

The ACT
Annual Vocational
Education and
Training Priorities
2007-08

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Table of Contents

Executive summary	1
Priority training areas for 2007-08	2
Introduction	3
Economic Conditions – ACT Treasury’s analysis	3
Investment	6
The ACT Population: Current Trends and Future Implications	7
The ACT industry profile	8
The Labour Market	9
Policy drivers for VET in the ACT	10
Government funded VET in the ACT	12
ACT VET	12
National survey	14
Skills shortages	14
ACT Skills Commission	15
Available Labour Market data	15
Industry Training Advice	16
Summaries by ANTA Industry Group	18
ACT Skills Shortage Areas 2007 - 2008	19
1 Arts, Entertainment, Sports and Recreation	22
2 Automotive	24
3 Building and Construction	26
4 Community Services, Health and Education	28
5 Finance, Banking and Insurance	30
6 Food Processing	32
7 Textiles, Clothing, Footwear and Furnishings	34
8 Communications	36
9 Engineering and Mining	38
10 Primary Industry	40
12 Sales and Personal Services	42
13 Tourism and Hospitality	44
14 Transport and Storage	46

15 Utilities	48
16 Business and Clerical	50
17 Computing	52
18 Science, Technical and Other	54
Bibliography and References	56

Table of Figures

Figure 1: Skilled Vacancies – ACT annual change (%) – March 2007	6
Figure 2 ACT Industry Profile	8
Figure 3 All ACT VET students by year, 1995 – 2006	13
Figure 4 ACT Apprentice and Trainee data by year, 1995 – 2006	13
Figure 5 ANTA Group Numbers and Titles	18

Executive summary

This report provides the basis for consideration of Vocational Education and Training (VET) Priorities for the ACT for the period 2007-2008. It is based on the training priorities determined in 2007, together with information on the ACT socio-economic context that affects training supply and demand.

The ACT is currently experiencing high levels of economic growth with record low unemployment. The economic growth that the ACT and Australia have experienced over recent times has placed the labour market under pressure. As the number of jobs increase, so does the competition for labour. Understanding the current labour market and workforce trends and issues is vital if the ACT is to remain competitive.

The ACT can be proud of its recent achievements in vocational education and training. In 2006, total student numbers continued the upward growth trend of recent years, with a total increase in student numbers of 20% from 2002 to 2006. Following record growth in numbers in Australian Apprenticeships in 2003, there was a more modest but sustained growth maintained throughout 2004, 2005 and 2006.

The final statistics released in July 2007 by the National Centre for Vocational Education Research (NCVER) indicate that in 2006 the ACT achieved:

- 2.7 % rise in total student numbers, compared with the national average of 1.5%
- 3.7% rise in subject enrolment, compared with the national increase of 2.7%
- sustained number in Certificate IV enrolments compared to a national decline of -0.9%, and a 12.8% rise in Certificate III enrolments, compared with the national increase of 5.9%
- 4.8% increase in people with a disability undertaking vocational education and training
- 4.4% increase in number of students aged 15-19 years undertaking vocational education and training

The ACT continues to maintain high levels of activity in Australian Apprenticeships. NCVER 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 51% increase in 'Apprentice and Trainee in training' numbers from 31 December 2002 to 31 December 2006.

The ACT remains the only state or territory in which female participation in VET (51.6%) 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 quite different from that of other jurisdictions.

Characteristic features of the ACT's demography and economy

- Australian Bureau of Statistics (ABS) estimates indicate that over the past decade the ACT usual resident population has grown steadily, from just over 308 000 in 1996 to around 336 450 in 2006, representing 1.6% of the total population of Australia.
- The median age is lower than any Australian jurisdiction with the exception of the Northern Territory; however, the rate of ageing is the same as that of the Australian population in general.
- Government activities dominate the economy with Government administration and Defence accounting for around 25% of employment.
- Essentially no primary industry, mining or manufacturing exists in the ACT.
- The ACT's occupational structure is heavily weighted towards white-collar jobs and the more highly skilled end of the occupational spectrum.
- The private sector is dominated by small businesses with fewer than 20 employees.

ACT Treasury is the primary source of economic advice for this report and material has been extracted from the *Australian Capital Territory 2007-2008 Budget Paper 3: Budget Overview*. Based on economic indicators, ACT

Treasury forecasts that the economy is likely to record solid growth in the near 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.

Two new sources of information have emerged in 2007. The first is the Department of Employment and Workplace Relations *Skills in Demand Reports for the ACT*. This information was not available previously, but was aggregated into a New South Wales/ACT report that had little relevance for the ACT economy. The second is the creation of the ACT Skills Commission.

Priority training areas for 2007-08

The following priority training areas are based on an analysis of the factors impacting on VET and the ACT labour market in 2006. Previous experience has shown that training priorities are not subject to radical change from year to year. The priorities for 2007-08 include the broad industry areas most critical to the ACT economy and some specialised areas from other industries. They also focus on certain groups within the community and economy and on training enabling skills development across all industry sectors.

The priority industry areas for 2007-08 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 for 2007-08 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 for 2007-08 are:

- people with a disability
- indigenous Australians
- mature aged people (aged 40 years and over)
- youth (aged 15-24 years) at risk
- small business
- government administration and defence.

The enabling priorities for 2007-08 are:

- business services
- information technology
- employability skills
- recognition of existing skills and competencies.

The ACT Government Budget 2007-2008 forecast that labour supply constraints are likely to persist into 2007-08. This is an important acknowledgement that it is a people shortage and not just a skill shortage that is the real issue for the ACT and Australia.

Introduction

The ACT Government 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. This commitment means that the ACT is well positioned for continuing future growth. This growth will drive employment and prosperity with success riding on the availability of labour, particularly skilled labour.

The *ACT Annual Vocational Education and Training Priorities for 2007-08* has been compiled from a number of sources and 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 during 2007-08
- the vocational education and training priorities for 2007-08.

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
- a set of priorities that will guide the government funding of vocational education and training in the ACT for 2007-08.

Economic Conditions – ACT Treasury’s analysis

Treasury’s analysis has been sourced from the *Australian Capital Territory 2007-2008 Budget Paper 3: Budget Overview*, Chapter 7.1, pp159-173, which is available in full on the ACT Treasury website: http://www.treasury.act.gov.au/budget/budget_2007/index.htm

Overview

The ACT economy is expected to experience positive conditions throughout 2007-08 with the economy forecast to expand. This is based on solid growth in both household consumption expenditure and Australian Government expenditure. The level of private investment in the Territory is forecast to remain high in 2007-08. The ACT unemployment rate is expected to remain around record low levels and employment growth in 2007-08 is forecast to ease. Labour supply constraints are likely to persist into 2007-08.

The Outlook for the ACT Economy

The prospects for the ACT economy remain positive in 2007-08. Demand conditions are expected to remain strong, although growth will moderate somewhat from the high levels experienced in 2005-06 and in 2006-07. There will be some easing of supply constraints, but they will remain a key limitation on the prospects for the ACT economy.

The Australian Government forecasts the national economy to strengthen in 2007-08. These forecasts anticipate the Gross Domestic Product to grow at 3.75% based on improved performance from the rural sector, consistent with the assumption of a return to more normal seasonal conditions and the expectation of solid growth in consumption and investment. Exports are expected to grow, with the economy reaping the benefits flowing from increased business investment in recent years, although growth in business investment is forecast to moderate. The Australian Government expects

productivity growth to improve and the prices of volatile items, such as, petrol, fruit and vegetables, to moderate, allowing inflation to approach the middle of the Reserve Bank of Australia's (RBA) monetary policy target band of between two and three per cent in 2007-08.

Economic growth in the ACT is expected to remain broadly in line with the national average. While still constrained by supply, the ACT is expected to experience income and employment growth, driven substantially by Australian Government expenditure in the ACT, which in turn will encourage household consumption growth in 2007-08.

Gross State Product (GSP) is forecast to grow at around its historic average of 2.5% throughout the forecast period. State Final Demand (SFD) is expected to show growth of 4% in 2007-08. This reflects solid growth in Australian Government outlays in the ACT, private consumption, and housing investment. Offsetting these factors, business investment is forecast to ease in 2007-08 from the high growth rates experienced in 2005-06 and in 2006-07.

Government consumption expenditure, particularly that of the Australian Government, is a key determinate of economic activity in the ACT. Following modest growth in Australian Government consumption expenditure in the ACT in 2006-07, growth in outlays is forecast to increase in 2007-08.

Private consumption expenditure in the ACT is expected to continue to grow at around long-run average rates. Consumption is being driven by growth in real wages and population, but these factors are likely to be offset by subdued growth in household wealth as real house price growth moderates. The contractionary nature of current monetary policy settings and the risk of further upward movements in interest rates are expected to further dampen consumption.

The general outlook for the ACT labour market remains positive across the forecast period. Employment in the ACT is expected to ease in 2007-08 to the long run average growth rate of 1.5 % from the above-average growth of 3%

in 2006-07. A forecast population growth rate of 1.25%, as well as a high participation rate, is expected to generate employment growth. However, a continued shortage of suitably skilled workers is likely to constrain employment growth in key industry sectors in 2007-08.

Although the outlook for private investment in 2007-08 remains strong, growth is forecast to slow from the significant acceleration experienced in 2005-06, and in 2006-07. Businesses in the ACT are optimistic, buoyed by strong consumer demand. Investment is running at high levels, while growth in business credit remains strong, adding weight to the prospects for further increases in business investment over the forecast period.

Non-dwelling construction growth is forecast to gradually ease from the 2005-06 record levels of activity that had not been experienced since the investment growth that occurred with the construction of new Parliament House. The volume of non-dwelling construction activity undertaken in the ACT in 2005-06 was 85% higher than that of the previous year. This high growth was largely driven by the expansion in the number of Australian Government public servants working in the ACT and the demand for new office buildings to replace older leased offices. As the work started in recent years is completed, and the number of new projects falls, non-dwelling construction is expected to moderate significantly as a driver of private investment.

