



# ***The ACT Annual***

## ***Vocational Education and Training***

### ***Priorities for 2006-07***

***Incorporating the July 2006 Half Yearly Outlook***



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## **INTRODUCTION**

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The ACT has a strong commitment to vocational education and training as a means of providing appropriately skilled and qualified citizens to contribute to the economic, social and cultural well-being of the ACT.

The *ACT Annual Vocational Education and Training Priorities for 2006-07*, incorporating the *July 2006 Half Yearly Outlook*, has been prepared to assist stakeholders and other interested parties understand:

- factors affecting vocational education and training in the ACT
- factors likely to affect vocational education and training in the ACT over 2006-07
- the ACT Government's vocational education and training priorities for 2006-07.

The document provides:

- an indication of the industrial, economic and political factors and trends that may affect demand for vocational education and training in the ACT
- an overview of vocational education and training and its interaction with priorities set by government
- an overview of skills shortages including an indicative list of those affecting the ACT that are relevant to the vocational education and training sector, and
- a set of priorities that will guide the government funding of vocational education and training in the ACT for 2006-07.

### **Executive summary**

The ACT has a strong commitment to vocational education and training as a means of providing appropriate skills and qualifications for citizens to contribute to the economic, social and cultural well being of the ACT.

The ACT can be proud of its recent achievements in vocational education and training. In 2005, total student numbers continued the upward growth trend of recent years, with a total increase in student numbers of 17% from 2002 to 2005. Following record growth in numbers in New Apprenticeships (now known as Australian Apprenticeships) in 2003, there was more modest but sustained growth maintained throughout 2004 and 2005.

The final statistics released in July 2006 by the National Centre for Vocational Education Research (NCVER) indicate in 2005 the ACT achieved:

- A 2.9% rise in total student numbers in line with the national average
- A steady number of Australian Apprentices in training (as at 31 December) compared to a national decline of 0.4%
- An 0.8% increase in Certificate IV enrolments compared to a national decline of 5.5%, and a 0.6% rise in Diploma and higher level enrolments compared to a national decline of 1.6%
- A sustained number of 500 Indigenous Australians undertaking vocational education and training
- A 7.1% increase in the number of mature-aged people undertaking vocational education and training, and

- A 3.4% increase in people with a disability undertaking vocational education and training.

The ACT continues to maintain high levels of activity in Australian Apprenticeships. NCVET data for apprenticeships and traineeships shows that the number of Australian Apprentices in training in the ACT has continued to grow steadily after the rapid growth of 2003. There was a 60% increase in Apprentice and Trainee numbers from 31 March 2002 to 31 March 2005. Preliminary indications are that, after consolidation in early to mid 2005, numbers have begun to increase again slightly in late 2005 and early 2006.

The ACT remains the only state or territory in which female participation in vocational education and training is higher than that of males.

These outcomes have been achieved in the context of the narrowest vocational education and training market in Australia and in an economic setting that is very different from other jurisdictions.

Characteristic features of the ACT's demography and economy are:

- A population in June 2004 of 324,000 representing 1.6% of the total for Australia occupying a small geographical area
- A population with a lower median age than any jurisdiction except the Northern Territory, ageing as is that of Australia in general
- Government activities dominate the economy
- Government administration and Defence account for around 25% of employment
- Essentially no primary industry, mining or manufacturing exists in the ACT
- An occupational structure heavily weighted towards white-collar jobs and the more highly skilled end of the occupational spectrum
- The private sector is dominated by small business with fewer than 20 employees.

ACT Treasury is the primary source of economic advice for this report. Based on economic indicators, ACT Treasury forecasts that the economy is likely to record solid growth in the foreseeable future, albeit at rates slightly lower than the national average. The ACT labour market will remain tight with low levels of unemployment and a high labour force participation rate.

The ACT Industry Training Advisory Association is the primary source of industry advice used in the preparation of the Annual VET Priorities. The latest analysis and advice for each ANTA Industry Group is presented in the *Strategic Review of Industry and Vocational Education and Training in the ACT, April 2006* and summaries are included in the Industry Training Advice section of this document.

### **Priority training areas for 2006-07**

Based on the detailed analysis of the factors impacting on vocational education and training and the ACT labour market, the Vocational Education and Training Authority has endorsed a set of vocational education and training priorities for 2006-07. The priorities include the broad industry areas most critical to the ACT economy and some specialised areas from other industries. They also focus on certain groups

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within the community and economy and on training enabling skills development across all industry sectors.

The priority industry areas are:

- Building and construction
- Community services, health and education
- Finance, banking and insurance
- Tourism and hospitality
- Electrotechnology and utilities
- Food processing

The priority specialisations from other industry areas are:

- Motor cycle mechanics
- Automotive repair and servicing
- Spatial information services
- Horticulture
- Road transport
- Hairdressing
- Sport and recreation supervision
- Timber manufactured products
- Theatre and events technical production
- Pest management

The priority groups are:

- People with a disability
- Indigenous Australians
- Mature aged people (aged 40 and over)
- Youth (aged 15-19) at risk
- Small business
- Government administration and defence

The enabling priorities are:

- Business services
- Information technology
- Employability skills
- Recognition of existing skills and competencies

The priority training areas will inform the funding of training over the period 2006-07. Funding will focus on particular qualifications applicable to these areas and identified as being most appropriate to the ACT.

## **THE ACT TRAINING SYSTEM IN CONTEXT**

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### **Economic Conditions – ACT Treasury’s analysis**

*Extracts from ACT 2006-07 Budget Paper 3 Section 8.1 “Economic Conditions”*

#### **Overview**

The ACT economy is expected to continue operating at a high level of activity, with the unemployment rate remaining around its current historically low level. In 2006-07 the economy is forecast to grow solidly but with activity constrained by labour shortages. Household consumption and investment are expected to increase moderately, and Australian Government expenditure is forecast to ease from the strong growth recorded in the previous year. Business investment is anticipated to grow strongly. Employment prospects are expected to remain positive, while wages growth and inflation remain sustainable.

#### ***The outlook for the ACT economy***

The ACT Economy continues to be supported by strong employment, strong business profitability and sustained wages growth. However, growth is currently being constrained by the limited availability of labour. Tight labour market conditions are expected to continue in 2006-07, holding down the rate of economic growth in the ACT.

Economic growth in the ACT is expected to remain strong, but below the national average, largely reflecting the labour constraints which are more prevalent in the ACT than elsewhere in Australia. The strength of the national economy has made it more difficult for the ACT to attract labour from other states. Unlike some other states, the ACT is also not benefiting from the recent very large increase in export prices, particularly for coal and iron ore, and subsequent increase in export volumes.

Government consumption expenditure, particularly that of the Australian Government, is a key determinant of economic activity in the ACT. Following strong Australian Government consumption expenditure in the ACT in 2005-06, the Australian Government is forecasting slower, but still solid, growth in outlays in 2006-07. At the same time, it is also forecasting substantial increases in employment, with many of these positions potentially based in and around the ACT. However, government consumption is likely to be constrained by the tight labour market conditions.

The employment forecast for 2006-07 continues to be constrained to  $\frac{3}{4}$  per cent growth by the tight labour market. At the national level, the Australian Government forecasts employment to grow by 1 per cent in 2006-07, slightly below the growth in the working age population. This moderate easing of national labour market pressures is not expected to be sufficient to address tight labour market conditions in the ACT.

This tightness of the labour market is the most significant risk to the ACT's economic forecasts. Should the current skill shortages in Australia worsen then growth may be further constrained in the ACT. Conversely, a weakening in the national demand for labour could alleviate the skill shortage problem in the ACT, and increase growth, by allowing the ACT's share of net interstate migration to increase.

Other risks arise from interest rates and Australian Government expenditure in the ACT. Further sustained rises in interest rates are likely to impact adversely on private consumption and investment in the ACT, particularly given the build-up in household debt in recent years. Should the Australian Government not meet its budgeted spending and employment intentions, or the ACT receive a smaller share of this spending, then this could also reduce economic activity in the ACT.

### **Population**

The rate of growth in the ACT's population is forecast to strengthen to  $\frac{3}{4}$  per cent in 2006-07, a growth rate considerably higher than the growth rates recorded in recent years. This will translate into a  $\frac{1}{2}$  per cent increase in the size of the ACT's labour market.

The ACT's population movement has in recent times been characterised by the natural increase (births less deaths) being partly offset by a net outflow reflecting excellent job opportunities throughout most of the country. While a net outflow is expected to continue, it is expected to reduce in magnitude, resulting in higher population growth overall. The improvement in the pattern of net interstate migration to the ACT is largely predicated on a weakening in employment growth in the ACT's traditional markets for interstate migrants, particularly in New South Wales.

### **Labour Market**

The ACT labour market remains very tight, with the trend unemployment rate around a record low and the labour force participation rate near a record high. These conditions are likely to persist as both national labour demand and the demand for labour in the ACT remain strong.

Given the outlook for demand, employment is expected to increase in 2006-07 primarily due to increases in the ACT population and to a lesser degree increases in participation, particularly participation by older age cohorts.

### **Employment**

Following an expected  $\frac{3}{4}$  per cent growth in employment in 2005-06, the growth in employment in 2006-07 is forecast to be constrained to  $\frac{3}{4}$  per cent, that is, around half the long-run average annual growth rate, as a result of the continuation of the tight labour market nationally. These tight labour market conditions, nationally and locally, are placing upward pressure on wages. The contribution to employment growth of  $\frac{3}{4}$  per cent in 2006-07 will be from an increase in the ACT population ( $\frac{1}{2}$  per cent contribution) and an increase in participation ( $\frac{1}{4}$  per cent contribution), particularly from older age cohorts.

At the national level, employment is forecast to grow at 1 per cent in 2006-07, an easing from the 2 per cent rate in 2005-06 but a rate not much below the growth in the working age population and, therefore, it is not expected that the national labour

market will ease sufficiently to provide significant relief to the local ACT labour market.

#### *Labour costs*

The Australian Government has forecast strong wage growth in both 2005-06 and 2006-07, with the Wage Price Index (WPI), growing at 4 per cent in both years. Labour supply constraints, especially in many service industries, in an environment where economic demand is expected to stimulate business growth, will be expected to sustain future wage pressures. This may be somewhat offset by a tightening in monetary policy.

WPI growth has been higher in Canberra than nationally since June 2003. For the year to December 2005, annual average WPI growth was 4.4 per cent per annum, compared to 4.1 per cent per annum recorded nationally. Taking inflation into account, growth in real wages over this period was 1.8 per cent in Canberra, compared to 1.4 per cent nationally. Public sector wages in Canberra grew at an annual rate of 4.8 per cent for the year ending December 2005 — faster than wages growth in the private sector, which was 3.6 per cent.

#### **Skills Shortages**

Skill shortages have been reported across a number of sectors in the ACT including construction trades, motor vehicle trades, accounting, childcare, and government administration. The skills shortages currently being experienced in the ACT reflect both short-term and long-term influences.

#### *Short-term influences*

To a large extent, the current skill shortages reflect the current strength of the economy. The Australian economy is currently experiencing its longest expansion on record (15 years). The demand for labour associated with such a lengthy economic expansion has reduced the national trend unemployment rate to 5.1 per cent, its lowest level in 30 years. The ACT's trend unemployment rate is at its lowest level on record (3.2 per cent).

The national demand for labour has not only lowered unemployment rates across the country, it is also creating increased national competition for labour. Consequently, some workers who would have been employed in the ACT have been attracted by job opportunities interstate, contributing to a lack of appropriately skilled labour in the ACT.

The ACT's labour force is highly mobile and therefore sensitive to cyclical influences. In the year to 30 June 2005, the ACT's gross interstate migration flows (that is, people moving from the ACT to interstate and vice versa) were equivalent to 11.4 per cent of the ACT's population, second behind the Northern Territory (15.9 per cent). By comparison, the national average for gross migration flow as a proportion of population was 1.8 per cent.

There is also increased demand for labour at an international level, with data from the International Labour Organisation showing countries such as the United

Kingdom, New Zealand, and Canada experiencing historically low unemployment rates. This also has some impact on the availability of skilled labour in the ACT.

*Long-term influences*

The skills shortages in the ACT also reflect long-term structural demographic factors. In particular, as the population ages, workforce participation is expected to fall. In 1971, 4.4 per cent of the ACT's population was aged 65 years and over. By 2001, this proportion had risen to 13.3 per cent and, using medium growth ABS projections, 22.8 per cent of the ACT's population will be aged 65 years and over by 2051. The ACT's labour force is currently projected to peak in 2026, and gradually decline thereafter. Therefore, the ACT's labour supply is constrained by more of the population moving into retirement.

