Submission to the National VET Equity Advisory Council’s draft VET Equity Blueprint: Creating Futures: Achieving Potential Through VET

Manufacturing Skills Australia
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This report has been prepared by Manufacturing Skills Australia in response to the National VET Equity Advisory Council’s draft Equity Blueprint “Creating Futures: Achieving Potential through VET”

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1. Executive summary

Manufacturing Skills Australia is pleased to be able to respond to the National VET Equity Advisory Council’s (NVEAC) draft VET Equity Blueprint

In its response to the Draft Blueprint, MSA has addressed a number of key areas. These key areas and MSA’s responses are summarised below.

What do we mean by learners who experience disadvantage?

Manufacturing industries in Australia employ people (and wants to employ more people) from across all equity groups identified by the NVEAC. Manufacturing is the fourth largest employer of Indigenous workers employing 8% of the Indigenous workforce. Anecdotal evidence collected by MSA also shows that a large percentage of the manufacturing workforce are migrants from countries where English is not the main language. While MSA agrees with the three groups of learners experiencing disadvantage identified by NVEAC, there is a fourth group that needs to be included – migrants.

The Blueprint for change - systemic areas of reform

MSA agrees that change is needed if the VET system is to be able to meet the needs of a productive and dynamic Australia in the 21st century. To this end, and to address one important area where change is needed, MSA has contributed a submission to the Productivity Commission’s Vocational Education and Training Workforce Study. There is close correlation between the areas of reform identified by NVEAC and MSA’s submission.

MSA supports NVEAC’s proposal for a National Partnership Agreement for Equity in VET as a means of ensuring commitment and ongoing investment in funding. It is also important that appropriate and effective methods for measuring and reporting performance be embedded in the National Agreement. MSA also believes that the performance indicators should be prioritised and weighted to avoid “training for training’s sake”.

Skill sets (clearly defined) are an important contributor to the up-skilling of existing workers within the manufacturing industries. MSA agrees that the capacity to track the uptake and funding of skill sets should be included as part of the National Partnership Agreement.

In its response to the Productivity Commission, MSA identified that engagement of learners experiencing disadvantage would increase the demands placed on the VET workforce. Professional development and institutional support of VET professionals working with diverse learners is needed to assist in delivery and assessment of training at all levels.

MSA sees foundation skills as an integral part of preparation and learning for employment and agrees that support for foundation skills development needs to be embedded into the Equity in VET framework as well as into Training Packages at all Australian Qualifications Framework (AQF) levels.

The importance of clearly defined pathways and partnerships that provide supportive learning and employment opportunities for disadvantaged learners need to be an integral part of any successful VET equity program. MSA’s recent experience with projects involving Indigenous learners has clearly highlighted that these features are vital.

MSA is also concerned that focus on achieving stronger participation in higher level qualifications could unintentionally further exacerbate the level of disadvantage being experienced by various equity groups.

What is needed is ‘higher’ level skills so that there is an overall incremental move upwards in skills levels across the total profile of skills within an industry, sector or enterprise.

Finally MSA believes that there is a need not only for better co-ordination between all levels of Government, but there is also a need for better co-ordination between Government and funded service providers to ensure that training is aligned with the person’s aspirations or life context.

1 Australian Bureau of Statistics Census 2006
2. About Manufacturing Skills Australia

Manufacturing Skills Australia (MSA) is the national industry skills council recognised by the Australian Government to ensure that the skill needs of the manufacturing and automotive enterprises are being met. It is responsible for workforce development initiatives which include providing industry intelligence and advice to inform government policy, supporting the development, implementation and improvement of nationally recognised training and qualifications, and providing skills and training advice to individual enterprises to assist with training and development processes.

Our vision is to be the pre-eminent organisation in Australia fostering and advocating for the workforce skill development needs of a thriving industry. We provide bi-partisan leadership and value the empowered and informed input of industry stakeholders. We strive to provide high quality information and workforce development resources to support the participation of industry in developing an innovative, highly productive and globally competitive manufacturing industry.

MSA is funded by the Department of Education, Employment and Workplace Relations (DEEWR) and works closely with Skills Australia, industry associations, unions, training providers, government agencies and employers to continually evolve and improve skills for manufacturing.

3. What do we mean by learners who experience disadvantage?

MSA sees the engagement of learners experiencing disadvantage as an important step in achieving the workforce participation goal of 69% by 2025 identified by Skills Australia².