The outlook for ACT dwelling investment is for modest growth, as the market continues its consolidation after the downturn following the national housing boom in the early part of the decade. A large number of residential blocks are earmarked for release during the final quarter of 2006-07 and throughout 2007-08. This additional land supply, combined with housing affordability policy measures announced in April 2007, is expected to remove some of the pent-up demand for housing and stimulate dwelling investment in 2007-08.

Population growth over the forecast period is expected to be 1.25%, above long-run average growth of 1%. A sustained period of recruitment activity by Australian Government agencies is contributing to this above-average population growth.

A change in Australian Government outlays is the most significant risk to the ACT's economic forecasts. The potential for a change of budget policy arising from the upcoming federal election magnifies this risk in the short term. In addition, there is the possibility that consumption, investment, and employment growth will be affected during the election period due to lower levels of activity in many Australian Government departments.

Finally, although interest rates are expected to remain relatively stable over the forecast period, further sustained rises in interest rates would negatively impact on private consumption and investment in the ACT, particularly given the build-up in household debt in recent years.

Labour Market

The ACT labour market is expected to remain strong throughout 2007-08, despite some sectors being constrained by skills shortages. Strong demand for labour is expected to keep the trend unemployment rate well below the national rate and the labour force participation rate around record highs.

Employment

Following expected strong employment growth of around 3% in 2006-07, on the back of intense recruiting activity by the Australian Government and to a lesser extent the private sector, employment growth for 2007-08 is forecast to moderate to the long term average growth rate of 1.5%. The unemployment rate is at historically low levels – averaging a trend rate of 3% for 2006-07. With skills shortages continuing to pose significant challenges for employers, and demand for labour expected to remain strong, unemployment is

expected to remain, between 2.5% and 3.5% during 2007-08. Given that the ACT is near full employment, the contribution to employment growth is expected to come from increases in participation, as new workforce entrants tend to move directly into employment.

At the national level, employment has grown faster than that forecast by the Australian Government in the Federal Budget of 2006-07, but the Australian Government expects this to moderate to 1.5% in 2007-08. Although the national unemployment rate is expected to rise over the forecast period from its current 30-year low, a slightly softer national labour market is expected to provide only a limited incentive for interstate migration to the ACT, allowing only a minor easing of the tight ACT labour market.

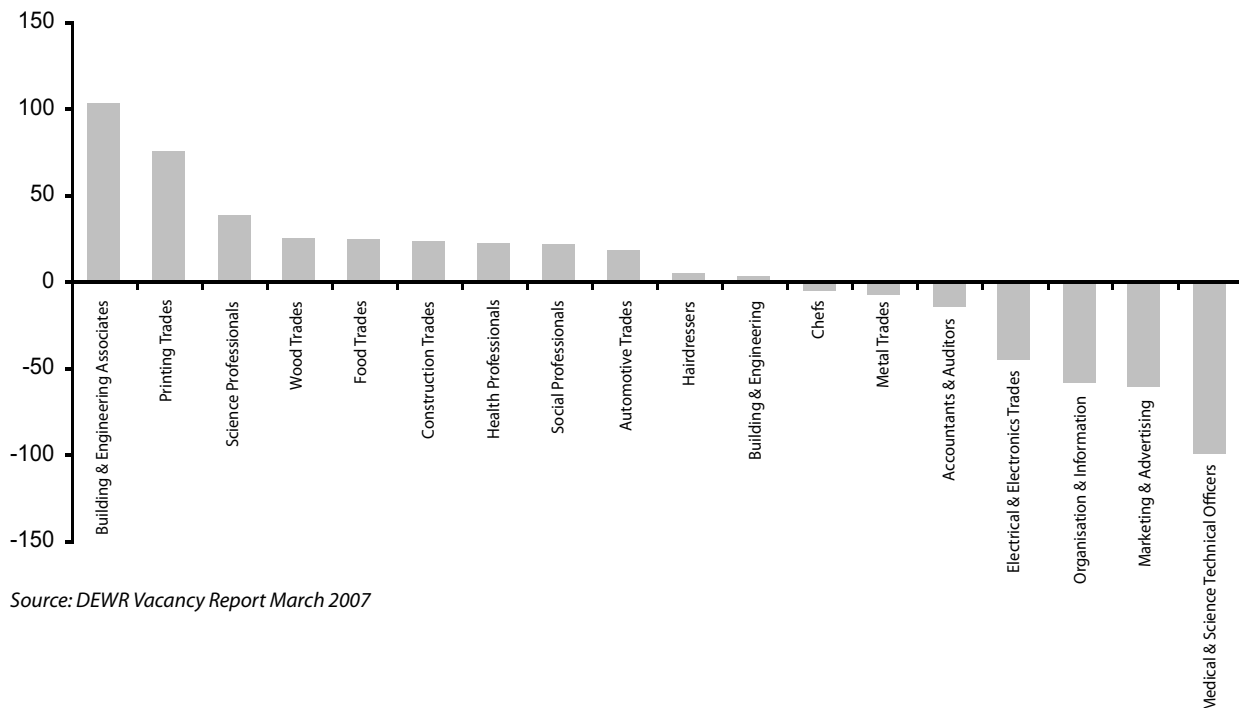
Labour costs

Wages growth, as expressed by the Wage Price Index (WPI), is forecast to grow at 4% in both 2006-07 and 2007-08. Public sector wages in Canberra grew at an annual rate of 4.4 % for the year ending the December quarter 2006 — faster than the 3.5% wages growth recorded in the private sector.

Skilled vacancies in the ACT

One indicator of the strength of demand for labour, and the persistence of skills shortages, is the Department of Employment and Workplace Relations (DEWR) index of skilled vacancies, which counts the skilled vacancies in the major newspapers each month. In the year to March 2007 (Figure 1), the ACT recorded an increase in advertised vacancies, with eleven of the eighteen occupational groups surveyed by the DEWR index recording higher vacancy levels over the year. The largest rises were recorded for Building and Engineering Associate Professionals, Printing Trades and Science Professionals.

**Figure 1: Skilled Vacancies –
ACT annual change (%) – March 2007**



Source: DEWR Vacancy Report March 2007

Skills shortages are a nation-wide problem. With national employment rising steadily, and the ACT economy experiencing employment growth in an environment of high participation rates and moderate population growth, skills shortages are expected to persist throughout 2007-08.

Short-term skills shortages can, in part, be attributed to the cyclical point of the labour market. That is, as the ACT approaches supply capacity constraints and the demand for labour keeps increasing, shortages can be expected while the market takes time to adjust wages, which in turn attracts more people to obtain the relevant skills through appropriate training. Training may take some time however, causing short-term shortages. Medium-term skills shortages relate to the provision of education in the key areas of need. Longer-term skills shortages relate to demographic trends such as the ageing of the

population, which will result in a smaller workforce as ageing workers retire and there are relatively less young workers to replace them.

Investment

Non-Dwelling Construction

The volume of ACT non-dwelling building work done in 2006 was \$1.1 billion, almost three times higher than the \$412 million recorded in 2004 (in price adjusted terms). This surge in non-dwelling building construction has been unprecedented in the Territory's history, even eclipsing the activity associated with the construction of the New Parliament House in the late 1980s. Both the development of new office blocks, created mainly to accommodate the expanding Australian Government workforce, and new retail complexes, have sustained this growth.

It is likely that the level of non-dwelling construction activity will decline in 2007-08, with the associated potential for negative growth a possibility as activity returns to more normal levels. Offsetting this moderation in non-dwelling investment in 2007-08 is the forecast for sustained growth in business investment and dwelling investment.

Housing market

The ACT housing market is expected to experience moderate growth over the forward estimates, consistent with a buoyant labour market and continued household income growth. Property turnover, while growing only modestly in 2006-07, is expected to rise in 2007-08 in line with the release of new land and units over the forecast period. House prices are set to record modest real growth in 2007-08. Modest house price growth, rising incomes, and the ACT Government's Housing Affordability initiatives will support continued interest by first home buyers during 2007-08.

The ACT Population: Current Trends and Future Implications

ABS estimates indicate that over the past decade the ACT usual resident population has grown steadily, from just over 308000 in 1996 to around 336 450 in December 2006. Over this period, natural increase (births minus deaths) accounted for 9.2 percentage points of growth and overseas migration a further 0.8 percentage points.

Ageing of the ACT Population

Over the past three decades, the ACT population has aged markedly. In 1976, 82.4 per cent of the ACT population was aged below 45 years. However, by 2006, this percentage had fallen to 65.3 per cent. The obvious structural change is the increasing numbers of middle-aged and older adults relative to children.

Implications of Population Ageing

A long-term decline in the relative size of the ACT working population has the potential to create further labour shortages and place increased pressure on what is projected to be a relatively smaller cohort of younger workers. The ACT Government is positively addressing labour supply side constraints through initiatives such as the *Skilled and Business Migration Program*, *Live-in-Canberra* campaign and the establishment of the Skills Commission. Similarly, while government incentives to encourage mature-aged workers to remain in the labour force longer may offset the loss of older cohorts from the labour force, increases in the mature-aged working population are unlikely to be sufficient to offset the expected fall in the participation rate over the coming decades. In addition, ageing will impact directly on the composition and level of services required by the ACT community, with demand for health and aged care services expected to grow particularly strongly over the coming decades.