There are signs that ACT labour force participation amongst some older age cohorts is increasing. For example, the labour force participation rate for ACT males aged 60 to 64 years rose from 51.5 per cent in August 2004 to 59.3 per cent in January 2006, its highest level since September 1988. There has been a significant upward shift in labour force participation by ACT females aged 60 to 64, with the participation rate rising from 27.4 per cent in June 2002 to 44 per cent in January 2006, the highest rate on record.

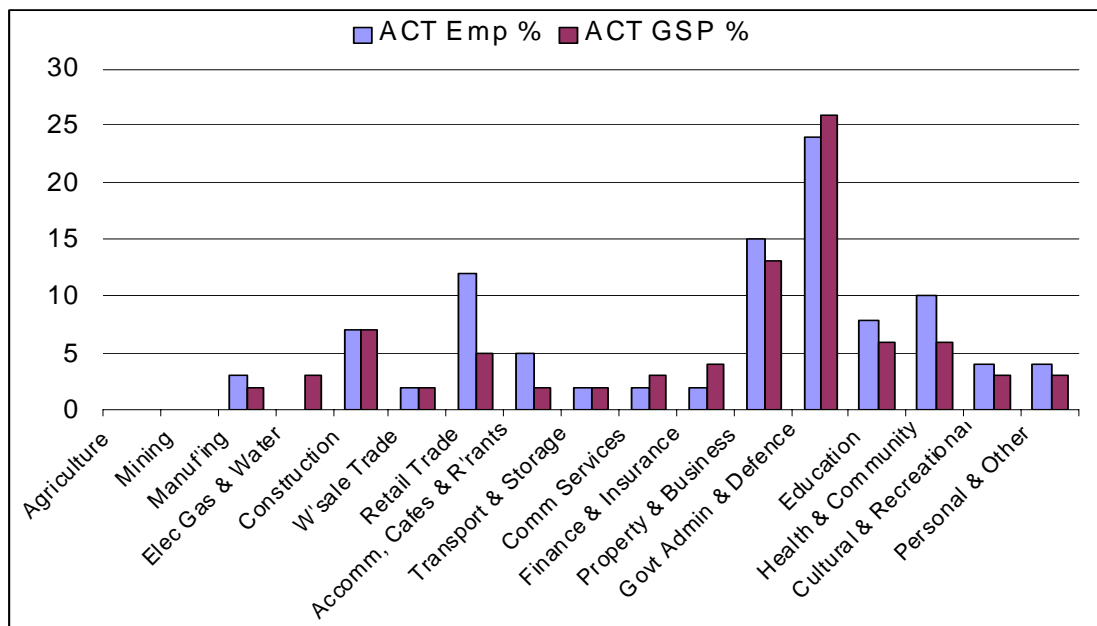
The increase in the participation rate amongst older age groups reflects two factors. The cohorts of people moving through into older age groups have higher levels of education and stronger attachments to the labour force than previous generations. This means that the current generation of older aged persons are more inclined to participate in the labour market than previous generations. The second factor is that the prolonged period of high employment growth and low unemployment means that older workers are less inclined to leave the labour force than they have been in the past.

## The ACT's industry profile

The ACT has a distinctly different economy from other states and territories, with a unique industry profile. Figure 1 below presents an overview of industry contribution to GSP and employment as at August 2005. The significance of government administration and defence, property and business services, health and community services and retail trade to the ACT economy is clear.

**Figure 1 ACT Industry Profile**

Contribution to ACT Employment and Gross State Product by Industry Group August 2005



## Policy drivers for vocational education and training in the ACT

The major policy drivers for ACT vocational education and training in 2006-07 are:

- ACT economic and labour market advice
- the *Canberra Plan*
- the *ACT Vocational Education and Training Strategic Plan 2005-2009*
- ACT and national strategies to address equity and disadvantage, and
- the requirements of the *Skilling Australia's Workforce Agreement*.

### ***ACT economy and labour market advice.***

The Department considers ACT Treasury advice about the Territory's economic and labour market conditions that may influence achieving vocational education and training targets. The summary of this advice from the ACT Budget 2006-2007 is presented earlier.

### **The Canberra Plan**

The *Canberra Plan*, released in March 2004, sets out the long-term vision for the ACT. As a strategic planning framework for government and the community, it provides the direction for Canberra's future growth and development. The ACT Government remains committed to the implementation of the major components of the *Canberra Plan* including economic growth and social inclusion.

### **ACT Vocational Education & Training Strategic Plan 2005-2009**

The *ACT Vocational Education and Training Strategic Plan 2005-2009* was launched in February 2005. This five-year strategic plan sets out a high-level vision and purpose for the sector. Annual action plans developed in consultation with stakeholders will ensure that the vocational education and training sector remains flexible and responsive to its environment.

It has been designed to meet the objectives of the *National Strategy for Vocational Education and Training 2004-2010*, the *Canberra Plan*, Commonwealth and ACT legislation. The plan is available at: <http://www.det.act.gov.au/services/training.htm>

### **Equity Strategies**

The strategic plan gives priority to meeting the needs of people in equity and target groups. Programs aim to achieve equitable outcomes by addressing disadvantage in training delivery across all industry areas.

Equity advisory committees, comprising community, business and stakeholder representatives, meet regularly throughout the year to provide policy advice to the Department and to develop and implement appropriate strategies and action plans.

Further information on strategies to support people from equity groups can be found at the above website.

### **The Skilling Australia's Workforce Agreement**

The ACT Government accepted the Australian Government's funding offer outlined in the *Skilling Australia's Workforce Agreement* on 20 December 2005. The Australian Government, through this funding agreement, requires an increase nationally in the number of training places available in skills shortage areas over the life of the Agreement (2005 to 2008). The Agreement also has a strong emphasis on increasing training for Indigenous Australians, people with disabilities, youth and mature aged people.

The ACT's contribution, based on working age population is:

- 171 additional places for New Apprentice commencements in skills shortages in traditional trade qualifications (AQF III and IV)
- 171 additional places for commencements in other skills shortage areas such as Childcare and Aged care

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- 443 additional places for youth aged 15-24 and mature aged people aged over 40 years
- 171 additional places for people with a disability
- 20 additional places at Certificate III and higher for Indigenous Australians.

## **Government funded vocational education and training in the ACT**

The 2006-07 ACT Budget allocates approximately \$80 million for vocational education and training.

The ACT Government provides approximately three quarters of total public funding for the delivery of vocational education and training in the ACT. The remaining funds are provided through the *Skilling Australia's Workforce Agreement* between the ACT Government and the Australian Government, which confirms Commonwealth funding for the period 2005-08.

The Department of Education and Training administers all government funded vocational education and training programs in the ACT. The major programs funded through the current budget are:

### ***Provision of Vocational Education and Training through the Canberra Institute of Technology (CIT)***

Funding of approximately \$60 million. The Department and CIT negotiate the delivery of vocational education and training across a broad range of skills areas and at all levels from Certificate I to Advanced Diploma. All such training is available to the general public through an open enrolment process.

### ***Australian Apprenticeships through User Choice***

Funding of approximately \$11 million. This is a market driven program in which employers are able to engage an apprentice or trainee and have their training delivered by a Registered Training Organisation of their choice, through a contract of training.

### ***Strategic Priorities Program***

Funding of \$2.5 million. This program is designed to address issues of social inclusion enabling access to vocational education and training for persons in equity and target groups. The program also funds innovative approaches to achieve training outcomes for these groups and priority industry areas.

## ACT vocational education and training outcomes

### Participation

Vocational education and training courses have durations ranging from days to a four-year traditional apprenticeship. Because the ACT training is competency-based, a course can be completed in a shorter or longer period than the nominal duration.

Figures 3 and 4 below show the latest published NCVET data for vocational education and training in the ACT, for each year from 1995 to 2005.

The ACT saw a peak in apprentice and trainee commencements in 2003-04 and numbers remain high with indications that they may be rising again from mid 2005. The increasing length of the average training program, due to increased study of higher level qualifications and trades apprenticeships, can clearly be seen in the pattern of numbers in training. In 2005, there were 60% more apprentices and trainees in training than in 2002, and more than double as many as in 1995.

The ACT's total student numbers have increased 22% over the past decade and 17% since 2002. Participation by women has increased more rapidly than that by men, and the ACT is the only jurisdiction with more female than male vocational education and training students.

Figure 2 All ACT VET students by year, 1995 - 2005

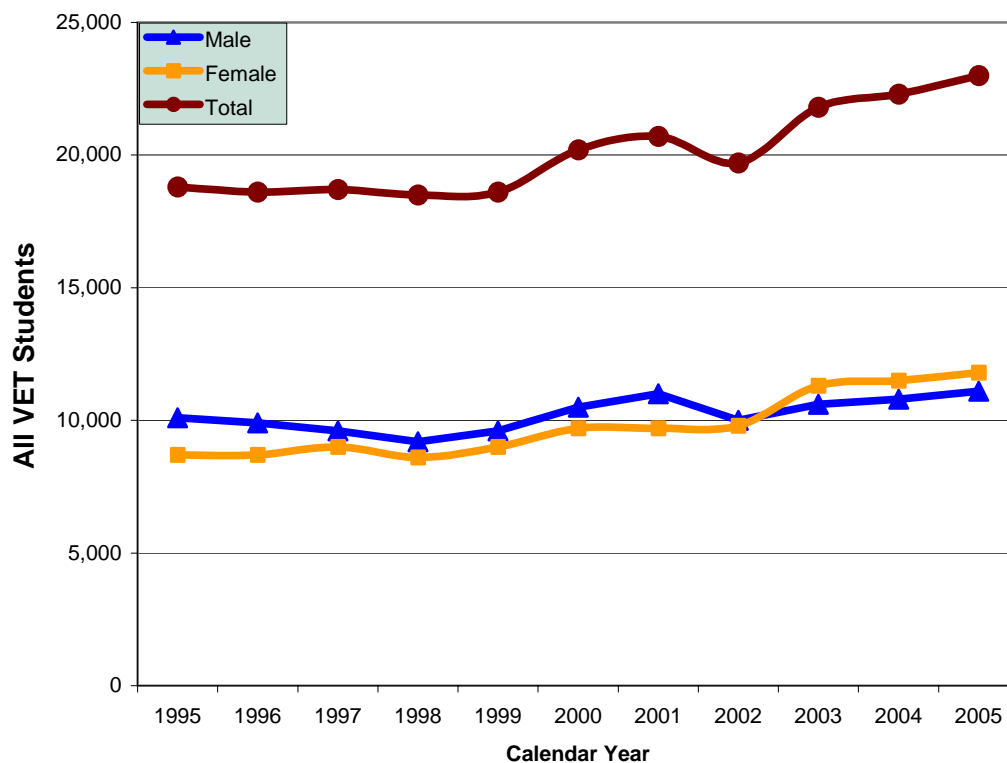
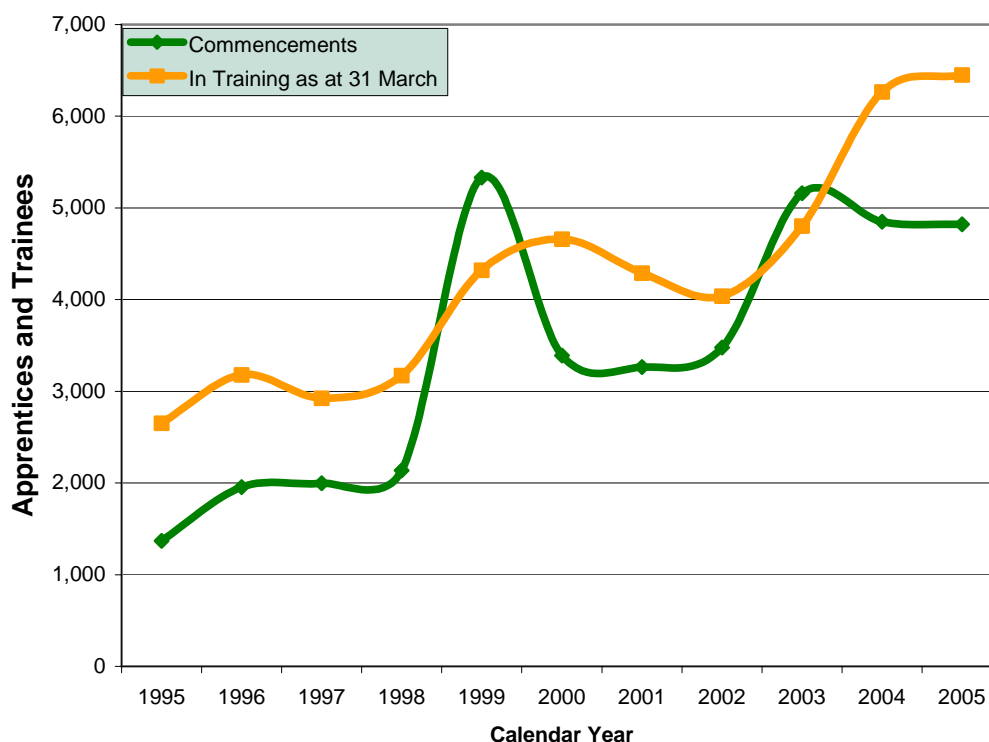


Figure 3 ACT Apprentice and Trainee data by year, 1995 – 2005



### Other Outcomes

The ACT delivers many more qualifications at higher levels. Over 30% of people who completed their training by the end of December 2005 achieved a Certificate IV, Diploma or higher in areas of identified ACT skills shortages. The ACT is well above the national average of 11%, and close to double the percentage for the next closest state, Tasmania with 17%.