While MSA agrees with the target groups identified by NVEAC, the inclusion of learners and potential learners from culturally and linguistically diverse backgrounds (migrants) should also be a target group. At the end of 2009 financial year, it was estimated that 25% of Australia’s population was born overseas³.

People with little or very low level English language and literacy skills within this group are a ‘high risk’ group and lack of engagement with vocational education and training is potentially restricting their ability to engage productively and assimilate within the Australian community⁴.

In data released in March 2010 by the Australian Bureau of Statistics (ABS), over 30% of migrants from countries where English is not the main language have never worked, and a further 8% had not worked in the last two years. (Criteria for ‘working’ was to have worked for two or more weeks within the nominated periods.⁵) 44% of unemployed migrants did not have a post-school qualification⁶.

When considering migrants, there are two groups to consider:

- Humanitarian program migrants (refugees); and
- Skilled program migrants⁷

**Humanitarian program migrants**

Australia was ranked in 2008 as one of the top three countries providing resettlement opportunities for humanitarian migrants. This group makes up only 10% of the migrant population. Due to the small size of the population, there is very little data available from the ABS regarding the characteristics and settlement outcomes of this group. In the 2006 Census, it was found that only 5% of humanitarian program migrants spoke English at home. Nearly one third reported that they either didn’t speak English well (25%) or didn’t speak English at all (8%).

A search of the National Centre for Vocational Education Research (NCVER) found only two research reports relating to participation of humanitarian migrants in vocational education and training⁸. One report

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² Skills Australia 2010 Australian Workforce Futures Commonwealth of Australia
³ Australian Bureau of Statistics 2010 Migration, Australia, 2008 - 09
⁴ Australian Bureau of Statistics 2010 Perspectives on Migrants, June 2010
⁵ Australian Bureau of Statistics 2010 Perspectives on Migrants Table 2 Unemployed persons, Prior experience, Country of birth by year of arrival
⁶ Australian Bureau of Statistics 2010 Perspectives on Migrants Table 5 Unemployed persons, Highest level of non-school qualification
⁷ Australian Bureau of Statistics 2010 Perspectives on Migrants, June 2010
specifically looked at the contribution that multicultural community organisations have on promoting and supporting refugees’ learning\(^9\).

Humanitarian program migrants were less likely to have completed year 12 with only 47% reporting that they had completed year 12. A further 13% reported having completion of year 8 or below as their highest educational level.

At the time of the 2006 Census, 46% of humanitarian program migrants were studying full-time. Information regarding the courses being undertaken is not available from the ABS. However as 39% of humanitarian program migrants were under 20 years of age, it is likely that English language courses accounted for a large number of respondents.

### Skilled program migrants

In 2008 – 09 financial year, despite the Global Financial Crisis, skilled migration rose by 5.7% to its highest level. Over 50% of skilled migrants came from countries where English is not the main language. 59% of skilled migrants rated their English proficiency as ‘well’ or ‘very well’ and 49% were employed as either ‘Professionals’ (36%) or ‘Technicians and Trades Workers’ (13%).

Skilled program migrants were less likely than humanitarian program migrants to be studying fulltime (30% as opposed to 46%). Only 16% of family migrants (migrants who have entered the country as a member of the family of the primary applicant) were studying fulltime\(^10\).

### 4. The Blueprint for change – systemic areas of reform

MSA agrees with NVEAC that systemic VET reforms are required and has recently provided a submission to the Productivity Commission’s Vocational Education and Training Workforce Study. The six areas of reform identified by NVEAC are similar to the areas of reform suggested by MSA in their submission\(^11\).

MSA is concerned that the VET Equity Blueprint could become another ‘training issue’ rather than being outcome focussed on workforce participation. It is important that VET for learners experiencing disadvantage be outcome based with a focus on increasing workforce participation through sustainable employment. Research by NCVER showed that almost 50% of students undertaking enabling courses who continued with their studies were less likely to enrol in higher level qualifications\(^12\). These students enrolled either in course of an equivalent level or repeated the same course.

Therefore MSA believes that it is imperative that there be a focus on supported pathways that actively assist learners experiencing disadvantage to engage in VET and into sustainable and meaningful employment. MSA agrees that effective reform can only happen when “employers are engaged upfront”. VET should and must be an effective pathway to employment if Australia is to achieve the Council of Australian Government’s (COAG) targets for 2020.