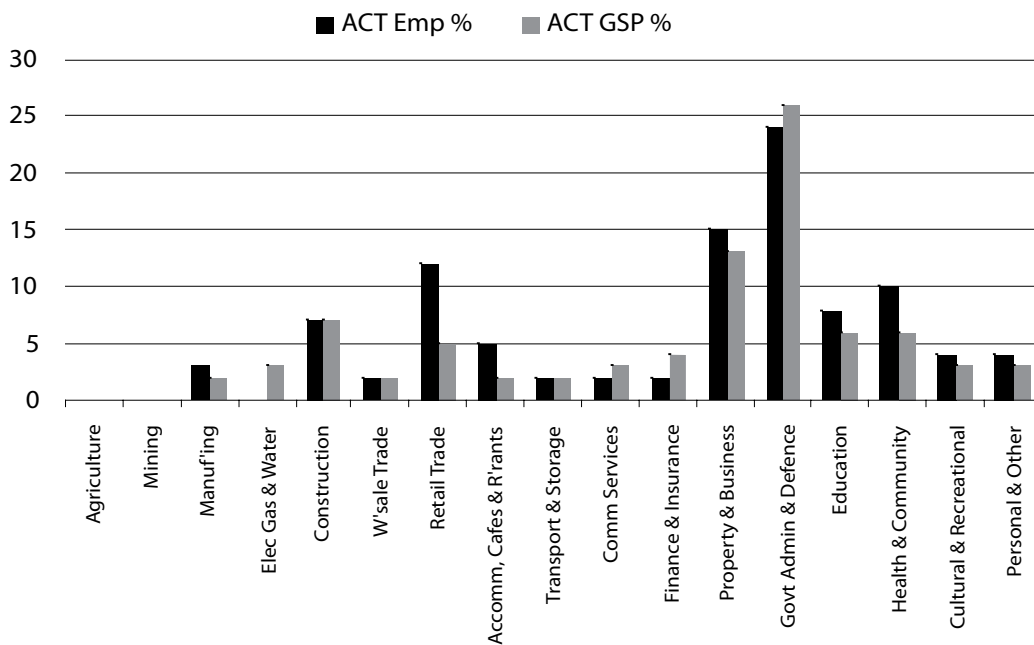
The ACT Government, like all other Australian governments, will be confronted with significant policy challenges because of population ageing. Policies focusing on improving regulation and developing human capital will be needed to ensure that changes in the size and structure of the working population do not adversely affect labour force productivity and participation over the coming decades. The ACT Government has begun to address the ageing challenge through its participation in the Council of Australian Government's National Reform Agenda (NRA). Modelling by the Productivity Commission suggests that the NRA has the potential to overcome the negative economic impacts of ageing through a focus on health promotion and disease prevention, education and training, and work incentives. As such, reforms to disability care and support, increased expenditure on mental health, and an increased focus on the prevention of diabetes are examples of initiatives supported by the ACT Government in order to maximise labour participation in an environment of population ageing.

The ACT industry profile

Each state and territory has its own distinctly different industry profile, and the ACT is no exception. Figure 2 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. The absence of agriculture, mining, and manufacturing is equally clear.

Figure 2 ACT Industry Profile

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



Source: ABS Cat. Nos 5220.0 and 6291.0.55.001

The Labour Market

This information is extracted from the Skills Commission publication: *Demographic Social and Economic Overview of the ACT*.

Employed people

At April 2007, there were, an estimated 187300 people employed in the ACT. This was nearly 3 200 people or 1.7% more than at April 2006 (184 100). At April 2007, 52.6% of these employed people were male and 47.4% were female. Of the total persons employed, 74.9 % (140 300) worked full-time and 25.1% (47 000) worked part-time.

Some 83.9 percent of employed males in the ACT worked full-time compared with 65.1% of employed females. The number of females employed part-time (31 000) was just under twice the number of males employed part-time (15 900). Government administration and defence sector employed most people (46 900), followed by property and business services (25 500) and retail trade (21 000).

Unemployment rate

Current ACT unemployment rate is 3.4% (April 2007), in comparison with the national average of 4.5%. It is the fourth lowest after the Northern Territory, Queensland, and Western Australia.

Wages

The February 2007 average weekly overtime earnings (AWOTE) in the ACT for all fulltime adult employees was \$1 294.80. This is \$179 or 14% higher than the national average weekly wage.

The 2005-06 Gross Household disposable income per capita was \$45 400, which was around 55 per cent higher than the national average.

Participation rates

The ACT's trend labour force participation rate at April 2007 was 73.2%. This represented an increase of 0.3 of a percentage point from April 2006 (72.9%). The female participation rate decreased by 0.4 of a percentage point and the male participation rate increased by 1.1 percentage points over the same period.

The ACT trend participation rate at April 2007 was the highest of any Australian state or territory, followed by the Northern Territory (69.4%). The national trend participation rate was 64.9%.

Policy drivers for VET in the ACT

The major policy drivers for ACT vocational education and training in 2007-08 are:

- ACT economic and labour market advice
- the *Canberra Plan*
- the *ACT Vocational Education and Training Strategic Plan 2005-2009*
- *ACT Skills Commission* reports and recommendations
- ACT and national strategies to address equity and disadvantage
- 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 VET targets. The summary of this advice from the ACT Budget 2006-2007 was presented earlier.

The Canberra Plan

The *Canberra Plan*, released in March 2004, sets out the ACT Government's long-term vision for the Territory. 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 and 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. Consultation with stakeholders ensures that the vocational education and training sector remains flexible and responsive to its environment.

The Strategic Plan was 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>

ACT Skills Commission

The ACT Chief Minister, Jon Stanhope MLA, announced the membership of the ACT Skills Commission on Thursday 9 November 2006.

The Skills Commission terms of reference:

- Provide high level, strategic advice to the Government on skills issues and the strategies required to meet the ACT's skills needs now and into the future
- In developing its advice and strategies, consult with stakeholders including business, the community sector, employees, students, education providers and the broader ACT community
- Advise of strategies to draw together the stakeholders so that enduring and systemic solutions are progressed to address skills issues.

The Commission was tasked with focusing on five themes:

- **Developing local talent** – maximising the impact of existing ACT skills training and education
- **Attraction and retention strategies** – advice on domestic and international skills attraction strategies, inward investment attraction with a people dimension and the marketing of Canberra as a place to work and live

- **Areas of acute short and strategic importance** – Information and Communication Technology skills is likely to be one of the first areas that will be looked at by a Commission working group
- **Community interest** – ensuring broader community issues, such as underemployment, assisting those wishing to enter the workforce to do so, and the ageing of the population are addressed
- **ACT Skills Futures** – going beyond fixing current issues to identify and respond to expected future skills issues.

The ACT Skills Commission has published *Demographic Social and Economic Overview of the ACT* on its website <http://www.actskillscommission.org.au/>. Its working group on Developing Local Talent has been developing draft recommendations to address skill shortage issues for consideration by the Commission. Some of these issues will be discussed later in this paper. The ACT Skills Commission Interim Report is now available for download at <http://www.actskillscommission.org.au/>.

Equity Strategies

The VET 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.

Community, business and stakeholder representatives are regularly consulted throughout the year, ensuring that departmental policies and strategies address the needs of equity groups.

Further information on strategies to support people from equity groups can be found at <http://www.actskillscommission.org.au/>.

The Skilling Australia's Workforce Agreement 2005 - 2008

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

The ACT's agreed contribution to this national effort, based on our working age population, is:

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

Government funded VET in the ACT

The 2007-08 ACT Budget allocates approximately \$80 million for VET.

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 2005-08*.

Three major programs are:

- Canberra Institute of Technology (CIT): funding of approximately \$66 million

The CIT is the largest provider of VET in the ACT. It offers over 450 programs across a broad range of skills areas at all levels to meet the changing needs of business and industry.

Qualifications range from certificate to degree level and provide a range of flexible learning options. CIT students include school leavers, first-time employees, those seeking a new career direction or additional skills and people with specific training needs.

- Australian Apprenticeships through User Choice: funding of approximately \$11 million

This market driven program enables employers to engage an apprentice or trainee and have their training delivered by a Registered Training Organisation (RTO) of their choice, through a training contract.

- Strategic Priorities Program: funding of \$2.5 million

This program is designed to maximise social inclusion, enabling access to VET 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 VET

Participation

The duration of VET courses range from days to a four-year traditional apprenticeship. Because 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 NCVER data for VET in the ACT, for each year from 1995 to 2006.

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 take up 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 by 22% over the past decade and 17% since 2002. Participation by women has increased more rapidly than by men, and the ACT is the only jurisdiction with more female than male VET students.

