### **VET FORUM**

The state of Vocational Education & Training and the way forward

22 October 2013 Deckhouse, Woolwich



# Debbie Joyce Exec. Officer Automotive Training Board of NSW

- The Automotive Training Board (ATB) is an ITAB (Industry Training Advisory Body) whose function is to provide independent advice to Govt. and other stakeholders on industry skills needs, and workforce development
- ITAB's play a critical role in focussing policy and strategy in relation to education and training, apprenticeship and school-based vocational programs, and funding and incentive schemes
- The ATB is the ITAB representing automotive, transport and logistics, stevedoring, aviation, maritime, and rail in NSW.



### Change is in the air!

- Smart and Skilled is a reform of the NSW Vocational Education and Training system.
- As of 1 July 2014, eligible individuals will be able to choose government subsidised training for select foundation courses and qualifications up to and including Certificate III from TAFE NSW or an approved private or community training organisation.



 People aged 15 years and over who have left school, do not have a Certificate IV or higher level qualification and who live or work in New South Wales will be eligible to access training under the entitlement.

• A skills list will define what courses will be subsidised by the NSW Government. It will be based on industry consultation and labour market research.



• Under the entitlement, individuals can choose to go to TAFE NSW or an approved private or community training organisation that best meets their needs.

• Rather than a student pay an enrolment fee, students will instead be required to pay a qualification fee.



• This fee will equate to 40% of the base price of delivery, with 60% being paid for by the government.

• As of 1 July 2014, the student qualification fee for an apprentice undertaking a Certificate III qualification will be \$3,000. This price will increase by \$1,000 per year until it reaches 40% of the base price.



• TAFE NSW is now a separate entity from the Department of Education.

• TAFE will have less funding under Smart & Skilled as they will now be paid the same delivery amount as private training providers.

 TAFE will be looking at changes to delivery methods and focusing on areas that will provide maximum funding.



• The skills list will be released shortly. If a qualification does not appear on the list, then full commercial fees will be charged.

• The skills list will be reviewed annually.



## Skills shortages

• 'Skill shortages exist when employers are unable to fill, or have considerable difficulty in filling, vacancies for an occupation, or specialised skill needs within that occupation, at current levels of remuneration and conditions of employment, and reasonably accessible location.'



## Why do skill shortages happen?

- Cyclical economic shifts: Australia is increasingly exposed to fluctuations in the international economy. As a result, work volumes also ebb and flow, resulting in longer-cycle changes as well as seasonal ones.
- Labour market restructuring: The introduction of new technology, or changes to the structure of the economy can lead to rapid changes in the demand for an occupation, creating a sudden oversupply or shortfall of qualified people.



• **Regional mismatches**: Skilled personnel may be in short supply in a particular region.

• **Unpopular jobs**: Some jobs have image problems, and employers find it difficult to attract people to them.



• Evidence suggests a large cohort of automotive labour (approximately 13,000 mechanics) have left the automotive industry and are now providing services to other industries, including mining. Shortages of skilled labour are affecting approximately 47% of automotive businesses. This is expected to rise to 55% during 2012-13



# What do skills shortages mean for me?

- Generally, employees will demand higher wages, as there is a far smaller pool of employees for you to choose from.
- If there are not sufficient staff members within a workplace, work may have to be outsourced.
- If staff numbers are too low, there will be a significant reduction in outputs.