#### *Satisfaction with vocational education and training in the ACT*

To ensure that programs are meeting the needs of employers and students, annual surveys are conducted to determine levels of satisfaction with the administration, quality, delivery and outcomes of vocational education and training in the ACT.

*The Training and Adult Education Employer, and Trainee and Apprentice Survey* for May 2006 showed an overall satisfaction rate of 87% from trainees and apprentices and an overall satisfaction rate of 85% from employers.

#### *2005 Student Outcomes Survey*

NCVER national survey reference results released in November reveal that:

- 93% of graduates in the ACT were employed or in further study after their training, higher than the level achieved for Australia (89%)
- 85% of graduates were satisfied with the overall quality of their training
- 86% of graduates achieved their main reason for undertaking the training.

## **SKILLS SHORTAGES**

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### **Defining skills shortages**

It appears that most problems that businesses experience in hiring staff are currently attributed to 'skills shortages'. However, there are actually several problems occurring, each with a different cause and solution:

- true skills shortages, caused by a lack of people in the community with the desired skills, require training investment from employers and governments
- recruitment difficulties, caused by a shortage of people with appropriate skills and experience applying for positions, require employers to offer more suitable employment conditions, and
- skills gaps, caused by a lack of skills in the current workforce, require tailored gap training usually in small skill sets, such as using new technology.

Significant independent research in Australia has shown that employers and industry groups tend to conflate these issues in media releases and research, leading to an inflated public perception of the extent and depth of skills shortages. However, true skills shortages do exist in key sectors of the ACT economy and if not addressed will cause major problems for the future of the Territory, such as:

- constraints on business capacity to invest in job-creating ventures
- reduced government capacity to promote economic and social advancement
- declining stocks of key infrastructure maintenance skills
- reduced capability to provide quality health care at a time when the demands on health services will increase due to the ageing of the population and
- reduced capability to provide quality education services.

### **ACT demographic and labour market trends**

There are two demographic trends in particular impacting on labour supply in the ACT. One is the low rate of increase in resident population. The other is the ageing of the population. The ACT has a younger population than the total Australian population, but the ACT and Australian populations are both ageing. The combination of low population growth, ageing workforce and early retirement has left many businesses and industry sectors facing serious shortages of workers, and the problem is likely to increase in the near future as 'baby boomers' retire en masse. Industries most affected are those that have traditionally recruited younger workers, those that have a concentration of skilled workers near retirement age, and trade and apprenticeship areas.

The ACT currently faces an historically tight labour market, with very low unemployment and a very high participation rate. The local pool of labour is small. The loss of skilled workers to retirement and emigration is faster than the replacement rate from entry of young people to the labour force and immigration.

Employers are finding difficulty attracting applicants with the skills they want in their workforce. Several factors contribute to this situation:

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- In a tight labour market potential employees have a choice of several positions.
- Employers often have unrealistic expectations of the level of remuneration and working conditions that workers will accept.
- Employers are demanding more assurance of skills before taking on staff, requiring formally recognised qualifications. People without formal qualifications are therefore often turned down by employers, who then feel that the skills they seek are not available.
- Job seekers often have unrealistic expectations of the level of remuneration that their skills will command, and knowing unemployment is low they wait for a better opportunity that pays more or offers better conditions.

Australia, and particularly the ACT, has seen a significant shift in employment from public to private organisations with outsourcing and downsizing by governments over the last couple of decades. This has reduced the previous pool of publicly-trained tradespeople and office workers upon which many private employers relied. The private sector has failed to pick up the level of training activity formerly supported by the public sector, putting severe strains on the training system and the supply of new skills.

There is a move towards a less even spread of skill demands across the economy, with fewer mid-skill jobs, making traditional labour market corrections by natural upskilling and upward mobility more problematic. Those people who start in low-skill jobs find that there are fewer opportunities for advancement. In the ACT, The Australian Department of Employment and Workplace Relations (DEWR) has found that employers also report that the low-skill positions are the hardest to fill, as the population has a high level of education and training and people naturally take high-skill, higher-paid jobs when they have the choice.

### **Consultations and other data**

Two primary national sources of data on skills shortages are the DEWR Skills in Demand list and the Australian Bureau of Statistics (ABS) labour market surveys. Unfortunately both suffer from relatively high sampling error in their ACT data, due to the small size of the ACT and the sample taken here. This is one reason why DEWR has not published separate ACT data except for IT positions, rolling the rest up into NSW data. However, due to the totally different industry and occupation profiles in the two jurisdictions, the ACT has convinced DEWR to publish separate ACT data from 1 July 2007.

In order to maintain the ACT's high quality and responsive vocational education and training system, quality consultative arrangements are vital. The ACT's federal funding is also contingent on maintaining acceptable consultations with employers and students.

The main local sources of information on skills development and skills shortages for the ACT are ACT Industry Training Advisory Authority (ACTITAA) consultations. Satisfaction surveys, information from Registered Training Organisations (RTOs), New Apprenticeships Centres (known from 1 July 2006 as Australian

Apprenticeships Centres), and industry consultation groups conducted by the ACT Department of Education and Training to supplement and verify the ACTITAA data.

## **ACT Government Responses to Skills Shortages**

The ACT Government uses evidence-based analysis as the foundation for policy responses. All ACT Government agencies with responsibilities for skills evaluation, planning and formation share information through a regular whole-of-government skills forum. Data is collected from a variety of sources and evaluated to inform practical solutions for all stakeholders.

In April 2006 the Canberra Partnership Board and the ACT Government Skills Forum agencies held a Skills Solutions Workshop that brought together key stakeholders from the ACT and Australian governments, private enterprises, industry peak bodies and the community. A key outcome of this workshop was the *ACT Skills Solutions Action Plan* which has been presented to the Chief Minister.

The ACT Government supports skilled migration programs, but migration alone cannot meet the need for skilled people. Training young people, retraining and upskilling existing labour force participants and providing opportunities for people currently disengaged from the labour force is required.

The 2006-07 ACT Budget contains several measures to significantly change the way vocational education and training consultations are conducted in the ACT, in order to streamline the plethora of industry advisory bodies. These include:

- establishment of a Skills Commission to centralise advice from stakeholders to government on skills formation, skills needs and skills shortages
- examining the role of the Vocational Education and Training Authority, ACTITAA and all associated advisory committees and
- reduction of the administrative budget for the vocational education and training regulator, the ACT Department of Education and Training

Given the requirement for accurate and timely stakeholder consultations, the Skills Commission will need a robust consultative mechanism to research skills needs, inform government policy on the development of a skilled workforce, and promote training to industry and the community. The consultative mechanism will include representatives of industry, employees, training organisations, students including those from equity groups, government and the wider community in order to fulfil requirements of the ACT Government for policy and program planning, and the Australian Government for funding.

## **Results from analysis of skills shortages in the ACT**

Skills shortages are not as widespread as popular perception would indicate. Analysis of media reports dating back nearly five decades show that the construction industry has been warning of immediate disaster over that entire period, without the disaster ever quite occurring. In the late 1990's, federal and state governments

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responded to claims of IT skills shortages by visa concessions and cadetship programs which increased the supply of trained IT professionals in the ACT and NSW. Rather than leading to increased IT employment, the effect was a drastic reduction in IT salaries.

Not all skill shortages in the ACT are solvable by vocational education and training. Many professionals, such as doctors and engineers, require university qualifications. On the other hand, the unskilled labouring positions that are particularly hard to fill in the ACT require no prior training at all. The most significant current shortages that are amenable to vocational education and training are in some high-technology areas like network administration, some construction areas such as quantity surveying and plastering, and in community services such as aged care. The following indicative list of skills shortages relevant to vocational education and training is a guide prepared from advice obtained through community consultation and industry advice.

Note that some occupations could be classified under several industries (eg: Data cabler could be included under utilities, communications or computing). In the list in Figure 4, each occupation is included under only one industry group.

**Figure 4 ACT Indicative Skills Shortage Areas Relevant to VET**

<b>ANTA Industry Group</b>	<b>Occupations</b>
<b>1 - Arts, Entertainment, Sport and Recreation</b>	Theatre and events technical producers Community recreation workers Sport and recreation supervisors Multimedia designers Business promoters and events managers Film and music post-production engineers
<b>2- Automotive</b>	Automotive supervisors Specialist repair and servicing tradespeople Motor cycle mechanics
<b>3 - Building and Construction</b>	Bricklayers Carpenters and joiners Construction supervisors, project and contract managers Painters and decorators Plumbers Roof slaters and tilers Solid plasterers Wall and ceiling liners Wall and floor tilers
<b>4 - Community Services, Health and Education</b>	Aged and disability carers, associated service providers Child protection workers Child care coordinators and child care workers Enrolled nurses and nursing assistants Allied health assistants and technicians Aboriginal and Torres Strait Islander health workers Personal care assistants Corrective services officers Environmental workers Public safety officers Vocational trainers
<b>5 - Finance, Banking and Insurance</b>	Accountants and Bookkeepers Financial advisors Finance controllers Credit professionals Property managers
<b>6 - Food Processing</b>	Bakers and food tradespeople
<b>7 - TCF and Furnishing</b>	Furniture designers Woodworkers Picture framers
<b>10 - Primary Industry</b>	Veterinary nurses and veterinary assistants Horticulturalists
<b>12 - Sales and Personal Services</b>	Hairdressers
<b>13 - Tourism and Hospitality</b>	Chefs Cooks Tourism workers Attraction curators Conservators and restorers
<b>14 - Transport and Storage</b>	Transport drivers
<b>15 - Utilities</b>	Cable jointers and data cabling Data communications technicians Electricians and lineworkers Electronic assembly and servicing tradespeople Refrigeration & air-conditioning mechanics
<b>16 - Business and Clerical</b>	E-Business workers Small business managers Public service managers
<b>17 - Computing</b>	Software diagnosticians Business analysts Network technicians and managers User support staff
<b>18 - Science, Technical and Other</b>	Pest managers Spatial information systems specialists

## **INDUSTRY TRAINING ADVICE**

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### **ACTITAA advice**

The majority of this advice is provided by the ACT Industry Training Advisory Association (ACTITAA) in its *Strategic Review of Industry and VET in the ACT April 2006*. The full text of this report is available from:  
<http://www.det.act.gov.au/services/TrainingIC.htm>

Other stakeholder input is incorporated where available.

### **Skills shortages**

ACTITAA has identified skills shortages existing in the automotive, business services, building and construction, electrotechnology and utilities, community services and health, information technology (specialist niche qualifications), retail, communications, finance, hospitality and primary industries.

ACTITAA advice also highlights the need for:

- Continued support for initiatives to address skills shortages, such as targeted training programs, VET in Schools programs and general promotion of training opportunities
- the utilisation of pre-vocational training programs as a means of addressing labour and skill shortages. These programs have traditionally led to very high job placement rates and provide entry-level employees with sufficient knowledge and skill to make a worthwhile contribution to the workplace from the outset
- Encouragement for ACT employers to take on apprentices and trainees. In many instances enough suitable candidates exist but training positions are not being made available despite the existence of skills shortages within the industry
- Addressing issues of Apprentice 'poaching'. Apprentice poaching is not only a waste of valuable training resources, it reduces the will and commitment of employers (who have traditionally employed new apprentices/trainees) to continue to support the training system; a factor which will ultimately affect the ongoing viability of ACT industry as a whole, particularly in the current climate of severe skills shortages across many sectors
- Increasing opportunities to train and employ mature-age workers and those seeking to re-enter the workforce. Due to the physically demanding nature of many industries, there is a need to consider whether the definition of mature-age workers from 40 and above is realistic and appropriate. This would require national consensus.

### **Shortage of VET trainers**

The local and national VET systems are suffering significant shortages in VET trainers. To obtain the Certificate IV in Training and Assessment is only one requirement. Trainers also require relevant industry experience.