Figure 3 All ACT VET students by year, 1995 – 2006

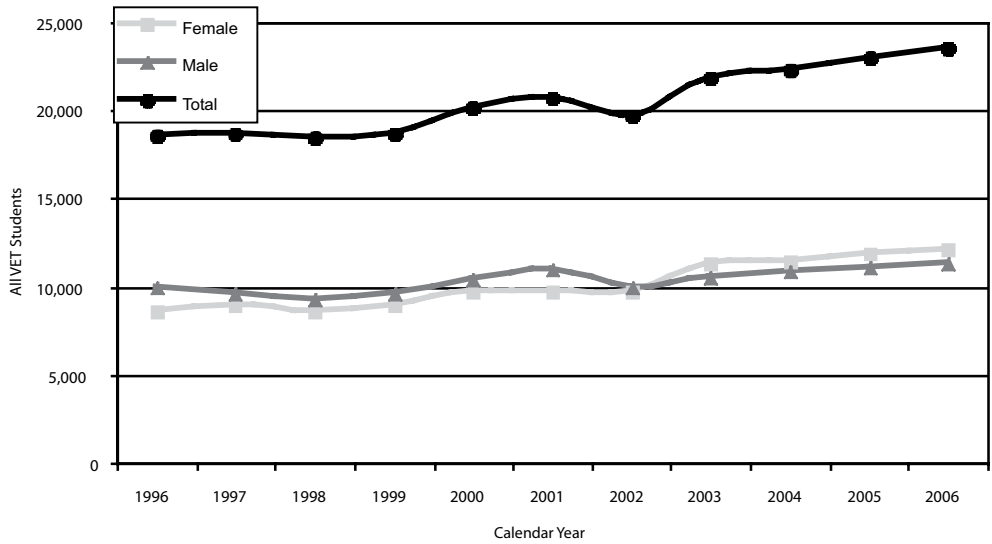
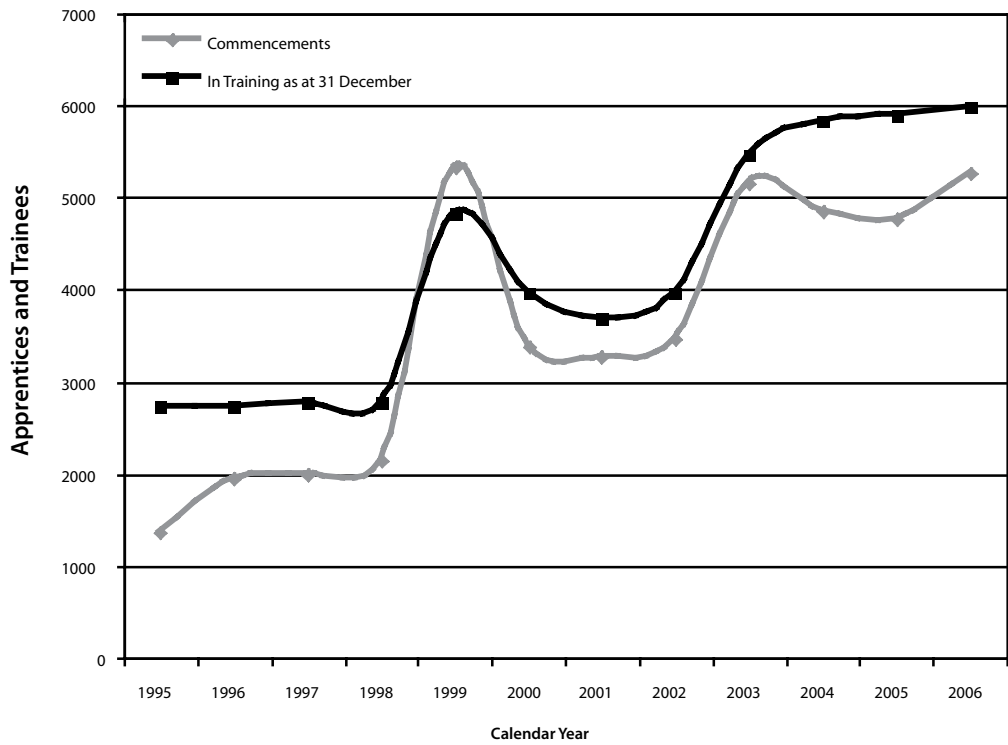


Figure 4 ACT Apprenticeship and Trainee data by year, 1995 – 2006



National survey

The National Centre for Vocational Education Research (NCVER) conducts an annual survey of students participating in vocational education. The NCVER 2006 Student Outcomes Survey results released in November 2006 reveal that in the Australian Capital Territory:

- 86.4% of all graduates and 83.1% of all module completers were employed after their training
- 9.8% of all graduates and 7.8% of all module completers were not employed before their training but were employed after. These proportions represent 53.4% of those graduates and 40.9% of those module completers who were not in employment before their training
- 14.1% of all graduates and 12.1% of all module completers were employed in their first full-time job after their training.
 - Of those employed after training:
 - 78.0% of graduates and 55.9% of module completers reported that their training was highly or somewhat relevant to their current job
 - 75.9% of graduates and 54.4% of module completers received at least one job-related benefit from their training
 - 92.8% of all graduates were employed or in further study after their training
 - 87.3% of all graduates and 78.7% of all module completers were satisfied with the overall quality of their training.

Skills shortages

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
- 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
- reduced capability to provide quality education services.

ACT Skills Commission

The ACT Skills Commission is considering in depth ways and means of getting more skilled people into the workforce, and with particular relevance to future directions of VET, options to maximise existing ACT skills education and training.

There are many possibilities. It is important to recognise that the ACT leads the country on most education and training indicators, and has a strong base for future expansion of VET to prevent skill shortages developing, and to reduce those that have become apparent. A broad-based approach is being taken to consider options to:

- capitalise on existing education infrastructure to create an education hub to provide accessible and flexible learning pathways
- ensure all 17 year olds have completed school or the equivalent in vocational education and training
- encourage students at risk of dropping out to stay in education
- encourage people with a disability to participate more comprehensively in the workforce, improving their skill levels to ensure they are developing to their full capacity
- encourage part time workers, particularly women, to participate more comprehensively in the workforce, improving their skill levels to ensure they are developing to their full capacity
- link more training to social welfare programs to assist chronically unemployed people to develop higher skill levels
- encourage more mature workers to improve their skills, and to entice actual and potential retired employees to remain longer in the workforce.

Options more directly connected with VET could include:

- developing a program to provide strong levels of support, including mentoring and advice for young people dropping out of education/employment

- providing projects to assist adults not fully participating in the workforce develop the required skills and attitudes to participate more fully, by tailoring programs for people with specific needs (sole parents, people with a disability, Indigenous Australians, older workers and so on)
- focusing on increasing the take-up of accredited national training throughout the Australian and ACT Public Service, from entry level to potential retirees
- continuing to encourage the take-up of Australian School-based Apprenticeships
- focusing on developing a skill-development hub among all VET and Higher Education providers
- continuing to encourage higher order technology qualifications
- seeking to shorten apprenticeships, with a view to improving completion rates
- continuing to improve partnerships with industry.

The ACT Skills Commission has published an Interim Report which is now available for download at <http://www.actskillscommission.org.au/>.

Available Labour Market 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 the latter suffers from relatively high sampling error in their ACT data, due to the small size of the ACT and the sample taken here.

DEWR is now beginning to publish separate ACT data for a range of jobs, including IT positions.

Industry Training Advice

The majority of this advice was provided by ACT Industry Training Advisory Boards (ITABs) in May 2007. Other stakeholder input is incorporated where available.

Skills shortages

ITABs have 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.

ITAB 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. Apprentice poaching 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 as being 40 years and above is realistic and appropriate. This would require national consensus.

Shortage of VET teachers and trainers

The local and national VET systems are suffering significant shortages of VET teachers and trainers, who require the Certificate IV in Training and Assessment and 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 negative impact on training outcomes of low literacy and numeracy levels among some students.

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 workers 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 Australian Schools-based Apprenticeships (ASBAs) are continuing in the ACT, with a number of new programs commencing throughout 2007 (e.g. plumbing and beauty therapy). There is also considerable activity in the development of programs for youth-at-risk.

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.

ITAB Recommendations

1. Continue to conduct national training package promotion and implementation forums/activities to assist industry to understand and work with:
 - new training packages
 - revised training packages.
2. Develop a simple marketing campaign to identify potential industry members, in real terms (such as wages, cars, homes), the benefits of a career in the traditional trades. Identify to current industry members the career paths available to them within the industries. 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.
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.

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 clusters 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, providing the necessary partnership and industrial requirements are satisfied.

Monitor the delivery and assessment of VET 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 Recognition of Prior Learning (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

Although the Australian National Training Authority (ANTA) was abolished in 2005, the 19 industry groups that it had identified for use in the Australian VET context continue to be applied. The summary for each 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

Number	ANTA Group Title
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 also 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 and 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 other ANTA industry groups, a total of 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 publication.

ACT Indicative Skills Shortage Areas Relevant to VET

Trades or professions identified by DEWR as being in short supply are highlighted in blue.

ACT Skills Shortage Areas 2007 - 2008

The list of skill shortages presented below has been developed by the Department of Education and Training in consultation with ACT Industry Training Advisory Boards (ITABS) and other stakeholders. It has been endorsed by the Chief Executive's VET Advisory Group.

ANTA Industry Group	Occupations
1 - Arts, Entertainment, Sport and Recreation	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
2- Automotive	Automotive supervisors
	Specialist repair and servicing tradespeople
	Motor cycle mechanics

ANTA Industry Group	Occupations
3 - Building and Construction	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
	4 - Community Services, Health and Education
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	
5 - Finance, Banking and Insurance	Accountants and Bookkeepers
	Financial advisors
	Finance controllers
	Credit professionals
	Property managers
6 - Food Processing	Bakers and food tradespeople
7 - TCF and Furnishing	Furniture designers
	Woodworkers
	Picture framers
10 - Primary Industry	Veterinary nurses and veterinary assistants
	Horticulturalists
12 - Sales and Personal Services	Hairdressers

ANTA Industry Group	Occupations
13 - Tourism and Hospitality	Chefs and cooks Tourism workers Attraction curators Conservators and restorers
14 - Transport and Storage	Transport drivers
15 - Utilities	Cable jointers and data cablers Data communications technicians Electricians and lineworkers Electronic assembly and servicing tradespeople Refrigeration & air-conditioning mechanics
16 - Business and Clerical	E-Business workers Small business managers Public service managers
17 - Computing	Software diagnosticians Business analysts Network technicians and managers User support staff
18 - Science, Technical and Other	Pest managers Spatial information systems specialists

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

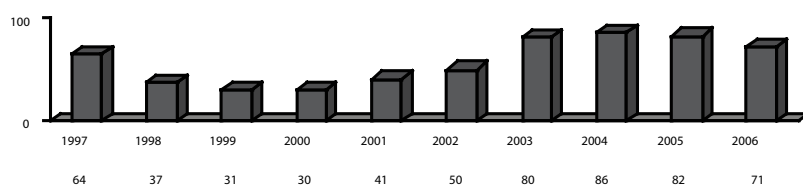
Total Training Activity

All VET Course Enrolments 2006	1016
All VET Course Enrolments 2005	976
All VET Course Enrolments 2004	1,072

Australian Apprenticeships Training Activity

Australian Apprenticeships Commencements Annual Average 2002 to 2006	82
Australian Apprenticeships Commencements 2006	60
Australian Apprenticeships Commencements 2005	80
Australian Apprenticeships Commencements 2004	89
Australian Apprenticeships Commencements 1/1/2006 To 25/7/2006	36

Australian Apprentices in training in the ACT as at 31 December each year



Industry Advice

A major trend in this industry group is the growth of multimedia technology and digitisation for the presentation of materials interactively in onsite kiosks in museums and galleries, and online. Emerging industry needs, design occupations and related skills are rapidly converging. New qualifications including Visual Arts and Contemporary Craft, Aboriginal and or Torres Strait Islander Cultural Arts, Design, Photo-imaging, and Arts Administration/Management are now in the training package. There is growing local interest for arts administration traineeships and Arts Management higher tertiary qualifications for community cultural development workers.