# Reasons employers have difficulty in recruiting

Lack of potential employees technical competencies
 36%

Lack of available applicants 32%

• Lack of experience 24%



# What is causing the talent shortage?

- stagnant wages
- supply and demand
- the slow rate of change in educational systems
- and a complete unwillingness to change the way business is done



## Generation Demographics

- **Builders** Born before 1946 Age 65+ 17% of the population
- **Boomers** 1946 -1964 Age 47-65 26% of the population
- **Generation X** 1965 1979 Age 32 – 46 21.5% of the population



• **Generation Y** 1980 – 1994 Age 17 – 31 20.5% of the population

• **Generation Z** 1995 - 2009 Age Under 17 15% of the population

• Within 10 years 40% employees will be Gen Y



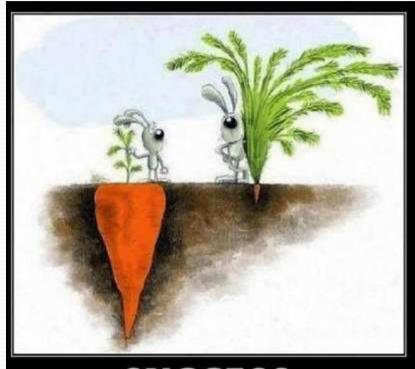
### Interesting Times

- Ageing population
- Ageing workforce
- Low unemployment
- Skills / Labour shortages
- Workplace changes
- Generations in the workplace









**SUCCESS** 

it's not always what you see



## **Baby Boomers**

- 1943 1964 Challenged status quo from traditionalists
- Experienced transition from hierarchical, command and control workplaces to flexible and inclusive.
- Women in the workforce.
- Now retiring



#### Generation X

• 1965 – 1979 Bridging generation

• Work ethic of Baby Boomers and can relate to Gen Y



#### **Generation Y**

• 1980 – 1994

• Experienced rapid change in the workplace competition, lack loyalty, like incentives

• Flexibility, values based, technology natives



#### **Generation Z**

• 1995 - 2009

• Also known as the Gen 'C' the connected generation



### Retaining Gen Y and Others

- Focus groups for Gen Y have found that the top 5 engagement strategies are:
  - Work / Life Balance
  - Culture (friends)
  - Role Variety
  - Management Style (inclusive, participatory)
  - Development



#### What we want

All generations have similar values:

- Everyone wants respect
- Trust matters
- People want leaders that are credible and trustworthy
- Organisational politics is a problem across the board



- Loyalty depends on the context, not the generation
- No one likes change
- It's as easy to retain a younger person as an older oneif you do the right things
- Everyone wants to learn more than just about anything else
- Almost everyone wants a coach









It's called 'reading'. It's how people install new software into their brains.



# Strategies to ensure talent in our workforce

- **Engage:** Listen to your people to retain the brightest and best. What they want (e.g., flexible work arrangements) may even save money.
- Nurture: often the most loyal and best company ambassadors are those that have developed through the ranks. Invest in these "high potentials."



• **Be social:** For the youngest worker segment, social commitment can determine the employer of choice.

• **Partner with schools:** use school based apprenticeships and traineeships.



## The way forward

- Change is happening, and to survive as an industry everyone needs to focus on what will attract and retain people in the marine industry.
- It is imperative to work together to ensure the provision of sustainable, accessible and high quality deliver for the marine trades.



# What does BIA propose?



#### Collaborative Venture on VET

#### Objectives:

- Attract and establish marine mechanical and shipwright/boatbuilder apprentices, and support their completion
- Ensure the provision of sustainable, accessible, high quality training delivery for marine trades



#### **GATEWAY:**

- Create an interest in boating careers
- Facilitate contact between new entrants and employers (apprenticeships)

#### **EVERYTHING ELSE:**

- The Role of ITABS provide advice to Govt as to future skills and training demand, as well as monitor training outcomes
- Liaise with Skills Councils re qualifications/ competencies (i.e.: content)
- The role of Apprenticeship Centres facilitate the sign up of apprentices, navigate funding programs/ entitlements, oversee relationship between apprentice and employer
- Mentoring, motivational/development programs
- Industry Vision/Strategy which incorporates VET and skills demand forecasts

#### **DELIVERY:**

- Enrolling students
- Classroom teaching
- Provide suitable venue, plant, equipment
- Assessment
- Certification
- Workplace teaching
- RTO/Compliance
- Insurances
- Administer above
- Industry partnerships/supply agreements