### **Access to appropriate training**

The business services, construction, arts and community services advice identified the need for implementation of altered training arrangements, including the delivery of short courses and higher qualifications. This is consistent with the national agenda as articulated through National Skills Councils. There is considerable demand at present for the delivery of a suite of units of competency, leading to statements of attainment, rather than full qualifications, and for the delivery of these programs in short course format, rather than through traditional protracted delivery methods.

There is a need for provision of generic skills training in information technology and e-communication, governance, business, project management, human resources, risk and financial management principles for arts, recreation, and community organisations, and small businesses.

There is also a need across industries for a larger number of personnel with qualifications in occupational health and safety and in training and assessment. Priority should be given to those actively engaged in these areas in their workplaces.

RTOs have highlighted the problem of low literacy and numeracy levels reducing or preventing effective engagement of some students with training.

### **Technology**

New technologies are continuing to impact on the way industry conducts its day-to-day business. Business (including clerical and government), information technology and the construction industries (including Electrotechnology and Utilities) report skills shortages and the need for training programs to assist operatives to keep pace with new and emerging products and technologies entering the workplace. Industry reports the need for upskilling, short courses and information packages and activities to address these needs.

### **VET in Schools**

VET in Schools and School-based New Apprenticeships (SNAPs) (new national term is Australian Schools-based Apprenticeships (ASbAs) are continuing in the ACT, with a number of new programs commencing throughout 2006 (eg building and construction, beauty therapy). There is also considerable activity in the development of programs for youth-at-risk.

However, industry remains concerned about the quality of delivery and assessment in the school sector.

### **Recognition of Prior Learning**

All industries have identified the need for existing workers, mature-age workers and/or those attempting to return to the workforce to be afforded the opportunity to undertake Recognition of Prior Learning (RPL) processes. There is some concern, however, surrounding current RTO policy regarding the conduct of RPL processes and delivery of 'gap' training thereafter.

### **ACTITAA Recommendations**

1. Continue to conduct national training package promotion and implementation forums/activities to assist industry to come to terms with:
  - New training packages
  - Revised training packages.
2. Develop a simple marketing campaign to identify to potential industry members, in real terms (such as wages, cars, homes), the benefits of a career in the traditional trades. Similarly, develop a campaign to identify to current industry members the career paths available to them within the industries. Thirdly, increase promotion of the benefits of apprenticeships to employers, with a view to encouraging increased apprentice employment.

An overall improvement is required in the community's perception of the traditional trades and realisation of the often-demanding academic rigour of trade-level VET programs.

3. Assist industries to implement relevant higher level national training package qualifications (Certificate IV to Advanced Diploma) and altered training arrangements where necessary. Innovative cadetships and programs are required.
4. Investigate suitable arrangements for the provision of generic skills training in information technology, governance, business (including e-business), project management, human resources and financial management principles for small business. Delivery of clusters of competencies, rather than full qualifications, delivered in a short course format, rather than one-day-per-week for a number of months, has been identified as an industry preferred arrangement. The outcomes of current ACTITAA research will provide further direction in this regard.
5. Facilitate training in occupational health and safety and in training and assessment across industry sectors. Ensure priority is given to personnel actively engaged in these areas in their workplace.

*Quality learning for a better future and a stronger community*

Short course programs may be required in areas such as product and chemical handling, asbestos awareness and manual handling tasks.

Industry practitioners will increasingly require specific technical training in areas relevant to general and industry-specific legislation, regulation and/or insurance arrangements.

6. Assist industry to maintain pace with new and emerging technologies through the provision of relevant and timely training programs and/or information packages/activities. This may include implementation of innovative, flexible delivery models and short courses.

Due to the merging of occupations, technologies and an increasingly mobile workforce, cross-industry programs utilising suites of competencies, rather than full qualifications are required in many areas.

7. Continue to support the development and delivery of Certificate I and II level VET in Schools programs, provided all necessary partnership and industrial requirements are satisfied.

Monitor the surrounding delivery and assessment of vocational education and training programs by the ACT secondary school sector.

Effort should be directed to implementing programs, which lead to real employment opportunities particularly in areas of current skills shortages and for students considered 'at risk'.

8. Seek initiatives to encourage more suitably experienced, qualified and enthusiastic industry personnel to become VET trainers under full or part-time employment arrangements.
9. Seek to implement/strengthen strategies to ensure improved:
  - consistency in assessment across RTOs servicing ACT industry
  - levels of apprentice/ trainee supervision
  - workplace visits and monitoring activities.
10. Although all industries identified the need for existing and mature-age workers to be afforded RPL opportunities, they also identified issues with accessing these opportunities through RTOs. There is a need for mechanisms and strategies to be developed in order to overcome the impediments, restrictions and policies that currently hinder RPL processes.

## Summaries by ANTA Industry Group

The summary for each Australian National Training Authority (ANTA) Industry Group contains data and industry advice relevant to vocational education and training in that group. Figure 5 lists all ANTA Groups for reference. Each ANTA Group represents an industry or collection of allied industries under which training is classified.

**Figure 5 ANTA Group Numbers and Titles**

<b>Number</b>	<b>ANTA Group Title</b>
1	Arts, Entertainment, Sports and Recreation
2	Automotive
3	Building and Construction
4	Community Services, Health and Education
5	Finance, Banking and Insurance
6	Food Processing
7	Textiles, Clothing, Footwear and Furnishings
8	Communications
9	Engineering and Mining
10	Primary Industry
11	Manufacturing
12	Sales and Personal Services
13	Tourism and Hospitality
14	Transport and Storage
15	Utilities
16	Business and Clerical
17	Computing
18	Science, Technical and Other
19	General Education and Training

An indicator of the Australian and New Zealand Standard Industrial Classification (ANZSIC) Industry sectors that may affect training in each ANTA Group is included in these summaries. This relates to the employers of students who may undertake vocational education and training, and will not always match the ANTA Group. For instance, employees in many industries may study information technology.

Two ANTA groups, Manufacturing (group 11) and General Education & Training (group 19), have not been included in the summaries, due to very limited numbers of Australian Apprentices undertaking training under these classifications in the ACT.

For the remaining ANTA groups, total 2005 vocational education and training course enrolments are reported from the National Centre for Vocational Education Research (NCVER) audited data. Australian Apprenticeships data has been drawn from information sources within the Department and represents the best estimate of activity as at the date of preparation.

## 1 Arts, Entertainment, Sports and Recreation

**Training in this ANTA Group includes the following industry areas:**

Arts and Entertainment  
Sport and Recreation

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group**

Cultural and recreational services  
Government administration and defence  
Education  
Health and community services

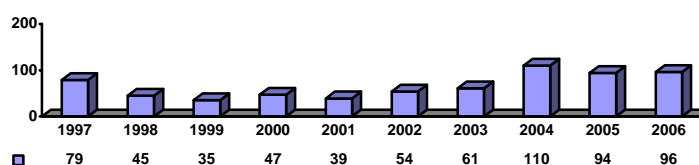
### Total Training Activity

All VET Course Enrolments 2005	970
All VET Course Enrolments 2004	1,045

### Australian Apprenticeships Training Activity

Australian Apprenticeships Commencements Annual Average 1997 to 2005	77
Australian Apprenticeships Commencements 2005	82
Australian Apprenticeships Commencements 2004	90
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	21

**Australian Apprentices in training in the ACT as at 31 March each year**



### Industry Advice

Many of the traditional design-related occupations are converging due to the influence of new multimedia products. Skills shortages have been identified in several areas including digital media, animation (including 3D), information technology and 'E-communication' skills, electronic file management, digitisation and colour management and project management. This has led to a considerable demand for multi-media, flexible, short vocational courses for existing workers.

Community arts organisations and individual artists need to operate as small businesses in order to remain viable and sustainable. There is a continuing need for these enterprises and individuals to have access to training in governance, business administration, financial management and marketing. Increases to insurance premiums in the film and advertising sector have highlighted the ongoing need for specific OH&S technical training to ensure safety during film, TV, and advertising production. Skills shortages in business promotion and events management, sound engineers, audio engineers and post-production, preservation and restoration of music and films have been identified. These skills are desirable to support film and live events with linkages to Tourism.

An issue for the sport and recreation sector continues to be the rise in insurance premiums that has threatened the survival of some sports organisations. Sporting and recreational organisations must be able to demonstrate to insurers that management practices address risk exposure. Short training courses that deal with the issues facing sport and recreation including risk management, insurance, GST and tax, HR and Industrial relations are needed. Aged-Care facilities, community-based and after-school care organisations are beginning to employ Recreation Officers for after-school and school holiday recreation programs.

## 2 Automotive

**Training in this ANTA Group includes the following industry areas:** Automotive

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group** Retail Trade  
Government Administration & Defence  
Wholesale Trade

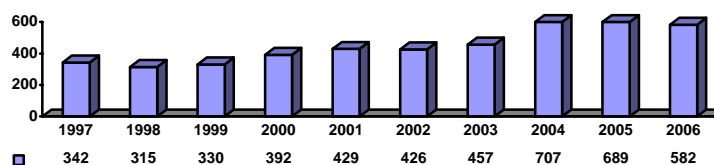
### Total Training Activity

All VET Course Enrolments 2005	561
All VET Course Enrolments 2004	433

### Australian Apprenticeships Training Activity

Australian Apprenticeships Commencements Annual Average 1997 to 2005	279
Australian Apprenticeships Commencements 2005	304
Australian Apprenticeships Commencements 2004	342
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	158

**Australian Apprentices in training in the ACT as at 31 March each year**



### Industry Advice

The ACT's predominate four trades, namely motor mechanics, auto electricians, panel beaters and spray painters are still suffering skills shortages and the high attrition rate from the industry is continuing to affect the severity of the shortages and the number of employees available to the industry's higher diagnostic callings and supervisory positions.

Employers and RTOs continue to support the utilisation of pre-vocational training programs as a means of addressing the shortages. These programs have traditionally led to very high job placement rates and provide entry-level employees with sufficient knowledge and skill to make a worthwhile contribution to the workplace from the outset.

There is a need among auto businesses for training and assistance to better understand the many new developments and requirements in OH&S and the newly introduced Industrial Manslaughter legislation. There is a need for training and assistance particularly in regard to developing company strategies and plans in this area that are acting as a brake on recruitment of apprentices and trainees.

### 3 Building and Construction

**Training in this ANTA Group includes the following industry areas:** Building and Construction  
Gas Industry

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group** Construction  
Plumbing

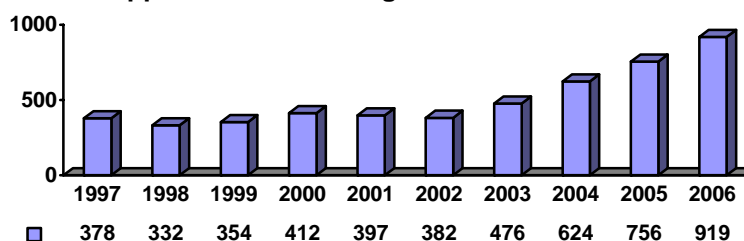
#### Total Training Activity

All VET Course Enrolments 2005	1,062
All VET Course Enrolments 2004	1,144

#### Australian Apprenticeships Activity

Australian Apprenticeships Commencements Annual Average 1997 to 2005	319
Australian Apprenticeships Commencements 2005	530
Australian Apprenticeships Commencements 2004	432
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	355

**Australian Apprentices in training in the ACT as at 31 March each year**



#### Industry Advice

##### **ACT Industry Training Advisory Association**

The Building and Construction Industry is in a period of growth with a record \$3 billion being committed to the commercial and large residential sectors in the ACT and surrounding region (\$2 billion in the ACT CBD alone) over the next 3 years.

Despite an increase in training in the construction industry (over 1400 people currently in training), the ACT continues to suffer skills shortages. The ACT Building & Construction Industry Training Fund Authority subsidised industry initiatives through incentives for the bricklaying, refrigeration and air conditioning, tiling and plastering trades over the last four years. In 2006 incentives are provided for painting and decorating, and some horticulture specialisations. Other identified skills shortages are in professional and para-professional areas such as quantity surveying, project management and design. Several RTOs have begun delivery of higher level qualifications, up to advanced diploma, to address these needs. The need for specialised training for working at height has been addressed with development of a short course.

The industry continues to be unable to find enough employers to take on apprentices in some trades.

More than 50 people achieved their trade qualification through a skills recognition process over the past 12 months with an increase expected over the next 12 months, This will be expanded to include the Roof Tiling sector.

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Programs are currently being developed for existing workers and new starters in Steel Fixing, Concreting, Waterproofing and Scaffolding.