Workers in the music, screen and media industries must be multi-skilled and able to work across sectors. There is growing employment in business promotion and events, sound engineering, preservation and restoration of music and films as well as an emerging need for IT programmers to develop new authoring tools for use on major animation, games, and international music projects. Rate rises to insurance premiums in the industry sector have increased and highlighted the ongoing need for specific Occupational Health and Safety (OH&S) training to ensure the location safety during film, TV, and advertising production.

There is a shortage of curators/conservators and restorers in museums and galleries across the ACT, providing an opportunity for the VET sector to utilize higher-level qualifications in the Training Package. Major libraries and art galleries are currently digitising their extensive archives to make them available to the global community.

Animation is rapidly emerging and expanding as an IT industry sector, developing new creative media with a growing range of applications across the creative industries (film, publishing, design, sound, visual arts

and animation). Different mixes of media are used in their multimedia applications such as 3D animation for medical diagnostic on-line training applications, TV advertisements, biotechnology and medical research, web design and the defence industry for military simulations.

There are opportunities for fitness instructors to provide services to the corporate and private sectors in response to the government initiatives to promote lifelong physical activity and exercise to reduce the effects of chronic conditions, obesity, and diseases. Employment growth to 2010 for fitness instructors is expected to be strong nationally.

The extent of the outdoor recreation industry and its economic and social contribution is significantly underestimated. The lack of career paths in the sector is a disincentive to people remaining in the sector and turnover is high. There is a constant need to train outdoor instructors and trainers.

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

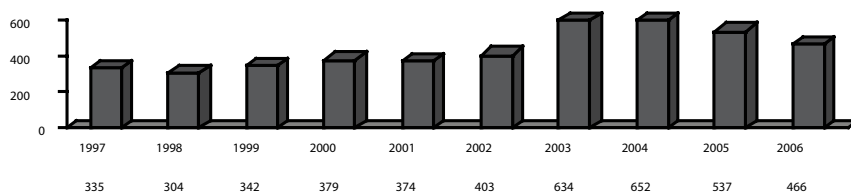
Total Training Activity

All VET Course Enrolments 2006	585
All VET Course Enrolments 2005	674
All VET Course Enrolments 2004	453

Australian Apprenticeships Training Activity

Australian Apprenticeships Commencements Annual Average 2002 to 2006	342
Australian Apprenticeships Commencements 2006	323
Australian Apprenticeships Commencements 2005	306
Australian Apprenticeships Commencements 2004	336
Australian Apprenticeships Commencements 1/1/2007 to 30/06/2007	181

Australian Apprentices in training in the ACT as at 31 December each year





Industry Advice

The ACT's predominant 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.

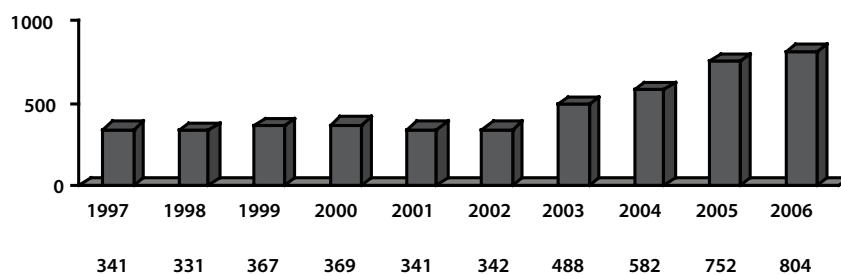
Employers and RTOs continue to support the utilisation of pre-vocational training programs as a means of addressing the shortages. These programs have traditionally led to very high job placement rates and provide entry-level employees with sufficient knowledge and skill to make a worthwhile contribution 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 2006	1371
All VET Course Enrolments 2005	1135
All VET Course Enrolments 2004	1092
Australian Apprenticeships Activity	
Australian Apprenticeships Commencements Annual Average 2002 to 2006	444
Australian Apprenticeships Commencements 2006	557
Australian Apprenticeships Commencements 2005	537
Australian Apprenticeships Commencements 2004	466
Australian Apprenticeships Commencements 1/1/2007 to 30/06/2007	351

Australian Apprentices in training in the ACT as at 31 December



Industry Advice

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 Central Business District alone) over the next three 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 delivering 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.

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 into:

- Course in the Identification and Safe Handling of Asbestos
- Course in Asbestos Removal and Supervision
- Course in Asbestos Assessment
- Course in Asbestos Management Planning.

Industry Skills Report June 2006: Construction and Property Services

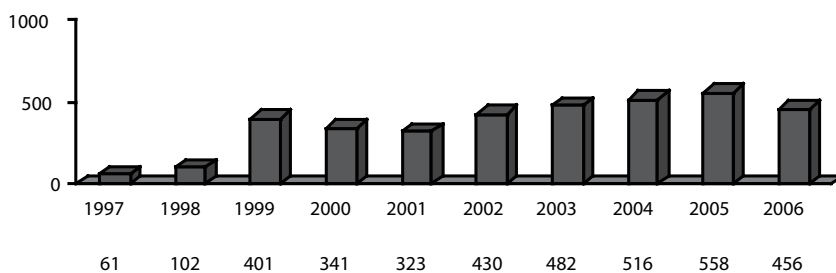
Challenges lie in the boom-bust business cycle; adaptation to new technologies and products; compliance with OH&S and licensing requirements; providing sufficient flexibility in qualifications and conditions to attract and retain a balanced workforce; and upskilling older workers for long-term industry 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 2006	3107
All VET Course Enrolments 2005	2773
All VET Course Enrolments 2004	2786
Australian Apprenticeships Training	
Australian Apprenticeships Commencements Annual Average 2002 to 2006	562
Australian Apprenticeships Commencements 2006	528
Australian Apprenticeships Commencements 2005	643
Australian Apprenticeships Commencements 2004	579
Australian Apprenticeships Commencements 1/1/2007 to 30/06/2007	355

Australian Apprentices in training in the ACT as at 31 December



Industry Advice

Skills shortages impacting on community services and health industries are exacerbated by labour shortages across the workforce. Industry is responding by examining critical areas of work and associated skills and knowledge to restructure work roles and patterns.

To encourage workers to remain in the sector, a renewed emphasis on career pathways and opportunities assists employers to implement structured pathways for advancement within their organisations in order.

The impact of increasing numbers of clients with complex health and personal care needs may add weight to the effects of changing service delivery and funding models resulting in blended qualifications that enhance the overall skills of an already mobile workforce.

Over the next ten years more emphasis will be on community-based self-care, national electronic health records and data storage, and new models of care. Consequently, service delivery models need to be more flexible and more client-centred. Integrated care programs flag the possibilities inherent in moving away from sector specific competencies to a broader range of skills that encourage a versatile workforce with multidisciplinary skill sets. The VET Sector has a role to play in assisting industry in the process of redefining the necessary skills and required training in line with future demands of client needs and work roles.

Assessment and Workplace Training Package TAA04

While still relatively new, it is considered that this Training Package is of such central importance to the VET system and its clients that continuous improvement should commence now, as practitioners are managing the opportunities and challenges presented by initial experience of delivery to clients. The work of the National Quality Council can also inform the continuous improvement process with evidence arising from two

national strategic industry audits suggesting that there are continuing high levels of non-compliance across Registered Training Organisations (RTOs) and industries with Australian Quality Training Framework (AQTF) standards 7, 8 and 9. These are the core standards relevant to quality outcomes for clients, relating to competence of RTO staff, quality of RTO assessments and evidence of appropriate learning and assessment strategies.

The TAA04 has never been more important to the training system than now. In February 2006 the Council of Australian Governments (COAG) initiated a number of reforms to lift labour market skilling and mobility through training, including a significant initiative to improve quality of the system by developing revised outcomes based standards and an outcomes-based audit model for RTOs. The ongoing roll-out of the TAA04 will have a significant contribution to make to the implementation of the COAG initiatives, by virtue of the fact that it is the key tool for lifting standards of the training workforce over time. A highly skilled VET workforce will be well positioned to implement the new quality framework being developed, as well as the other changes which will flow through in the next 3 years as a result of the COAG agreements.

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

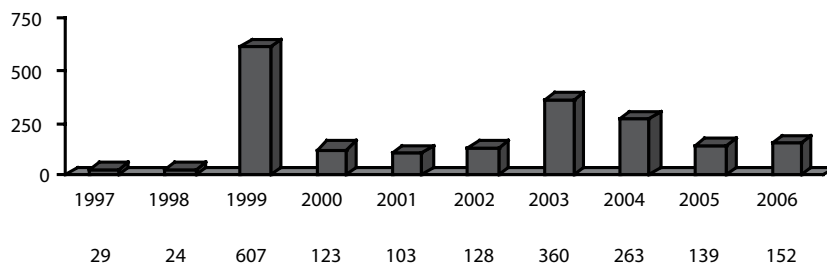
Total Training Activity

All VET Course Enrolments 2006	755
All VET Course Enrolments 2005	936
All VET Course Enrolments 2004	1367

Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 2002 to 2006	287
Australian Apprenticeships Commencements 2006	220
Australian Apprenticeships Commencements 2005	238
Australian Apprenticeships Commencements 2004	368
Australian Apprenticeships Commencements 1/1/2007 to 30/06/2007	62

Australian Apprentices in training in the ACT as at 31 December



Industry Advice

In the ACT the demand for financial planners has increased markedly. This demand has been driven by two factors: first the introduction of new regulations and licensing requirements for organisations and individuals giving financial advice, and secondly, the increasing national focus on superannuation and investment as a means of funding retirement.

