

In this issue

An important study on innovation and its implications for VET and two CEET working papers are discussed. Working paper 47 considers proposals for User Choice in VET put forward by the Australian Chamber of Commerce and Industry in 2002. Working paper 48 examines future employment in Australia in the context of exposure to world trade and technological change.

This issue also announces a CEET publication that gives the views of key stakeholders on work and lifelong learning and CEET's national conference for 2003.

Gerald Burke
Executive Director

The CEET SHEET is supported by ANTA's funding of CEET as a Key VET Research Centre

Innovation and VET

Three reports under the lead title of *Going Boldly into the Future* examine the impact of research and development in Australian's national innovation system on industry skill requirements, and the need for VET responses.

The project arose from the experience of the TAFENSW Industry Partnership Centre (IPC) with the fledgling Australian Photonics Industry. The industry had forecast growing demand for technicians but had not made the connections with the VET system that would enable the development of appropriate training.

The project investigated new industries and changes to existing industries arising from the research and development in the Cooperative Research Centres (CRCs), which are a part of Australia's National Innovation System. It looked at the need to make earlier and better connections between VET and these centres to enable training for new or changed skill needs in the industries they serve.

The first report, A VET Journey into the National Innovation System, by Fran Ferrier of CEET, Clifford Trood and Karen Whittingham of the IPC outlines some ways in which innovation is changing skill needs and offers some models of appropriate VET responses.

The second report, a series of case studies, provides substantial detail about the work of ten CRCs and its implications for the VET sector. Included are studies of the CRCs connected with new industries such as Photonics, Renewable Energy and Satellite Systems, and changing industries such as Sustainable Tourism and Waste Management and Pollution Control.

The third report on Skills and Australian high technology start-up firms by Karen Whittingham investigates the skill needs of firms in Photonics and another in the medical technology field.

The first and third reports can be purchased from NCVET and all are on line from NCVET
www.ncvet.edu.au/pubs.htm

Job openings in the knowledge economy

Employment in Australia is strongly affected by exposure to world trade and to technological change.

CEET Working Paper no 48 by Chandra Shah and Gerald Burke analyses projected job openings in relation to these factors. Building on work by Maglen, occupations are classified according to whether they are advantaged by globalisation and technological change, relatively insulated from it, or vulnerable.

Most jobs generated by *growth* in employment are projected to be in the advantaged occupations or the insulated occupations. Little growth is projected in most of the vulnerable occupations.

However, the need to replace workers who leave vulnerable jobs means that there are substantial job openings for new entrants in some of the occupations. This is important because vulnerable occupations include many of the jobs for which the VET sector is the primary source of training – such as most of the traditional trades occupations. Thus the sector will need to maintain substantial capacity to provide training in these fields.

Jobs that are advantaged include professional and associate professionals in business-related occupations. Insulated occupations include many 'in-person service' professional occupations but also some skilled and low-skill occupations for which overseas workers or products cannot be readily substituted. Vulnerable occupations include many jobs in manufacturing but also some white-collar jobs.

Many insulated occupations have a relatively high rate of turnover, especially among the low skill groups, and

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this creates considerable employment for young workers. A question for VET providers arising from this is 'Should the training in some of these sales and service occupations be even more generic as a basis for the later occupations many of the young persons subsequently enter?'

Shah, C & Burke, G 2003, Future job openings: Australia in the knowledge economy, CEET Working Paper 48,
www.education.monash.edu.au/centres/ceet/WP48.pdf
Contact: chandra.shah@education.monash.edu.au

Welcome Paul White

Formerly a senior officer of the Victorian Department of Education with special responsibility for finance, Paul has joined CEET as a research fellow to work on price measures in VET.

ACER Research Conference 2003

19-21 October, Carlton Crest Hotel, Melbourne
'Building Teacher Quality'
www.acer.ed.au
conference@acer.edu.au

CEET's current ANTA key centre projects

- Price and quantity measures in VET
- Analyses of training in ABS surveys
- Labour shortages
- User Choice in VET
- Regional development and VET

Key views on Lifelong Learning

The views of many different organisations on lifelong learning in relation to the world of work are featured in the proceedings of a 2002 symposium recently published by CEET.

The symposium was part of a project CEET undertook in 2002 that was commissioned by ANTA, ACCI and the ACTU in response to a request from the OECD's Business and Industry Advisory Committee (BIAC) and Trade Union Advisory Committee (TUAC).

There were 28 participants representing employer associations, trade unions, national and state governments, public and private vocational education and training providers, small business, and the research and consulting community.

Selby Smith, C & Ferrier, F 2003, *Lifelong Learning: Proceedings of a Symposium 16 May 2002*
www.education.monash.edu.au/centres/ceet/
Contact: chris.selbysmith@buseco.monash.edu.au

ACCI's User Choice Proposals

A revised approach to User Choice was one of the training priorities of the Australian Chamber of Commerce and Industry in 2002.

ACCI developed proposals designed to strengthen User Choice following a survey of its members in 2001 that found very high levels of support for the policy but a 'credibility gap' between its promises and the reality for many employers.

ACCI proposed three main changes: a new pricing and purchasing policy at the state/territory level; an on-line matching register; and an e-business facility for User Choice.

Fran Ferrier and Chris Selby Smith undertook a study of these proposals. The project was commissioned and funded by ANTA.

User Choice is a policy that has been applied to New Apprenticeships since 1998. It allows employers and their apprentices/trainees to choose a training provider and to negotiate aspects of the training such as its timing, content and mode of delivery.

For the states and territories the new pricing and purchasing policy is the most controversial of ACCI's three proposals, but even in this case there are some points of agreement. For instance, ACCI seeks a shift toward funding of training based on outcomes rather than student contact hours (or a similar measure) and this is already under consideration in some places. Most states and territories also support ACCI's proposal for a loading on some prices in recognition of equity or regional issues.

Some states and territories expressed concern about the possibility of a further de-regulated system. They indicated that difficulties have already been experienced in managing and funding demand for training and ensuring the most effective use of public funds. Funding the proposed new arrangements is also an issue.

Ferrier, F & Selby Smith, C 2003, An investigation of ACCI's User Choice Proposals, Working Paper 47
www.education.monash.edu.au/centres/ceet/WP47.pdf
Contact: fran.ferrier@education.monash.edu.au

John Foyster

CEET mourns the recent death of John Foyster, formerly of NCVER, a much-respected colleague and very good friend to many of us. John had a vital role in the development of VET statistics in the 1990s and worked closely with CEET in several capacities. We extend condolences to John's family.

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