As a response to legislative requirements, the course framework for the Identification, Assessment, Removal and Management of Asbestos is being developed. A number of new Units of Competency have been developed at the Australian Qualification (AQF) Levels II, III, IV and V to be incorporated in:

Course in the Identification and Safe Handling of Asbestos

Course in Asbestos Removal & Supervision

Course in Asbestos Assessment

Course in Asbestos Management Planning.

#### ***Industry Skills Report June 2006: Construction and Property Services***

Challenges lie in the boom-bust business cycle; adaptation to new technologies and products; in compliance with OH&S and licensing requirements; in providing sufficient flexibility in qualifications and conditions to attract and retain a balanced workforce; and in upskilling older workers for long-term industry sustainability.

Structural change is reflected in the reduction of firm size and increase in firm numbers. Growth in numbers varies considerably across occupations within the industry. The trend towards specialisation has resulted in a narrower focus on training outcomes to provide for immediate skill needs. A balanced approach to training is required to serve longer term industry requirements.

## 4 Community Services, Health and Education

**Training in this ANTA Group includes the following industry areas:**

Community Services and Health  
Corrective Services  
Education  
Museum, Library & Information

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group**

Health and Community Services  
Education  
Government Administration & Defence

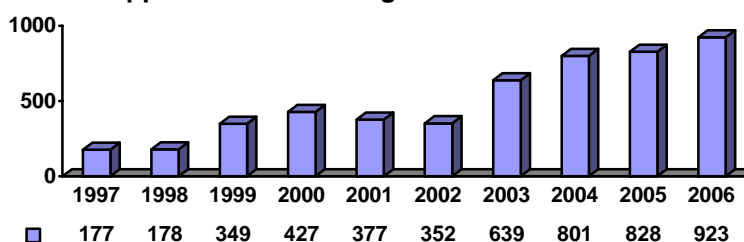
### Total Training Activity

All VET Course Enrolments 2005	2,858
All VET Course Enrolments 2004	2,774

### Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 1997 to 2005	545
Australian Apprenticeships Commencements 2005	833
Australian Apprenticeships Commencements 2004	813
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	438

**Australian Apprentices in training in the ACT as at 31 March each year**



### Industry Advice

#### ACT Industry Training Advisory Association

The models for service delivery and service funding are changing. Extended hospital stays are being replaced with day surgery and after care services and deinstitutionalisation has increased demands on community care. Consequently an increasing number of clients with complex health and personal care needs are being served through a diverse range of contexts, settings and funding programs. This pressure on enterprises and industry creates a need for flexible, multi-skilled workers with a new mix of skill-sets across qualifications and Training Packages.

Volunteers contribute a significant proportion of the labour force and present their own set of challenges in terms of training, ageing and availability. There are national priority initiatives for recognition, gap training and up-skilling for existing workers in this industry.

A critical shortage of clinical placements for Enrolled Nurses and Allied Health Assistants/Technicians is one of the key constraints on the number of training places in the ACT and Region.

Within the Community Services sector skills shortages exist in Children's Services, Child Protection, Disability & Ageing, Homelessness while in the Health (Services and Support) they include theatre technicians, anaesthetic technicians, assistants in nursing, enrolled nurses, Aboriginal & Torres Strait Islander health workers, health assistants and nursing aides.

*The ACT Annual Vocational Education and Training Priorities for 2006-07*

## *Quality learning for a better future and a stronger community*

In the Community Services sector issues identified include:

Aged Care, Disability Work, Children's Services and Out of School Hours Care remain priorities. The need for blended qualifications that target special needs and Outdoor Recreation qualifications continues. Family support workers require specialist knowledge and skills incorporating competencies from: mental health; alcohol and other drugs; family violence; disability work (age group specific); youth work; children's services and sport and recreation. In some cases, family support workers may also need to draw on competencies from financial counselling and community mediation. Cadetship in Children's Services Diploma needs to be extended to allow existing workers to complete the pre-requisite Certificate III qualification.

Issues in the Health Services and Health Support sector include:

Industry believes that all health services qualification training should be made a high priority. Allied health assistant (AHA) training should be high priority. Interest has been expressed for including the following professions in an allied health assistant course in the ACT: physiotherapy, speech pathology, occupational therapy and dietetics. An investigation into the training of radiation AHAs has commenced.

Enrolled Nursing remains a high priority. ACT Health has introduced a range of initiatives to facilitate better recruitment and retention outcomes. Initiatives such as financial recognition of additional qualifications by Enrolled and Registered Nurses and competency-based career progression for registered nurses and allied health professionals through the introduction of 'career streaming' will impact on training.

Often partial qualifications suffice for industry needs and so priority could be shifted to clusters of units. Supervisors need to have mentoring skills, requiring a few training units not the full Certificate IV in Training and Assessment that may be required of an educator/trainer

Currently there are difficulties in accessing training for employees who have multiple employers. This industry employs a high proportion of casual and mature aged staff and has low retention rates. Training for casuals is poor, especially in the mature aged workforce, and may require funded short programs that build qualifications in stages or address gaps in knowledge.

Issues for the Museum, Library and Information sector include:

- the requirement for skills recognition processes for industry practitioners with management experience but no formal qualifications, and
- training required in: art handling, mounting of exhibitions and framing.

Industry has not always been convinced that assessments have been carried out to industry standard and believes that opportunities for Trainers wishing to upgrade to the new Training and Assessment Training Package from the old Training Package for Assessment and Workplace Training should be maintained. There is a shortage of trainers and assessors in the vocational education and training sector.

### ***Industry Skills Report May 2005: Community Services and Health***

Skills needs can be met not just by education and training, but also through job redesign and changes to recruitment policy and practice and employee relations. Some skills shortfalls can only be remedied through in-house approaches due to the specific skills required. Skills in the following areas in particular need to be improved:

- skills and knowledge to facilitate smooth responses to change
- skills and attitudes to improve productivity
- skills to improve responses to compliance requirements
- skills to improve customer service.

Improvements required in the vocational education and training (VET) system include recognising the competence of the large number of unqualified workers, upskilling unqualified workers, advancing the skills of Certificate III and IV qualified workers and providing practical competencies to professionals through national competency benchmarks.

## 5 Finance, Banking and Insurance

**Training in this ANTA Group includes the following industry areas:**

Finance  
Banking  
Insurance  
Security

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group**

Finance and Insurance  
Property and Business Services

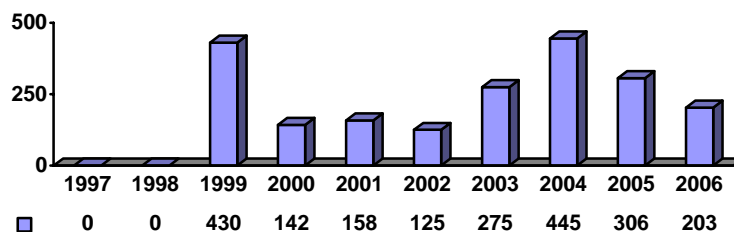
### Total Training Activity

All VET Course Enrolments 2005	529
All VET Course Enrolments 2004	1,069

### Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 1997 to 2005	290
Australian Apprenticeships Commencements 2005	265
Australian Apprenticeships Commencements 2004	379
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	142

**Australian Apprentices in training in the ACT as at 31 March each year**



### Industry Advice

#### **ACT Industry Training Advisory Association**

The industry's workforce is characterised by a large number of specialists at one end and multi-skilled practitioners at the other. Industry practitioners require an understanding of technological globalisation, e-commerce and electronic information management. The industry is complex and subject to rapid and continuous change such as mergers/acquisitions, increasing competition and regulatory controls.

Skill shortages include Bookkeepers, Accountants, Financial Controllers, Credit Professionals, Financial Management and Property Management personnel.

The increased demand for financial planners and the requirements of the Financial Services Reform Act, administered by the Australian Securities and Investment Commission (ASIC), necessitates a person giving financial advice to be appropriately qualified with a corresponding increase in demand for recognised training. Entry into the finance industry, especially for financial advisors, is generally AQF Diploma level or higher. Some experience in the industry is also required. Some employers see a two-stage training plan approach as an option; beginning at Certificate III and then embarking on further training after experience has been gained within the industry.

A challenge for the Financial Services Training Package has been member perception of qualifications not being directly related to a specific industry area. Work is required to ensure

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financial institutions are aware of the current national training package and its linkages to the new legislative requirements. Employers are aware of the new regulations governing their industry and accept that further training must take place but remain reluctant to engage training for their financial advisors/planners because of the sensitive information that might be shared and time released for training impinging on the flexibility they offer customers for financial information.

Many of the ACT's financial services operators have their ASIC training requirements coordinated from interstate head offices. However formal training is becoming a major consideration and some have sought RTO assistance to plan and develop training to suit their needs.

Legislation now requires all Sales and Property Management employees to complete the Certificate IV in Real Estate qualification. Whilst there was initially a surge of trainees to meet the statutory requirements, there has been a decline of new entrants to the industry due to the slowing of the housing sector overall.

Employment within the property services sector requires practitioners with a high level of technical competence ranging from identifying and handling hazardous materials, to technical drawing and operating sophisticated technology/machinery. Employers are also seeking training in generic skills such as customer service. Preferred training arrangements are a mix of legal, technical and generic skills, with training on-the-job wherever possible.

The image of maturity and experience necessary for workers in these industries to be respected and accepted by potential users creates potential for mature-age workers to up-skill in this area. Exploration of viable strategies to encourage those returning to the workforce and mature aged workers to join this sector is required.

Within the security industry there is a predominance of part-time and shift work, times not conducive to traditional training hours, hence training for the industry must be tailored.

### ***Industry Skills Report June 2006: Construction and Property Services***

Challenges lie in the boom-bust business cycle; adaptation to new technologies and products; in compliance with OH&S and licensing requirements; in providing sufficient flexibility in qualifications and conditions to attract and retain a balanced workforce; and in upskilling older workers for long-term industry sustainability.

## 6 Food Processing

**Training in this ANTA Group includes the following industry areas:** Food

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group** Manufacturing  
Agriculture, Forestry and Fishing

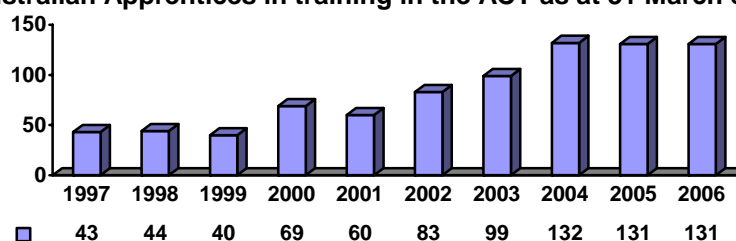
### Total Training Activity

All VET Course Enrolments 2005	131
All VET Course Enrolments 2004	108

### Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 1997 to 2005	58
Australian Apprenticeships Commencements 2005	80
Australian Apprenticeships Commencements 2004	89
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	22

**Australian Apprentices in training in the ACT as at 31 March each year**



### Industry Advice

#### ACT Industry Training Advisory Association

The ANTA-defined Food Processing industry group incorporates Confectionery Making, Retail Baking, Wine, Food Processing, Meat Retailing, Butchery and Seafood Processing, Sales and Distribution. The industry is still to fully explore and strategically respond to the impacts of consumer e-knowledge and globalisation. Internet shopping is expected to influence the physical presence of businesses in the region.

High staff turnover is a major issue that impacts on skills shortages at all levels, particularly experienced senior positions. There is currently a shortage of skilled and knowledgeable VET trainers in the Food Processing Industry.

Traditional training delivery methodologies do not necessarily suit the food processing industry where the small training market size affects the availability of publicly funded training. Industry training providers and in-house training are being used to meet the training need. Producers require a cluster of competencies rather than full qualifications, delivered in a short-course format rather than one day per week for a number of months/years.

Factors expected to impact on future training include increased demand for more specialised training, increased need for up-skilling of existing staff, and increasing the skill of potential industry workers prior to employment.

Employees require training in traditional technical skills, Business Management, Human Resource Management, Occupational Health and Safety, stock control and movement, information technology

*The ACT Annual Vocational Education and Training Priorities for 2006-07*

*Quality learning for a better future and a stronger community*

and minimising waste.

***Industry Skills Report June 2006: Agri-Food***

The food processing industry faces challenges resulting from globalisation, low participation by young people and women, ageing workforces, increasing consumer demands, technology change, compliance and regulation. Training is one answers to some of these issues. Partnerships between government, industry and communities are necessary. OH&S and research & development need to be integrated into training packages. Career pathways and job opportunities need to be promoted to attract people into the industry.