Age of trainees is another issue raised, as it is considered that an image of maturity and experience is necessary for financial planners to be respected and accepted by potential users.

The new demand for financial planners has seen a corresponding demand in recognised training.

Adding to this demand are employees who, because of industry changes such as the introduction of banking by internet and phone, are feeling less secure in their jobs. They are therefore seeking to upgrade their qualifications and/or switch to financial planning within their organisations, including banks.

In many cases the employers are questioning the effectiveness of apprenticeships and traineeships as a means of training. Those without industry experience and new to the industry are not seen as credible to an older population who are seeking financial advice on their future investments. Employers are wary of long-term training. Some employers see a two-stage training plan approach as a better option; beginning at Certificate III and then embarking on further training after experience has been gained within the industry.

With the implementation of the new package all stakeholders need to be guided through the implementation process, as there are considerable changes from the old package.

Within the new package there will be increased opportunities of introducing Certificate I into colleges as a pre-apprenticeship pathway into the financial industry. This could be an exciting pathway into the financial sector for the future. The Department of Treasury through their Language and Literacy arm is looking at this option.

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

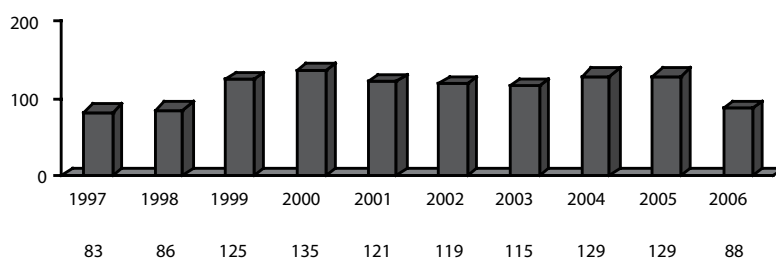
Total Training Activity

All VET Course Enrolments 2006	115
All VET Course Enrolments 2005	132
All VET Course Enrolments 2004	105

Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 2002 to 2006	76
Australian Apprenticeships Commencements 2006	55
Australian Apprenticeships Commencements 2005	80
Australian Apprenticeships Commencements 2004	84
Australian Apprenticeships Commencements 1/1/2007 to 30/06/2007	24

Australian Apprentices in training in the ACT as at 31 December





Industry Advice

The ANTA defined 'Food Processing' industry incorporates Confectionary Making, Retail Baking, Wine, Food Processing, Meat Retailing, Butchery and Seafood Processing, Sales and Distribution. Numbers of apprenticeship in the industry remain low but stable.

Globalisation of markets, changing consumer spending patterns, new technologies and compliance regulations along with low participation by young people and an ageing workforce continue to challenge the food processing sector.

Career pathways and employment opportunities need to be promoted to attract people to the industry along with increased partnerships between government, industry and communities.

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

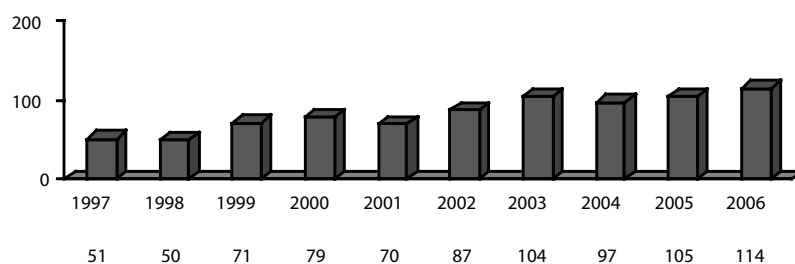
Total Training Activity

All VET Course Enrolments 2006	310
All VET Course Enrolments 2005	341
All VET Course Enrolments 2004	309

Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 2002 to 2006	75
Australian Apprenticeships Commencements 2006	86
Australian Apprenticeships Commencements 2005	54
Australian Apprenticeships Commencements 2004	91
Australian Apprenticeships Commencements 1/1/2007 to 30/06/2007	46

Australian Apprentices in training in the ACT as at 31 December



Industry Advice

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 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.

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

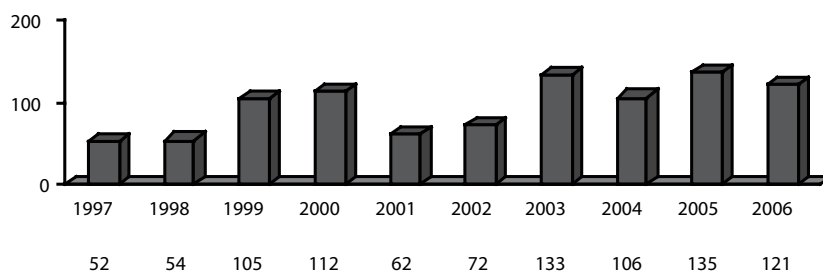
Total Training Activity

All VET Course Enrolments 2006	220
All VET Course Enrolments 2005	225
All VET Course Enrolments 2004	318

Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 2002 to 2006	169
Australian Apprenticeships Commencements 2006	218
Australian Apprenticeships Commencements 2005	241
Australian Apprenticeships Commencements 2004	181
Australian Apprenticeships Commencements 1/1/2007 to 30/06/2007	108

Australian Apprentices in training in the ACT as at 31 December





Industry Advice

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 third 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, however, personnel with OH&S and workplace trainer and assessor qualifications are required across the industries.

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

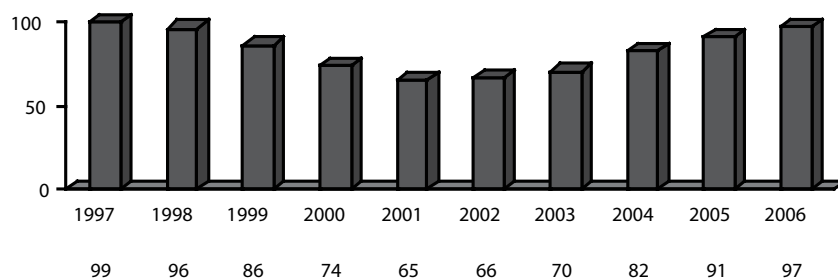
Total Training Activity

All VET Course Enrolments 2006	350
All VET Course Enrolments 2005	398
All VET Course Enrolments 2004	317

Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 2002 to 2006	47
Australian Apprenticeships Commencements 2006	69
Australian Apprenticeships Commencements 2005	53
Australian Apprenticeships Commencements 2004	53
Australian Apprenticeships Commencements 1/1/2007 to 30/06/2007	21

Australian Apprentices in training in the ACT as at 31 December





Industry Advice

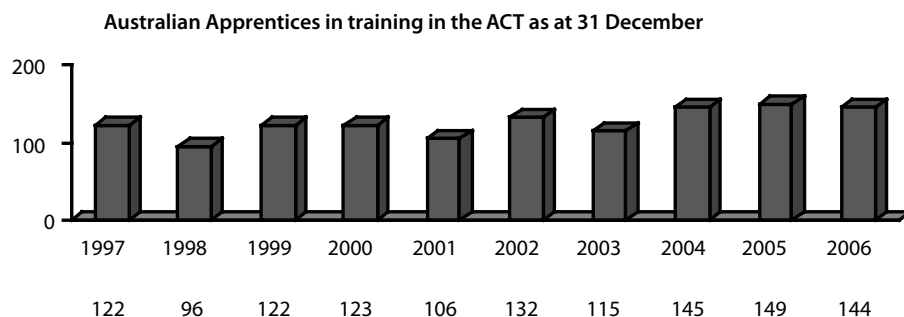
ABS data shows that the value of construction work done in the ACT has remained above the \$200 million mark for the past two years with the annual work requirements expected to vary between \$216 million and \$237 million a year until the end of the decade. The ACT had recorded building work up 25.2 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% with residential building rising by 3.4%. Significantly, non-residential building activity rose by 10.8%, the highest level since the March quarter of 1990.

Due to the lack of industry presence in the ACT, the ITA 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 2006	516
All VET Course Enrolments 2005	606
All VET Course Enrolments 2004	484
Australian Apprenticeships Training	
Australian Apprenticeships Commencements Annual Average 2002 to 2006	83
Australian Apprenticeships Commencements 2006	84
Australian Apprenticeships Commencements 2005	101
Australian Apprenticeships Commencements 2004	93
Australian Apprenticeships Commencements 1/1/2007 to 30/06/2007	28



Industry Advice

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 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.