### Reform Area 1 – Sustainable investment

Furthermore, it is important that the VET Equity Blueprint is supported by all levels of government and continues to be implemented even when there is a change in government. MSA supports NVEAC’s proposal for a National Partnership Agreement for Equity in VET as a means of achieving continuity.

MSA also supports the development of a funding model that is linked to the learner and provides for support of the learner as they transition from VET into employment. The funding should be outcome based and learner centred with the outcome being “sustainable and meaningful employment” as defined by the learner. Examples of different types of sustainable and meaningful employment transition programs may be supported employment programs for a person with a disability or a Community Development Employment Program (CDEP) for an Indigenous learner.

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\(^9\) Miralles-Lombardo, B Miralles, J and Golding B, 2008, Creating learning spaces for refugees The role of multicultural organisations in Australia NCVER Adelaide

\(^10\) Australian Bureau of Statistics 2010 Perspective on Migrants

\(^11\) Manufacturing Skills Australia 2010 Submission to the Vocational Education and Training Workforce Study

\(^12\) Phan, O and Ball, K, 2001, Outcomes from enabling courses, NCVER Adelaide


MSA Submission to the National VET Equity Advisory Council September 2010
Reform Area 2 – Measuring and reporting performance

MSA agrees that there needs to be effective methods for measuring and reporting performance within the National Partnership Agreement. The importance of developing clear and consistent definitions of the key terminology and for these definitions to be applied consistently across all jurisdictions collecting statistics related learner in VET cannot be ignored.

While COAG has set a target of halving the number of people without a certificate III in Australia by 2020, MSA questions the intensity of the focus on this target. Within the manufacturing and automotive industries in Australia, as many as half of workers are engaged in meaningful and rewarding work below Certificate III. Many work roles only require skills at Certificate. In 2008 47% of workers in manufacturing did not have a post-school qualification. MSA believes the quest should be to raise the successful attainment numbers within all qualification levels, with a first step of skills recognition for those without a formal qualification.

While MSA agrees with the performance indicators identified by NVEAC, these need to be prioritised and weighted to ensure that VET meets its goals. MSA sees the following indicators as having the highest priorities:

- An increase in VET participation levels by those disengaged from formal learning
- An improvement in completion rates
- An improvement in transition to sustainable work

MSA sees these three indicators as being linked together with the last indicator being the ultimate aim of any Equity in VET program.

MSA supports NVEAC in advocating the inclusion of the capacity to identify skill sets and their completion. Anecdotal evidence obtained by MSA shows that skill sets can be used to successfully up-skill existing workers. It has been proposed that skill sets be allocated an ‘invisible code’ on the new training.gov.au website. This would assist in making skill sets easier to track. Further MSA is aware that there has been agreement by the state and territory governments that where skill sets have been identified, these would be funded. However without tracking mechanisms it is difficult to ascertain to the level to which this has happened.

Reform Area 3 – Building the capability of the VET workforce

Through its annual Environmental Scan, MSA has identified that the VET workforce is already struggling to meet the demands of an industry-led VET system. In its response to the Productivity Commission’s VET Workforce study, MSA identified that engagement of learners experiencing disadvantage would increase the demands placed on the VET workforce. There is an urgent need to increase the skill level of VET practitioners working with diverse learners and to improve access to professional development opportunities for VET professionals. One institute that is currently evaluating the capability of its staff is TAFE SA Regional Institute. One of the findings of the evaluation has been the need for professional development to fill skills gaps identified.

Currently the Australian College of Educators (ACE) are undertaking a project to examine the quality of VET teaching and make recommendations regarding the preparation and continuing development of VET teachers, and for appropriate evaluation frameworks and quality indicators. The ACE project includes, under the term “teacher”:

- teachers
- trainers
- lecturers
- tutors

13 Manufacturing Skills Australia 2009 National Statistics for Manufacturing in Australia
14 Manufacturing Skills Australia Environmental Scan 2010 pp 14
15 Manufacturing Skills Australia 2010 Submission to the Vocational Education and Training Workforce Study pp 11
16 Mitchell, J 2010 Brutally honest capability analysis, Campus Review, Vol. 20 No 17 pp 11
• assessors
• workplace assessors and/or trainers
• VET practitioners
• VET workplace consultants
• those who develop courses and modules and learning and assessment materials
• any other term that may be used to describe those who present teaching and learning 17

While this project is both timely and necessary, MSA agrees with NVEAC that there needs to be “a unified national framework for building capability across the whole VET workforce, not just teachers and trainers” 18.