## 7 Textiles, Clothing, Footwear and Furnishings

**Training in this ANTA Group includes the following industry areas:**

Textiles  
Clothing  
Footwear  
Furnishings

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group**

Retail Trade  
Wholesale Trade  
Manufacturing

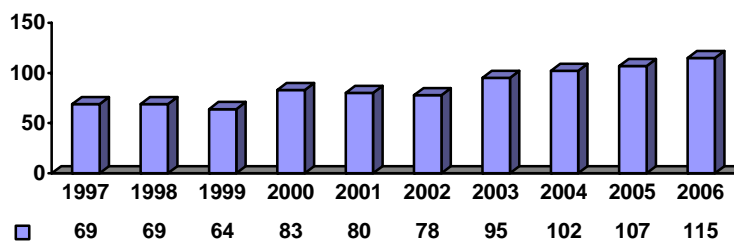
### Total Training Activity

All VET Course Enrolments 2005	361
All VET Course Enrolments 2004	416

### Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 1997 to 2005	54
Australian Apprenticeships Commencements 2005	51
Australian Apprenticeships Commencements 2004	76
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	41

**Australian Apprentices in training in the ACT as at 31 March each year**



### Industry Advice

#### ACT Industry Training Advisory Association

The large majority of Textiles, Clothing, Footwear (TCF) and Furnishings enterprises in the ACT fall into the micro-business category and not all sectors of the 'Light Manufacturing' industries are represented in the ACT. The ACT and its surrounding region do, however, have relatively strong, albeit small, furniture manufacturing, soft furnishing, interior decoration and design, blind and awning, floor covering and fine wood sectors. Furniture design has been identified as a skills shortage area.

The Floor Covering and Picture Framing sectors have shown interest in accessing National Training Package-based training involving an innovative, flexible delivery model. The Canvas sector has also show interest in Training Package-based training. Provision of enterprise-specific training should continue to be addressed for an industry where traditional training delivery methodologies do not necessarily suit as the small training market size affects the availability of publicly funded training.

In addition to promoting the suite of technical qualifications available through the national training packages and RPL/RCC of existing workers against Training Package qualifications, there is a need for generic small business-orientated training amongst TCF and Furnishings enterprises in the ACT. This includes, but is not restricted to: information technology, customer relations, business management, financial management, contract administration and front-line management.

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**Manufacturing Skills Council**

In response to industry changes, enterprises have reformed work organisation, developed and grown new niche markets, invested in new technology, and placed greater emphasis on training for new and emerging skills.

Technology is now a key driver in the design, production and quality processes of enterprises, while the introduction of business critical systems such as inventory control, quality assurance, supply chain management, benchmarking and non-core outsourcing, have radically changed businesses.

In all areas use of new technology in the design, production and quality processes of enterprises, and the adoption of relevant skills development and training activities are critical to the survival and success of the sector.

## 8 Communications

**Training in this ANTA Group includes the following industry areas:**

Journalism and Communications  
 Printing and Graphic Arts  
 Telecommunications

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group**

Communication Services  
 Manufacturing

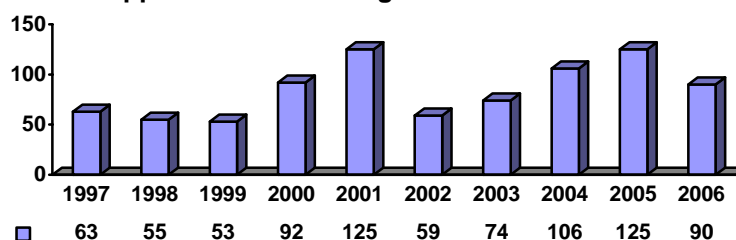
### Total Training Activity

All VET Course Enrolments 2005	275
All VET Course Enrolments 2004	491

### Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 1997 to 2005	114
Australian Apprenticeships Commencements 2005	240
Australian Apprenticeships Commencements 2004	181
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	88

**Australian Apprentices in training in the ACT as at 31 March each year**



### Industry Advice

#### ACT Industry Training Advisory Association

The use of e-commerce is expected to grow significantly in the next few years, creating increasing demand for training in e-commerce knowledge and skills in all industry sectors. There is particular demand for IT user support personnel with specialist business knowledge.

The communication industry's future is one of significant change in technology, modes of operating, global business processes and services offered to consumers, including the "Next Generation Network" where deployment will create opportunities for 3<sup>rd</sup> party service providers. There is continuing need for skilled operators in voice data, installation of broadband infrastructure, provision of broader consulting services, telecommunications software mobile phone technologies, media/electronic entertainment – cable and digital TV, arts media, digital film and sound editing, triple-play voice data and entertainment, wireless technologies, remote control/telemetry and data services/interrogation, network managers, data communications specialists, data cabling and cable-jointers, customer support and service personnel.

As a result of the new Printing and Graphic Arts Training Package, RTOs have commenced a review of the current programs offered for the local and regional printing industry. The industry appears to have limited interest in VET training for new entrants, as evidenced by the low numbers of Australian Apprentices currently in the industry. Personnel with OH&S and workplace trainer and assessor qualifications are required across the industries.

*The ACT Annual Vocational Education and Training Priorities for 2006-07*

## 9 Engineering and Mining

**Training in this ANTA Group includes the following industry areas:**

Extractive  
Metals  
Engineering

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group**

Mining  
Manufacturing

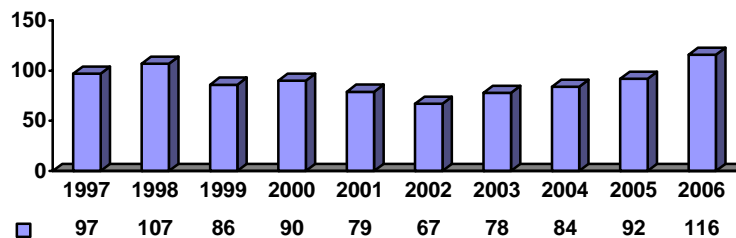
### Total Training Activity

All VET Course Enrolments 2005	404
All VET Course Enrolments 2004	344

### Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 1997 to 2005	41
Australian Apprenticeships Commencements 2005	51
Australian Apprenticeships Commencements 2004	54
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	36

**Australian Apprentices in training in the ACT as at 31 March each year**



### Industry Advice

#### ACT Industry Training Advisory Association

ABS data shows that the value of construction work done in the ACT has remained above the \$200 million mark for the past two years with the annual work requirements expected to vary between \$216 million and \$237 million a year until the end of the decade. The ACT had recorded building work up 25.2 per cent, engineering work up 37.1 per cent and construction work up 27.3 per cent. Most of the recent growth in the ACT had been driven by the construction and non-residential building sectors.

ABS figures showed a national seasonally adjusted increase in the value of building work of 5.9 per cent with residential building rising by 3.4 per cent. Significantly, non-residential building activity rose by 10.8 per cent, the highest level since the March quarter of 1990

Due to the lack of industry presence in the ACT, ACT ITAA has undertaken no research or activity for the Mining Industry. Certificate II and Certificate III in Extractive Industries Operations from the Mining national training package have been implemented in the ACT to accommodate the training needs of the ACT's quarry sector.

## 10 Primary Industry

**Training in this ANTA Group includes the following industry areas:** Agriculture  
Horticulture  
Veterinary

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group** Agriculture, Forestry and Fishing

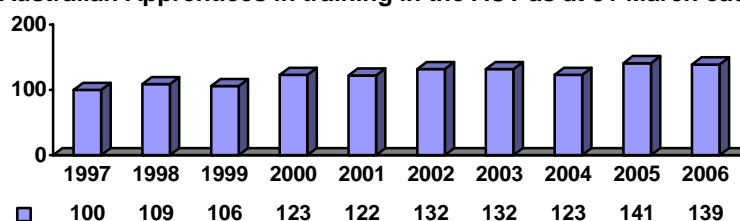
### Total Training Activity

All VET Course Enrolments 2005	648
All VET Course Enrolments 2004	615

### Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 1997 to 2005	73
Australian Apprenticeships Commencements 2005	70
Australian Apprenticeships Commencements 2004	86
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	40

**Australian Apprentices in training in the ACT as at 31 March each year**



### Industry Advice

#### **ACT Industry Training Advisory Association**

There are approximately 100 agricultural establishments in the ACT with most engaged in sheep and/or beef cattle farming. Other agricultural enterprises in the ACT include plant nurseries, vineyards, orchards, animal studs and egg production.

The Pet Industry covers Veterinary Nursing, Animal Welfare, Animal Control and Captive Animals. The Pet Industry Association of Australia (PIAA) considers training to be one of its top priorities and encourages the utilisation of National Training Package qualifications across the industry, particularly at Certificate III level.

The viticulture industry within the ACT and region identifies the main factors that will impacting on industry in the next five years will be an increase in:

- the use of technology
- the necessity to comply with regulations and standards
- competition.

Shortages of skilled tradespeople such as shearers continue to affect in the local industry. Traditional training delivery methodologies do not necessarily suit primary industry. In many cases, producers require a 'cluster' of competencies rather than full qualifications, delivered in a short-course format rather than one-day-per-week for a number of months/years. There is a shortage of skilled and knowledgeable VET trainers for the primary industries. Industry practitioners require training to comply with relevant legislative changes.

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Greater promotion of career opportunities available in the industry is required. This includes promotion of the 'e' side of agricultural business, including the need for people with skills and knowledge in e-business, globalisation and marketing.

The industry has also identified the need for increasing the skill and knowledge requirements of potential industry practitioners prior to employment through a pre-vocational course.

### ***Industry Skills Report June 2006: Agri-Food***

The rural industry faces challenges resulting from globalisation, low participation by young people and women, ageing workforces, increasing consumer demands, technology change, environmental degradation, sustainability, compliance and regulation. Training is one answer to some of these issues. Partnerships between government, industry and communities are necessary. OH&S and research & development need to be integrated into training packages. Career pathways and job opportunities need to be promoted to attract people into the industry. The horticulture industry is one of the fastest growing sectors in Australia.

## 12 Sales and Personal Services

**Training in this ANTA Group includes the following industry areas:**

Floristry  
 Personal Services including (but not limited to) Video Hire Outlets, Laundries and Dry Cleaners, Gardening Services, Hairdressing Services, Police Services, Corrective Centres, Fire Brigade Services and Waste Disposal Services.

Retail and Wholesale

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group**

Personal and Other Services  
 Retail Trade  
 Wholesale Trade

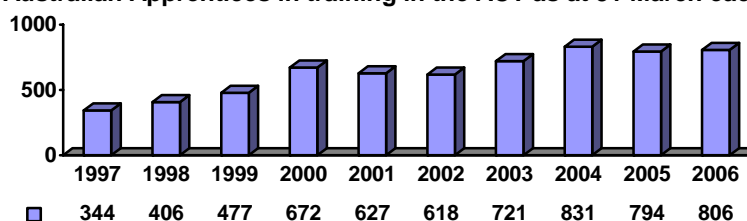
### Total Training Activity

All VET Course Enrolments 2005	1,330
All VET Course Enrolments 2004	1,449

### Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 1997 to 2005	736
Australian Apprenticeships Commencements 2005	724
Australian Apprenticeships Commencements 2004	801
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	456

**Australian Apprentices in training in the ACT as at 31 March each year**



### Industry Advice

#### **ACT Industry Training Advisory Association**

Due to high staff turnover in the sector there are shortages of store managers, hairdressers and florists, bakers, pastry chefs., dry cleaners, spotters and processors.

Small markets are affecting the availability of training as many sectors do not have sufficient numbers to be attractive to training providers. For instance, in the Funeral Services industry a new Training Package exists and the Funeral Directors Association has embraced the opportunity to provide formal VET qualifications to workers. The industry to date has conducted its own professional development training programs, and has welcomed the opportunity to align its training to nationally accredited qualifications, but the small local market means that training provision is not viable to public training providers and hence RTO interest in supporting industry training has been low.

There are many major fast food retail chains that operate in the ACT as well as a number of smaller fast food retail businesses. The chains tend to be private RTOs with training organised by national head offices interstate. They have well established training programs and offer full and part-time

## *Quality learning for a better future and a stronger community*

traineeships internally. Many of the smaller ACT-based fast-food retailers do not access publicly funded training, preferring instead to deliver training in-house in accordance with company policy and procedures. Basic training is provided in the areas of food handling, customer service and crew training. Store Management training is also provided as staff progress up the ranks, however, like the retail industry generally, high staff turnover is affecting the store management levels.

The ACT has a small but important Dry Cleaning industry, with the majority of retailers being members of the Dry Cleaning Institute of Australia. The ACT branch has been a driving force for the development of national training program in the Safe Handling of Solvents. This short course, run through the Dry Cleaning Institute of Australia, has trained over 140 employees in the ACT over the past 3 years. Demand for this program is 30 annually and is aligned to units of competency in the Training Package. No public funding is provided for this training in the ACT.