#### Gateway:

#### **GATEWAY:**

- Create an interest in boating careers
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- Establish/maintain comprehensive web-based nationally relevant information resources
- Enhance and expand existing activities to attract potential apprentices
- Establish a mechanism to connect employers and potential apprentices

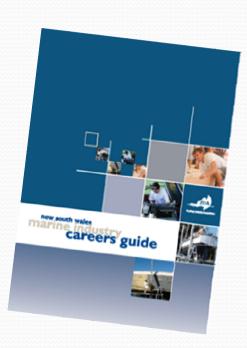




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- NSW Marine Industry Careers Guide
  - First printed in 2008
  - Distributed to NSW schools and MTA teachers
  - Distributed to students and careers advisers through attendance at careers days and expo's
  - Available in hard copy and online







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Boat Smart Program

Boating Safety in School

- 2009 first hub opened in Menai by Marine Teachers' Association
- 2012/13 four new hubs equipped with funding from NSW Government
- 2014 further hub due to come online in Sydney





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- Careers Day SIBS 2013:
  - Approx 500 students and teachers
  - 22 organisations attended
- Marine Education Centre at SIBS









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# BIA ETD Website:

- Information about Apprenticeships/ Traineeships
- Apprenticeships Vacant/ Apprenticeships Wanted listings







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- Boating CadetshipProgram
  - Started in 2010
  - 1 year program
  - Cert II Boating Services (Meadowbank TAFE)
  - GTO employs the cadet and places them with a host





# How can we enhance these?

- Establish web based, nationally relevant information resources – providing careers guidance and how to engage in apprenticeships and/or formal training
- Expand the SIBS Careers Day concept to other capital city boat shows
- Improved communication with schools, such as a Marine careers newsletter highlighting careers and available apprenticeships
- Establish 'link up' events aimed at providing access to potential apprentices for employers, and vice-versa



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- Improve profile and awareness of the boating industry skills needs with Govt., and ensure that policy and funding supports
- Develop key relationships to increase focus and effectiveness of advocacy
- Improve internal capacity to develop/ deliver strategic advice to Govt. and other stakeholders
- Ensure that qualifications fit industry demand, and that they are delivered with regard to diversity



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- Develop strategic alliance with Apprenticeship Centre's to facilitate awareness of - and access to - funding opportunities
- Improve selection and engagement of apprentices, and management of entitlements, etc.
- Deliver a support network for employers/apprentices: signups; transfers; entitlements; dispute resolution; etc.



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- Establish the capacity to mentor and support apprentices and employers to ensure improved outcomes:
  - Selecting the right person
  - Mentoring and monitoring well being and relationships
  - Extra-curricular industry engagement



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 Develop a comprehensive "strategic vision and intelligence" living document/ position which will support our advocacy in respect of skills need, and the training sector generally



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- Signing up "the right" apprentice and providing a "good apprenticeship" <u>isn't</u> simple – there are many opportunities for the apprentice <u>and</u> employer to come unstuck.
- Other industries are actively working to manage the challenges in this space, resulting in improved completion rates.



# **Gary Rudnick**

Apprentice Manager NSW/ACT HIA Apprentices



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 TAFE have traditionally been the trainer of choice for the boating industry. The TAFE network is best placed to continue in this role

 Our strategy seeks to "fill the gaps" which have resulted (or may in future) from changes to policy and funding models



# Delivery:

Working with TAFE, we will:

- Seek to establish a "Centre of Excellence" for each marine trade
- Facilitate modified block release models
- Facilitate improved distance learning and workplace assessment options
- Support delivery of high quality, relevant training in world class facilities with world class plant, equipment and teachers



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 Industry must work to ensure that students can access processes, plant, and equipment needed to ensure/ support quality training across the full competency-spectrum of our qualifications



# Thoughts, comments and questions...



# Summary and close

Stephen Gill General Manager - BIA VIC



# Coming up next...

# Building Strategic Alliances Enterprise Connect