Reform Area 4 – Embedding support for foundation skills development

MSA believes the first step in embedding support for foundation skills development is to clearly define the term “foundation skills” and this definition needs to be adopted at all levels. Currently there are two generic skills frameworks within the VET sector – the Australian Core Skills Framework and Employability Skills. MSA sees foundation skills encompassing both skills frameworks.

When developing a model for the delivery and assessment of foundation skills, MSA believes foundation skills need to be embedded into qualifications and delivered and assessed within the context of use. This is in line with Roberts and Wignall’s briefing to NVEAC 19 who state that “Foundation Skills are necessary across all AQF qualifications and for all learners and, if attended to, add to the quality of a learning experience.”

When developing models for the delivery and assessment of foundation skills, MSA believes that there needs to be a variety of models as no one model will meet the needs of all equity groups. Each equity group has cultural and linguistic needs that impact on the delivery of any skills training, including foundation skills. This again highlights the need for a VET system that is culturally aware and diverse and for the professional development of VET professionals with the skills to address the needs of learners experiencing disadvantage.

MSA supports the National Quality Council (NQC) Framework Implementation Action Group recent recommendations made to the NQC:

• a National Foundation Skills Framework be developed as part of the Commonwealth Government’s National Foundation Skills, and
• as part of the upcoming revision of the Training Packages Development Handbook, include more detailed guidance to developers about embedding Foundation Skills in Training Packages. 20

Reform Area 5 – Pathways and partnerships to achieve positive learning, life and work outcomes for learners

Internal research by MSA has identified the need for support for mentoring programs and the development of community partnerships when assisting Indigenous learners to achieve sustainable and meaningful employment. MSA has seen successful projects falter or close due to the lack of ongoing funding. MSA agrees that there is a need for a holistic case management model that links and co-ordinates services and provides ongoing support through life transitions for learners experiencing disadvantage. The importance of partnerships between the learner, the educational institution, and the community in which the learner is located and prospective employers is vital if the goals of reducing disadvantage and achieving meaningful and sustainable employment through VET are to be achieved.

MSA is also concerned that focus on achieving stronger participation in higher level qualifications is further exacerbating the level of disadvantage being experienced by various equity groups. Many of Australia’s existing workers do not hold post-school qualifications. This is particularly pertinent in the

18 National VET Equity Advisory Council 2010 Equity Blueprint Creating Futures: Achieving Potential through VET pp 17
19 Roberts, A and Wignall, L (n.d.) Briefing on Foundation Skills for the National VET Equity Advisory Council pp 2 - 3

manufacturing workforce where nearly 48% are identified as not holding a post-school qualification\textsuperscript{21}. These workers are not unskilled as they are currently employed in productive work. Much of the discussion on high-level skills has centred on high-level qualifications. What is needed is ‘higher’ level skills so that there is an incremental move upwards in skills levels across the profile of skills within an industry, sector or enterprise.

Internal research by MSA also identified that career advice to school leavers is often inadequate or inappropriate. Employers reported that they felt that many apprentices had been given inappropriate or inadequate career advice. In MSA’s 2010 Environmental Scan, the need for programs that enable apprentices to enter trades with sufficient understanding of and preparation for the work involved was highlighted. One approach that MSA is currently investigating is a greater use of pre-vocational training pathways\textsuperscript{22}.

MSA recognises the need to develop partnerships with local employers to provide work experience and placements for disadvantaged learners with the view that these can lead to meaningful and sustainable work. NVEAC’s approach to work collaboratively with peak employer and employee bodies is one approach to developing these partnerships.

5. **Better coordination of policy between levels of Government**

MSA believes that there is a need not only for better co-ordination between all levels of Government, there is also a need for better co-ordination between Government and funded service providers to ensure that training is aligned with the person’s aspirations or life context. This will ensure that learners are not undertaking training simply to continue to access benefits and that the goal of sustainable and meaningful employment can be achieved.

-END-


\textsuperscript{22} Manufacturing Skills Australia *Environmental Scan* 2010 pp 16