The industry has identified technical training and training in Occupational Health and Safety, stock control and movement, minimising waste and information technology training as priority areas. Additionally, RPL/RCC and up-skilling activities may be attractive to industry members if marketed correctly.

### ***Industry Skills Report June 2006: Services***

Competitiveness and the dynamic nature of the services industry marketplace puts pressure on the skills acquisition process in many ways, from the preparation of threshold technical skills for new entrants to the maintenance and ongoing currency of skills required for the existing workforce. This situation is compounded due to the services industry having a young workforce, dominated by part time and casual workers. The industries operate non-traditional hours and in many cases are highly seasonal. Workers need to be multi-skilled, and demonstrate employability skills. Sitting at the core of all services industries businesses is the provision of good customer service.

## 13 Tourism and Hospitality

**Training in this ANTA Group includes the following industry areas:**

Hospitality  
Tourism

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group**

Accommodation, Cafes and Restaurants  
Retail Trade  
Transport and Storage

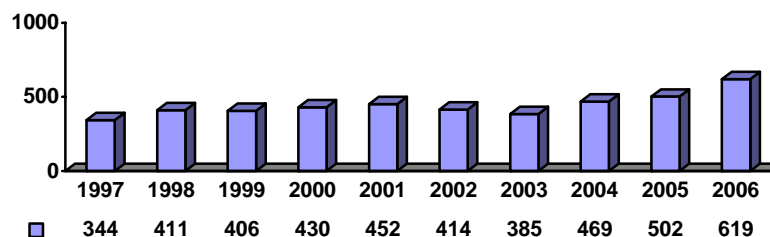
### Total Training Activity

All VET Course Enrolments 2005	2,042
All VET Course Enrolments 2004	1,678

### Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 1997 to 2005	474
Australian Apprenticeships Commencements 2005	574
Australian Apprenticeships Commencements 2004	522
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	265

**Australian Apprentices in training in the ACT as at 31 March each year**



### Industry Advice

#### ACT Industry Training Advisory Association

Skill shortages exist in cookery (Cooks, Chefs and Patisserie Chefs), wait staff and café staff, middle managers in licensed clubs, hotels and attractions as well as conservators and curators in museum attractions. There are also shortages of trainers in Food Safety and Handling and business related areas.

Industry recommendations include:

- continued ACT Government support for the accelerated Chefs Apprenticeship
- increasing the numbers of introductory or refresher courses aimed at mature aged workers and those returning to the workforce
- marketing of the tourism and hospitality industries to attract unskilled workers as well as skilled workers. There is considerable opportunity in the industry at for equity, target and minority groups to find employment
- support for the ACT Government Skilled and Business Migration Program and the ACT Government 'Live in Canberra' project as part of the solution to these severe skill shortages. Additionally, partners arriving with interstate and international skilled migrants may have the skills and interests to potentially assist alleviate the tourism and hospitality labour shortage present in the ACT and Region.
- investigation of customer service requirements to determine the training or other measures required to address this issue.

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The low uptake of Training Packages has been identified as an issue requiring immediate action. Half of managers and owners surveyed believed the competencies gained through accredited training met the needs of their businesses; with language, literacy, employability and geography skills being identified as lacking in the current accredited training graduates. This information has been forwarded to the National Skills Council for consideration during the review of the National Training Packages.

Issues that will impact on VET in the ACT in the next 6-12 months include:

- the Casino Games Traineeship leading to an increase in traineeships
- industry image problems impacting on recruitment
- ACT and Federal government training initiatives
- global instability that may reduce incoming tourist numbers.

### ***Industry Skills Report June 2006: Services***

Competitiveness and the dynamic nature of the services industry marketplace puts pressure on the skills acquisition process in many ways, from the preparation of threshold technical skills for new entrants to the maintenance and ongoing currency of skills required for the existing workforce. This situation is compounded due to the services industry having a young workforce, dominated by part time and casual workers. The industries operate non-traditional hours and in many cases are highly seasonal. Workers need to be multi-skilled, and demonstrate employability skills. Sitting at the core of all services industries businesses is the provision of good customer service.

## 14 Transport and Storage

**Training in this ANTA Group includes the following industry areas:**

Transport and Distribution  
Warehousing and Storage

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group**

Transport and Storage

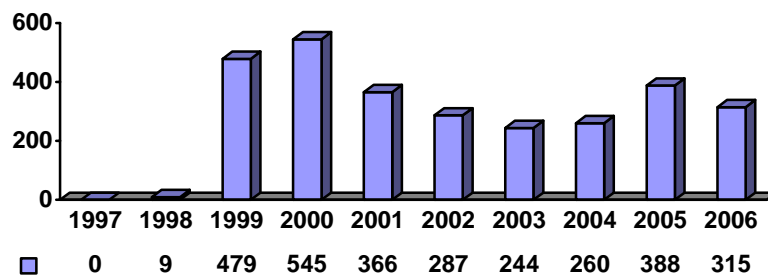
### Total Training Activity

All VET Course Enrolments 2005	278
All VET Course Enrolments 2004	145

### Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 1997 to 2005	314
Australian Apprenticeships Commencements 2005	272
Australian Apprenticeships Commencements 2004	297
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	111

**Australian Apprentices in training in the ACT as at 31 March each year**



### Industry Advice

#### ACT Industry Training Advisory Association

The Transport Industry is one of the largest employers of mature-aged male workers in Australia. The industry's age demographic has been, and will continue to be, difficult to alter, due to high insurance premiums and regulations regarding the operation of heavy vehicles by young people. In the ACT the typical driver is in the 45-55 year age group. With the freight task anticipated to double in the next 15 to 20 years, the already apparent skills shortage is set to worsen dramatically.

In the 10 years prior to the introduction of the Training Package and Australian Apprenticeships for existing workers, there were only 10 people who entered the industry and obtained qualifications through the Australian Traineeship System, with training being predominately to meet regulatory authority requirements (such as heavy vehicles, dangerous goods, forklift licensing, OH&S and fatigue management). Close to 1500 people have participated in Australian Apprenticeships for the industry since introduction of the Training Package. ACT survey results have also indicated that trainees and employers are very satisfied with the provision of training in the ACT. Additionally, the ACT has included minimum structured training to mitigate the risk inherent to a fully on-the-job traineeship model. Mandating these minimum structured training hours have ensured that appropriate training in OH&S occurs, as well as other technical skills (including the underpinning knowledge) related to the Transport Industry.

The implementation of the training package has delivered a better training culture to this sector. Industrial acceptance of Australian Apprentices has enabled the payment of full adult wages to

### *Quality learning for a better future and a stronger community*

trainees, and the extension of Australian Apprenticeships to cover existing workers.

The industry through its specialised RTO in the ACT, has developed programs aimed, not only at younger people but also mature-aged people, including those seeking a lifestyle change, people who have been retrenched, long-term unemployed and people from non-English speaking backgrounds. Australian Apprenticeships have formed part of this strategy. A recent initiative has been the development of the 'Ready for the Road' program.

OH&S training is a priority for this industry. The RTO is currently targeting non-transport industries employing large numbers of transport workers in their operations. The intent is to increase the number of drivers currently being trained. However, the training required is a partial, rather than a full, qualification.

Due to licensing and other regulatory requirements, there is restricted opportunity for VET in Schools programs in the Transport industry. A VET in Schools program in Warehousing is being developed. The program will utilise the Certificate II Warehousing qualification from the national training package and incorporate business administration competencies.

## 15 Utilities

**Training in this ANTA Group includes the following industry areas:**

Electrotechnology  
Water Industry

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group**

Electricity, gas and water supply

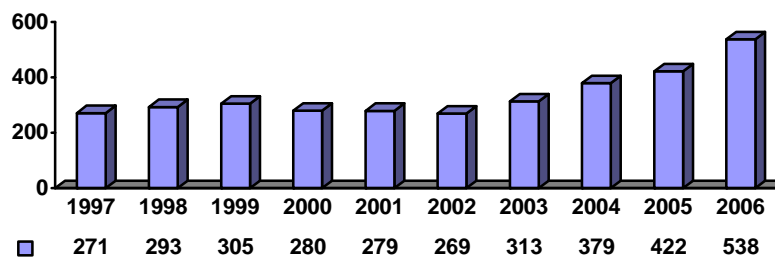
### Total Training Activity

All VET Course Enrolments 2005	721
All VET Course Enrolments 2004	649

### Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 1997 to 2005	167
Australian Apprenticeships Commencements 2005\	243
Australian Apprenticeships Commencements 2004	180
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	160

**Australian Apprentices in training in the ACT as at 31 March each year**



### Industry Advice

#### ACT Industry Training Advisory Association

2006 has seen record intakes of apprentices in both the local Electrotechnology and Electricity Supply Industries. This has been in response to industry skills shortages and industry confidence generated by the record level of construction work being undertaken in the ACT and surrounding region in the next 3 years. An increase in the numbers entering the industry is still required, as is retention of those within the industry.

Issues facing the industry include:

- skill shortages in Electricity Supply Industry (Line workers, Cable jointers), Electrotechnology Industry (Electricians, Air conditioning & Refrigeration mechanics, Data communications technicians (Cert III), Assembly and servicing technicians)
- industry reluctance to employ large numbers of apprentices.
- safety concerns for Electrotechnology personnel due to the increasing frequency of operatives encountering asbestos-based products used in the past.

The following priority training areas have been identified:

- training in appropriate handling procedures for hazardous materials is a high priority for both entry-level and existing workers.
- the delivery of stand-alone units of competency, rather than full qualifications
- workers must develop increasingly sophisticated technical skills and problem solving abilities
- apprentices and skilled operatives require high levels of competency, innovation, and flexibility across a wide range of equipment, technologies, processes and procedures and must be

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## *Quality learning for a better future and a stronger community*

- prepared for continuous development of their knowledge and skills
- growing demand for the delivery of suites of competencies in addition to full qualifications eg ACTEWAGL currently require the delivery of clusters of competencies, rather than full qualifications, in sustainable energy, vegetation control, working with and handling asbestos, height rescue and fall prevention
- flexible training arrangements. The nature of the industry and enterprise work commitments restricts the available time that employers can release employees for training. Industry practitioners have identified a preference for training delivery to be a mixture of block release, one day/night midweek or short course mid week depending on the training and client group (such as entry-level or existing worker)
- the integration of Renewable and Sustainable energy technologies, particularly wind technologies, into Training Packages
- implementation of a pre-apprenticeship program
- resolution of concerns surrounding current RTO policy regarding the conduct of RPL/RCC processes and delivery of gap training thereafter

The ITAB and key RTOs are involved in initiatives to promote training in support of new and emerging technologies, such as renewable and sustainable energy systems, within the ACT.

There is increasing difficulty in accessing quality trainers to deliver training.

There is a need to develop a simple marketing campaign to identify to *potential* industry members the benefits of a career in the industry. Similarly, there is a need to develop a like campaign to identify to current industry members the career paths available to them within the industry.

Due to the physically demanding nature of these industries, there is a need to consider whether the definition of mature-age workers from 40 and above is realistic and appropriate. This would require national consensus.

### **Industry Skills Report May 2005: ElectroComms & EnergyUtilities**

The rate of technological change within the sector has never been greater and is expected to increase. The use of “smart” technology, such as home automation and the integration of systems, including voice and data is now becoming commonplace.

As the sector continues to change and develop, its personnel must develop increasingly sophisticated technical skills and problem solving abilities. Apprentices and skilled operatives are expected to build high levels of competency, innovation, flexibility across a wide range of equipment, technologies, processes and procedures and be prepared for continuous development of their knowledge and skills.

The electrotechnology sector is, however, currently suffering severe skills shortages and these shortages are projected to increase as the supply of skilled tradespersons in the industry continues to fall short of current market demand and rapid growth in the volume of work, particularly in areas incorporating advanced technologies.

## 16 Business and Clerical

**Training in this ANTA Group includes the following industry areas:**

Business Services  
Public Services

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group**

Communications services  
Finance and Insurance  
Property and Business Services  
Government Administration and Defence

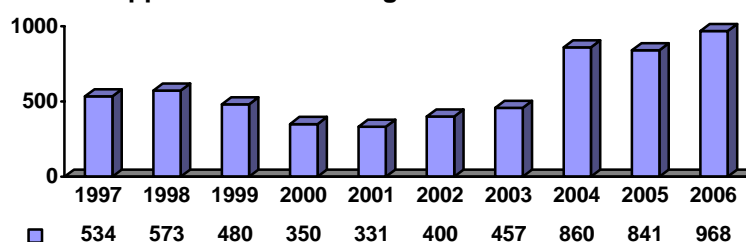
### Total Training Activity

All VET Course Enrolments 2005	5,008
All VET Course Enrolments 2004	4,840

### Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 1997 to 2005	787
Australian Apprenticeships Commencements 2005	848
Australian Apprenticeships Commencements 2004	816
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	525

**Australian Apprentices in training in the ACT as at 31 March each year**



### Industry Advice

#### ACT Industry Training Advisory Association

Industry continues to enjoy a strong uptake of Business and Business Administration Certificates II, III and IV. There has also been growth in the uptake of higher-level training programs at Diploma and Advanced Diploma level and Frontline Management qualifications. Other popular qualifications include those in Sales, Legal Administration, Human Resources, Governance, Marketing and Small Business Management programs. E-business is a growth area.