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 and 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

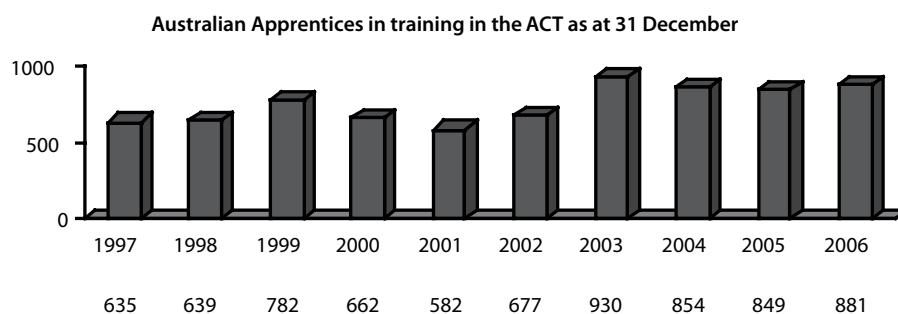
Personal and Other Services
 Retail Trade
 Wholesale Trade

Total Training Activity

All VET Course Enrolments 2006	1715
All VET Course Enrolments 2005	1352
All VET Course Enrolments 2004	1803

Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 2002 to 2006	1022
Australian Apprenticeships Commencements 2006	1256
Australian Apprenticeships Commencements 2005	997
Australian Apprenticeships Commencements 2004	984
Australian Apprenticeships Commencements 1/1/2007 to 30/06/2007	341



Industry Advice

The industries covered by Wholesale, Retail and Personal Services (WRAPS) ACT are diverse in composition and size of operations, and include small businesses to large national retailers. The Personal services sector constitutes hairdressing, beauty, and funeral industries while the retail sector includes the fast food, floristry, community pharmacy, and dry cleaning industries.

The WRAPS industries are some of the largest employers in the ACT (14.33% share of the ACT's employment) and forecasts indicate that the industries will continue to remain strong (12.24% growth in ACT employment expected to 2010).

The industries employ a large number of women and young people, particularly students on a part-time or casual basis. Employment of women is over 50% of the workforce and is maintained throughout the range of age cohorts.

The strength of the Retail industry is often a measure of economic well being, as people with disposable income have confidence to spend, thus indicating the health of the economy. In January 2007, the retail turnover in the ACT rose 0.3% to \$353.4 million and turnover in the ACT for year ending 2007 was up 7.3% (*Retail Trade – January 2007 publication*)

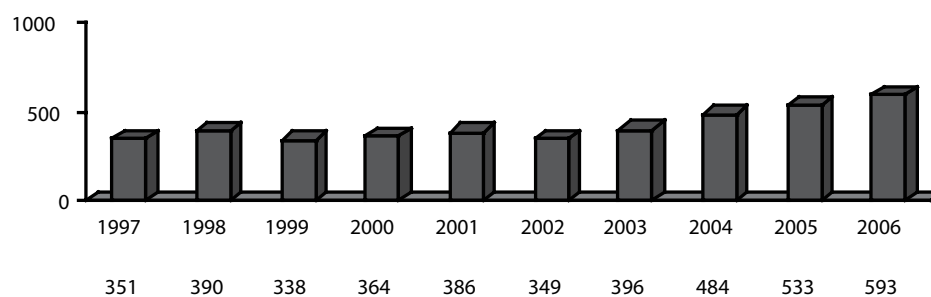
At present, the WRAPS industries are particularly concerned about:

1. Apprentice/Trainee Training – the need is mainly for training in entry level (*communication skills, customer service, selling, stock control, on-line retailing, waste minimisation and OHS*), administrative staff and the implementation of VTE/ASBA programs.
2. Lack of Consistency in delivery and assessment across RTO's and Industry Employers
3. Apprentice Poaching– employers who have consistently employed 1st year apprentices and trained them to completion are becoming increasingly frustrated by other industry members poaching apprentices at the end of their second year or during later years when they become 'productive'. This occurs for many reasons, including, the desire to seek "greener pastures" and brighter career futures in other industries. Employees have no real intention of staying in the retail industry and consider it more as a "stop gap" employment measure whilst completing studies or applying for positions in other industries.
4. Delivery to thin markets – due to high staff turnover, skill shortages are currently being experienced in senior positions and at store manager level.
5. Indirect costs – namely OHS compliance, insurance, super and workers compensation costs.

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 2006	2072
All VET Course Enrolments 2005	2303
All VET Course Enrolments 2004	1659
Australian Apprenticeships Training	
Australian Apprenticeships Commencements Annual Average 2002 to 2006	524
Australian Apprenticeships Commencements 2006	638
Australian Apprenticeships Commencements 2005	576
Australian Apprenticeships Commencements 2004	526
Australian Apprenticeships Commencements 1/1/2007 to 30/06/2007	303

Australian Apprentices in training in the ACT as at 31 December



Industry Advice

In the ACT and Region during 2005 – 2006, ACT tourism industry directly accounted for \$545 million of Gross Territory Product (GTP), representing 1.8% of Australia's total GDP. In the same year, tourism indirectly contributed a further \$230 million in GTP to the ACT economy. Combining direct plus indirect contributions, tourism contributed \$760 million in GTP to the ACT economy." (Access Economics 2005). Additionally, recent research on the economic impact of visitors to ACT attractions found that 33% of their expenditure was spent on accommodation and 30% was spent on food and beverages (Ritchie & Dickson, 2006). This is the direct contribution to the ACT economy and does not include any indirect contributions that would subsequently result.

Tourism and hospitality are reported to be the largest private sector employers in the ACT economy with over 14,000 staff employed or 4.6% of the ACT workforce (TTFA 2004). In the third quarter of 2005, there were 2535 people employed in accommodation establishments alone in the ACT (ACTC 2005).

Additionally, with a severe shortage of both skilled and unskilled labour currently affecting these industries, the opportunities for employment are further increased. However, 'the industry suffers from an image of being a low paying sector that does not attract qualified graduates as against service industries such as banking, telecommunications and finance.' (PATA 2005)

Skills shortages

The *Chef's Forum* report identified four strategies to be pursued in seeking to increase recruitment and enhance retention:

- **Marketing cooking as a career to encouraging industry recruits**
 - Marketing to schools and school students
 - Marketing to other potential recruits.
- **Better quality skills development**
 - More effective training and education
 - More effective recognition of skills and training.
- **Supporting chefs on the job**
 - All Chefs
 - Apprentices.
- **Industry development**
 - Strengthen industry ties
 - Review and promote industry standards
 - Industry issues register and resolution mechanisms.

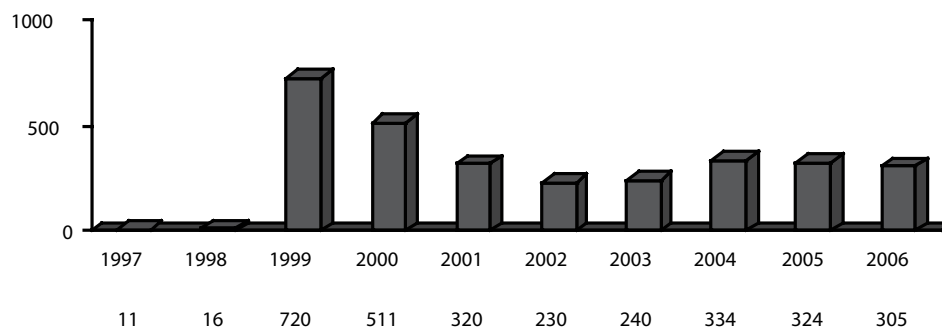
An *Action Plan* has been developed, with a list of six key priorities to be pursued, including:

- twice yearly industry forums
- establish and support apprentices support mechanisms, eg 'Young Chef's Club' at CIT
- develop and implement a mechanism for issues identification and processing
- strengthen recognition (including awards) systems for excellence
- stronger promotion of cheffing as a career at ACT schools and colleges
- resolve issues with competency / skills assessment systems.

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 2006	252
All VET Course Enrolments 2005	255
All VET Course Enrolments 2004	196
Australian Apprenticeships Training	
Australian Apprenticeships Commencements Annual Average 2002 to 2006	243
Australian Apprenticeships Commencements 2006	240
Australian Apprenticeships Commencements 2005	268
Australian Apprenticeships Commencements 2004	277
Australian Apprenticeships Commencements 1/1/2007 to 30/06/2007	55

Australian Apprentices in training in the ACT as at 31 December



Industry Advice

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 has 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 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.

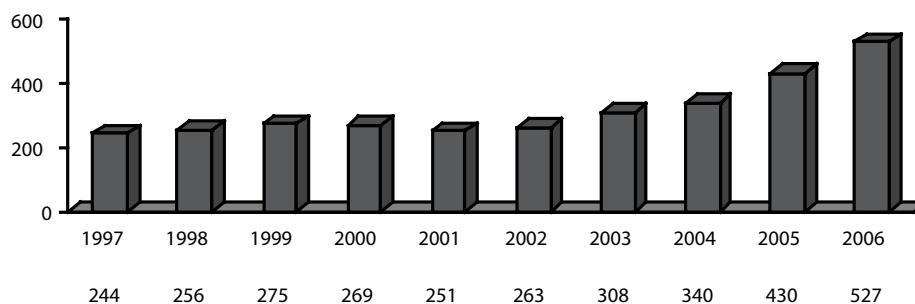
OH&S training is a priority for this industry. The RTO is currently targeting non-transport industries employing large numbers of transport workers in their operations. The intent is to increase the number of drivers currently being trained. However, the training required is a partial, rather than a 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 2006	947
All VET Course Enrolments 2005	696
All VET Course Enrolments 2004	666
Australian Apprenticeships Training	
Australian Apprenticeships Commencements Annual Average 2002 to 2006	199
Australian Apprenticeships Commencements 2006	292
Australian Apprenticeships Commencements 2005	246
Australian Apprenticeships Commencements 2004	176
Australian Apprenticeships Commencements 1/1/2007 to 30/06/2007	120

Australian Apprentices in training in the ACT as at 31 December



Industry Advice

This year has seen a continuous record of intakes of apprentices in both the local Electrotechnology and Electricity Supply Industries. The industry currently employs in excess of 460 000 and the Electricity Supply Industry, including Gas, more than 45 000. Industry studies indicate strong growth prospects in the next few years. This is in response to the bulk of work to be undertaken in the ACT in the next two years (\$2 billion in CBD alone) and the industry skills shortages continuing to affect the industries.

The significant skills shortages of trade teachers continue to hamstring training delivery in the ACT and nationally.

