There are no Australian Standards to indicate what skill sets are required to be qualified to provide advice or implement business strategies in sustainability. This leads to uncertainty by businesses about the quality and usefulness of sustainability skills and can form barriers to business uptake.

Furthermore when businesses seek to engage a sustainability expert to assist them move towards a climate constrained environment, this assistance is more likely to be sought from a general tradesperson such as a plumber or electrician who may not have specific skills or experience in sustainability.

Specialist training for climate change professionals

The majority of training in sustainability is currently being delivered through universities and less so through vocational training providers.

The increase in sustainability courses has been fairly recent as universities have recognised the growing demand. Five years ago sustainability training was considered more as an addition to an environmental engineering or science degree and was only available in a limited capacity.

The NSW Government's Energy Efficiency Strategy now includes funding to upskill plumbers and electricians to develop additional skills in targeted sustainability skill sets.

Given the broad ranging challenges of implementing a sustainability strategy within business, vocational and tertiary qualifications targeted to climate change professionals will require a broad raft of skills, knowledge and experience in

- Sustainability within the context of a business operating environment
- Relevant legislation and acts
- Auditing
- Policies and procedures
- Analysis and planning
- Change management
- Innovation

In developing or modifying existing offerings, training providers must work with employers to identify how courses will match business' needs and how to maximise relevance of structured training to the operational context and application in the workplace.

Skill shortages in the education sector

Another significant challenge facing training providers will continue to be the ability to attract skilled teachers with recent and relevant industry experience.

In an environment of changing compliance and business requirements leveraged by market and government financial incentives, experienced climate change professionals at the cutting edge of innovation will be highly sought after in all sectors.

Creative recruitment and retention strategies will be required to attract experienced climate change professionals into educational roles, possibly through flexible and part-time employment options.

In the case of vocational training, Registered Training Organisation compliance barriers will also need to be modified, such as the national requirement that all trainer/assessors have both recent experience and a full Certificate IV in Workplace Assessment and Training.

Informing career selection in sustainability

Existing skill shortages have demonstrated the central role that accurate career advice plays in shaping the aspirations of both new entrants to the workforce and those planning a change in career.

Career Advice Australia provides an effective model of engagement with young people aged 13-19 years old, connecting them to available employment and careers in their local region.

Given the emerging nature of careers in sustainability, a concerted effort will be required to build access to accurate and up-to-date career advice on qualifications and employment pathways leading to climate critical occupations.

Recommendations

The NSW Business Chamber recommends that the Australian Government

4. Prioritise integration of climate change content into vocational training delivery in key targeted sectors as soon as practicable
5. Address the shortage of qualified educational professionals with climate change industry experience by permitting Registered Training Organisations to map training delivered by a qualified industry expert against national competencies and provide funded skills recognition services
6. Leverage existing career advice programs to support uptake of careers in sustainability by new entrants and people already in the workforce

Thank you for the opportunity to comment. If you wish to develop the above, please contact Abby Duruz on 02 9458 7267 or abby.duruz@nswbc.com.au

Yours sincerely,

A handwritten signature in black ink, appearing to read "Kathy Rankin".

Kathy Rankin

Senior Manager, Policy
NSW Business Chamber
140 Arthur Street
North Sydney NSW 2060

t > 02 9458 7441

f > 02 9955 2472

e > kathy.rankin@nswbc.com.au