Issues facing the industry include:

- shortages in personnel with high-level business and financial management skills, including Legal Administrators and Executive and Personal Assistants
- skills shortages in the areas of supply, change management, compliance, corporate governance, international trade, globalisation, custom brokering and purchasing for small business
- within the public sector skills shortages exist in the areas of procurement, contract management, high level management, project management, human resources and purchasing
- concern regarding the availability of suitably qualified and experienced trainers

The following priority training areas have been identified:

- demand for unit based training rather than full qualifications and for the delivery of training

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in short, sharp bursts to meet immediate training needs, rather than prolonged training over a number of months or years. Statements of Attainment are being developed as a way of meeting this industry training need

- skills training in global/cross cultural/diversity, e-business, operations management, front-line management, computing, governance, entrepreneurship and customer relations
- a preference for training arrangements to be a mix of legal, technical and generic skills, with as much as possible being taught on the job. Generic skills to be taught separately from other skills but integrated into overall training
- tailored training programs to recognise the knowledge and skills of older workers and those returning to the workforce

VET has a role to play in assisting SMEs in the areas of innovation and entrepreneurship. Training needs to be customised to meet the specific needs of the organisation with RTOs developing the knowledge and expertise of their trainers in order to provide innovative and flexible training programs. Training provided by the vendors of equipment and materials has also been identified as a way for companies to access the most up to date training in their particular fields. VET providers and vendor training providers might derive mutual benefit if they were to work co-operatively in regards to training provision.

Many Australian Government Departments are currently utilising the existing Public Sector Training Package. The ACT Government has yet to embrace the Package with some departments being users, some utilising it sporadically and others not utilising training at all. There is little opportunity to enter the Government sector and undertake training at Certificate II or III level because most new employees enter with University qualifications and then undertake VET, usually at Certificate IV level, to enhance their workplace knowledge and skills. Many departments are utilising the VET system to recognise the knowledge and skills of existing personnel.

Other advice indicates there are skills shortages in project management in both government and private sectors.

## 17 Computing

**Training in this ANTA Group includes the following industry areas:**

Information Technology

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group**

Communications Services  
Finance and Insurance  
Property and Business Services  
Government Administration and Defence

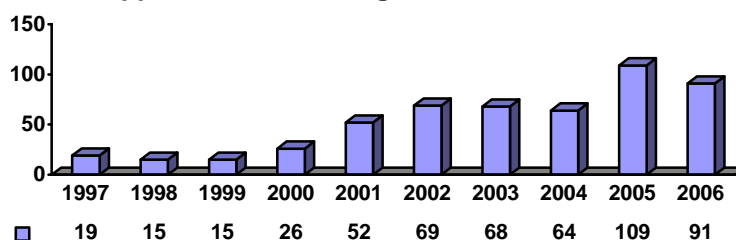
### Total Training Activity

All VET Course Enrolments 2005	1,564
All VET Course Enrolments 2004	1,613

### Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 1997 to 2005	68
Australian Apprenticeships Commencements 2005	94
Australian Apprenticeships Commencements 2004	128
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	19

**Australian Apprentices in training in the ACT as at 31 March each year**



### Industry Advice

#### **ACT Industry Training Advisory Association**

While the future is one of significant change in technology, modes of operating, global business processes and services offered to consumers (including opportunities for 3<sup>rd</sup> party service providers), industry research shows that the fundamental core skills do not change, merely the tools and methodologies utilised at any given time. The majority of new skills emerging are based on existing technologies that are undergoing or have undergone evolution, requiring an upgrading of already established skills.

The demand for ICT practitioners is to develop skills in emerging/evolving areas (open source operating systems, wireless technologies and networking, telecommunications convergence technologies, client relations and customer support, web services and security, Radio Frequency Identification (RFID), Voice over Internet Protocol (VoIP), logistics technology, computerised assembly lines, security risk) with a consequent potential increase in the need for training. The growth in PC use, the internet and e-commerce by small to medium businesses has led to increased demand for business solutions and help desk/support services supplied by private organisations. Career opportunities exist for independent operators/consultants and help desk employees with a re-direction of existing resources, particularly at AQF II – IV level.

Research has shown reluctance by individuals to undertake full qualifications or formal ICT training. The consolidation of ICT applications and services, with a greater focus on vendor upgrades, version releases and protocols demands a different approach to skills training. ICT workers must

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## *Quality learning for a better future and a stronger community*

now be provided with a set of enabling skills coupled with related vendor and services training. Training in specific skills needs to be delivered in small components over a short period of time, rather than longer courses over longer time frames. The ICT industry is experiencing a rising demand for suites of competencies, rather than whole qualifications, that acknowledge industry's requirement for a constantly changing mix of tailored training products.

There has also been a demand for generic skills for entry-level employees including:

- time management and personal organisation
- basic computer use
- customer relations
- teamwork
- logical processes (where to start a job and what are the most effective steps to take)
- complex fault finding
- documentation, and
- sales.

There is increasing difficulty in accessing quality trainers to deliver computing training.

User support skills shortage in businesses offering computing include broadband and internet services, multimedia content development, ICT consulting services (including provision of integrated services and solutions, network technology, system design and migration, especially for home users and SMEs) and traditional network skills (voice data, installation of broadband infrastructure, provision of broader consulting services, telecommunications software and mobile phone technologies, wireless technology, Voice over internet protocol (VoIP))

IT professionals skills shortage areas include high level software diagnostic skills, new network architecture technologies reducing maintenance needs, mobile phone technologies, content/service technologies and the hardware sector of the industry such as network managers, data communications specialists, data cabling (severe shortages exist within the Electrotechnology (consistency in term spelling required - 3 variants used) Industry particularly Data Communications Technicians (Cert III) and Assembly and Servicing Technicians) and cable-jointers, customer support and service personnel.

The nature of the industry and enterprise work commitments restricts the available time that employers can release employees for training. Industry practitioners have identified a preference for training delivery to be a mixture of block release, one day/night midweek or short course mid week depending on the training and client group.

Other advice also indicates a demand for Computer Forensics.

## 18 Science, Technical and Other

**Training in this ANTA Group includes the following industry areas:**

Asset Maintenance  
Laboratory Operations

**ANZSIC Industry Sectors employing workers who often train in this ANTA Group**

Property and Business Services

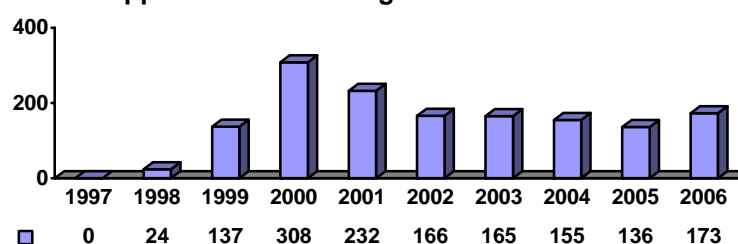
### Total Training Activity

All VET Course Enrolments 2005	1,117
All VET Course Enrolments 2004	1,033

### Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 1997 to 2005	196
Australian Apprenticeships Commencements 2005	134
Australian Apprenticeships Commencements 2004	224
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	138

**Australian Apprentices in training in the ACT as at 31 March each year**



### Industry Advice

#### ACT Industry Training Advisory Association

Renewable and Sustainable Energy technologies, particularly wind energy, are an area of growth in the region. The National Electrotechnology Training Package contains units of competency and qualifications for the renewable and sustainable energy industry. Delivery of a Certificate IV and Statement of Attainment in renewable and sustainable energy technologies has begun.

Spatial Information Systems is an industry set to grow in the ACT. Employers require more information, encouragement and assistance as to the role of Australian Apprenticeships in this area.

General skills shortage areas include curators/conservators and restorers, and framers able to work to museum standards.

The Cleaning industry has a Code of Best Practice in which standards have stipulated training from both the Certificate II & III in Cleaning Operations. 80% of cleaning contractors/employers in the ACT have signed the LHMU Code of Good Employment Practice, thereby agreeing to mandatory training of all employees.

Other advice indicates a need for training in Laboratory Technology and associated paraprofessional areas (eg chemistry, Pathology and general laboratory technical)

## **GLOSSARY**

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ABS	Australian Bureau of Statistics
ACTITAA	ACT Industry Training Advisory Association
ANTA	The Australian National Training Authority was abolished on 1 July 2005 and its function transferred to DEST
ANZSIC	The Australian and New Zealand Standard Industrial Classification (ANZSIC) code has been produced by the Australian Bureau of Statistics and the New Zealand Department of Statistics for use in the collection and publication of statistics in the two countries. The objective when developing the industrial classification was to identify groupings of businesses which carry out similar economic activities. Any individual business can be assigned to an appropriate industry category on the basis of its predominant activity.
AQF	Australian Qualifications Framework
Australian Apprenticeships	Apprenticeships and traineeships under nationally consistent arrangements. The main characteristics of Australian Apprenticeships include a contract of training between employer and apprentice or trainee, public funding and support for employers, choice of training provider and competency based training using national training packages. Until 30 June 2006, known as New Apprenticeships.
CIT	Canberra Institute of Technology
DEST	Australian Government Department of Education, Science and Technology
DET	ACT Department of Education and Training
DEWR	Australian Government Department of Employment and Workplace Relations
Graduate	For Student Outcome Survey purposes, a graduate is a student who has completed a vocational education and training qualification within the survey period
Gross State Product (GSP)	An income-based measure of economic activity derived by summing household income, business profits and indirect taxes less subsidies.
ITAB	Industry Training Advisory Board
Mature Aged Person	A person aged 40 or over
NCVER	National Centre for Vocational Education Research
New Apprenticeships	Apprenticeships and traineeships under nationally consistent arrangements. The main characteristics of New Apprenticeships include a contract of training between employer and apprentice or trainee, public funding and support for employers, choice of training provider and competency based training using national training packages. Known from 1 July 2006 as Australian Apprenticeships.
RBA	Reserve Bank of Australia
RCC	Recognition of Current Competencies - the acknowledgement of competencies currently held by a person, acquired through training, work or life experience. More commonly known as recognition of prior learning.
Recognition	Recognition the formal approval of training organisations, products and services operating within the vocational education and training sector (as defined by State and Territory legislation).

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RPL	Recognition of Prior Learning - the acknowledgement of a person's skills and knowledge acquired through previous training, work or life experience, which may be used to grant status or credit in a subject or module.
RTO	Registered Training Organisation
SFD	State Final Demand
Skilling Australia's Workforce Agreement	The funding accord between the Australian, State and Territory Governments, a commitment by government to work in partnership with industry to increase participation of Australians in an integrated national VET system that allows for local diversity. The Agreement provides the mechanism to allow the Australian Government to allocate VET funds to the States and Territories. The <i>Skilling Australia's Workforce Agreement</i> has been developed for 2005-2008 and replaces the ANTA Agreement.
Skills shortage	A skills shortage occurs when the demand for workers for a particular occupation is greater than the supply of workers who are; qualified, available and willing to work under existing market conditions. If the supply is greater than demand then there is a surplus.
SOS	Student Outcome Survey
Total Factor income	A term used in economics, defined as the cost of producing the gross domestic product, which consists of gross payments to factors of production (labour and capital). It represents the value added by these factors in the process of production and is equivalent to gross domestic product less taxes plus subsidies on production and imports (Source: ABS cat no 5220.0, State Accounts 2001-02, Glossary, p.80).
Training and Adult Education	Training and Adult Education branch of the ACT Department of Education and Training
Training Package	An integrated set of nationally endorsed standards, guidelines and qualifications for training, assessing and recognising people's skills, developed by industry to meet the training needs of an industry or group of industries. Training packages consist of core endorsed components of competency standards, assessment guidelines and qualifications, and optional non-endorsed components of support materials such as learning strategies, assessment resources and professional development materials.
User Choice	A funding model for achieving client-responsive training in Australian Apprenticeships, in which the employer and apprentice or trainee can choose the Registered Training Organisation that will deliver the training.
VET	Vocational Education and Training
Youth	The national definition of Youth is a person aged 15 to 24
Youth at risk	Youth marginalised through life experience, social position and current circumstances and in danger of failing to complete their education to a sufficient level to engage successfully with the labour force.

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