Industry Training needs at the present time can be divided into three groups, namely; those of entry-level employees, existing employees and general training needs of all employees. Refresher and continual improvement training for existing tradespeople is identified as a training need within both the Electrotechnology and Utilities industries. Changes in technology have necessitated considerable alteration to trade training programs and industry members have identified that tradespeople who completed the 'old' trade programs may benefit from 'gap' training. All RTOs should provide gap training as part of their AQTF requirements.

Also increasing are the demands for employers and employees to keep up to date with major relevant issues such as work cover and the demands of Occupational Health & Safety (OHS) standards and regulations in the workplace.

The implementation and endorsement of the revised National Electrotechnology Industry Training Package has been applied this year. The package has been placed on

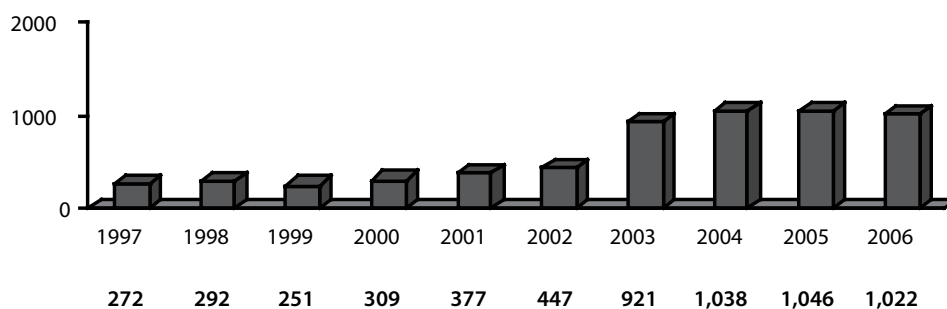
the National Training Information System and is currently being worked in to the curriculum at RTOs nationally.

Industry Intelligence at this point in time indicates that training for Gas Industry operatives is likely to increase in the ACT in the near future. Relevant industrial parties are supporting the implementation of Certificate II to IV as an Australian Apprenticeship Pathway. Due to the dangerous nature of the industry and the specialist nature of work therein, school-based delivery is not supported for qualifications above Cert I.

16 Business and Clerical

<p>Training in this ANTA Group includes the following industry areas:</p>	<p>Business Services Public Services</p>
<p>ANZSIC Industry Sectors employing workers who often train in this ANTA Group</p>	<p>Communications services Finance and Insurance Property and Business Services Government Administration and Defence</p>
<p>Total Training Activity</p>	
All VET Course Enrolments 2006	6249
All VET Course Enrolments 2005	6117
All VET Course Enrolments 2004	5689
<p>Australian Apprenticeships Training</p>	
Australian Apprenticeships Commencements Annual Average 2002 to 2006	1072
Australian Apprenticeships Commencements 2006	1217
Australian Apprenticeships Commencements 2005	1064
Australian Apprenticeships Commencements 2004	1110
Australian Apprenticeships Commencements 1/1/2007 to 30/06/2007	303

Australian Apprentices in training in the ACT as at 31 December



Industry Advice

More than two million Australians currently work in business services, and the industry is growing by 5% annually. The skills required to succeed in this vast and dynamic industry are provided for in the Business Services Training Package.

It is encouraging to see the growth in higher level training ranging from Diploma to Advance Diploma levels. This sector has, and will continue to, enjoy high uptake of New Apprenticeships. However, there is still a real need for innovative, flexible training solutions aimed at existing workers. There is a need within this industry to recognise skills of older workers so as not to lose their acquired skills and expertise.

Business Services is a discrete industry as well as showing a diverse range of cross-industry functions and services supporting the commercial activities of all other industries. In our global, knowledge-based economy this very large and dynamic industry is vital to Australia's economic progress.

Small Medium Enterprises need more guidance to use and implement the Training Package. The variations and flexibility offered are still a mystery for small business. Another major indication is that small business needs short, sharp training linked to their immediate needs. This is a challenge for the training professionals wanting to engage this sector. Customisation of training will play an important role in assisting innovative companies to acquire a trained workplace.

There has always been a strong uptake from the more generic Business and Business Administration Certificates II, III & IV, and this trend continues. Other popular domains include: Sales, Legal Administration and Frontline Management. There has been an increase in Frontline Management over the past six months. More RTOs are applying for an extension of scope in this area.

There has been an increase in Human Resources, Governance, Marketing and Small Business enterprises.

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

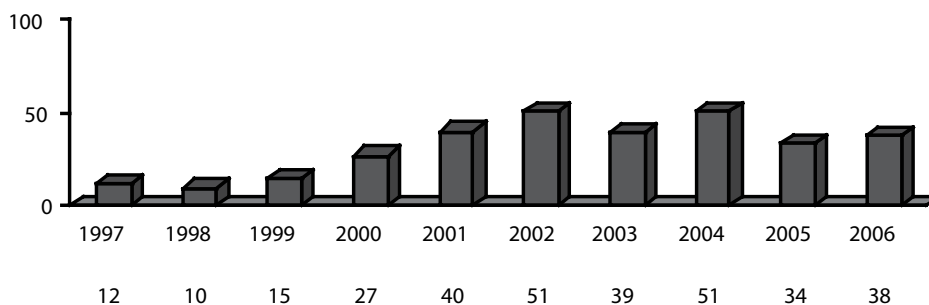
Total Training Activity

All VET Course Enrolments 2006	1297
All VET Course Enrolments 2005	1514
All VET Course Enrolments 2004	1544

Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 2002 to 2006	55
Australian Apprenticeships Commencements 2006	71
Australian Apprenticeships Commencements 2005	50
Australian Apprenticeships Commencements 2004	66
Australian Apprenticeships Commencements 1/1/2007 to 30/06/2007	88

Australian Apprentices in training in the ACT as at 31 December



Industry Advice

Technological advances and digital convergence are continually shifting the goal posts for a technically competent ICT workforce. Updates to the Telecommunications and IT Training Packages will support workforce development in new and emerging areas, such as Voice over Internet Protocol (VoIP), New Generation Networks (NGN) and digital reception TV.

Information and Communications Technology (ICT) is not only a complex and rapidly changing industry in its own right, it is a crucial support service for business as a whole. The Information and Communications Technology Training Package and the Telecommunications Training Package address the skill needs of the ICT industry, enterprises and individuals.

The industry is characterised by a large number of small businesses employing a fraction of the industry's workers, and a small number of much larger organisations employing a huge chunk of the ICT workforce. The prevalence of contract based work and the rapid rate of change in the industry present challenges for skill development, but addressing training needs is absolutely essential for Australia's social and economic wellbeing.

To assist in the use of new Information and Communications Technology Package ICA05, Innovations and Business Skills Australia have developed an ICA05 Vendor Mapping Portal. This maps information and communications technology qualifications from 65 Australian and international training programs. Given the extensive range of qualifications, certifications and licences available, the portal will help training providers understand how a particular qualification compares.

This portal is a very important tool to assist RTOs in assessing units of competence in the RPL process.

New and revised changes within the package have meant there are very few original units of competence, which can be mapped across to existing qualifications.

The 15 ACT Colleges who have scope to offer IT within their course structures have written the IT Framework to ensure new qualifications will be taught to the standards of the ICA05. This includes name changes of Certificate I-III in Information Technology as there are no longer streams within these qualifications. The new training package supports the possibility of awarding full qualifications from ICA05 up to and including Certificate II in IT, subject to the provisions of appropriate learning and assessment processes in accordance with AQTF principles.

There has been a steep decline in the number of students undertaking IT training but there is an increase in the number of vacancies within the industry. Many employers are poaching trained employees on contracts and high financial inducements to ensure they meet customer needs. Off shore work is also a reality.

Within the ACT as in many other states and territories there is a critical shortage of qualified people to work within this industry. The Federal Government is addressing this shortage with pilot programs being offered through Group Training Companies. This will not address the immediate short term shortage and 'poaching' of qualified people will continue.

There are critical shortages in the following areas

- Database Designer/Developer
- IT Network Specialist
- Software Developer
- Website Developer
- Networking and network security
- Services and support
- Testing
- Project management
- Systems analysis and design
- Systems administration and management
- Web and multimedia technologies
- Customer contact centres
- Programming.

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

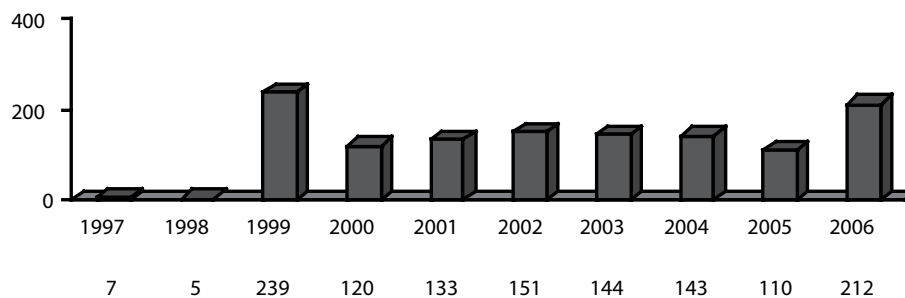
Total Training Activity

All VET Course Enrolments 2006	1608
All VET Course Enrolments 2005	1520
All VET Course Enrolments 2004	1287

Australian Apprenticeships Training

Australian Apprenticeships Commencements Annual Average 2002 to 2006	216
Australian Apprenticeships Commencements 2006	322
Australian Apprenticeships Commencements 2005	130
Australian Apprenticeships Commencements 2004	223
Australian Apprenticeships Commencements 1/1/2007 to 30/06/2007	54

Australian Apprentices in training in the ACT as at 31 December



Industry Advice

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 and III in Cleaning Operations. 80% of cleaning contractors and employers in the ACT have signed the Liquor Hospitality and Miscellaneous Union 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)

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 - <http://www.mskills.com.au/>
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