

Discussion

South Australia's approach to skills and workforce development

Chandra Shah

South Australia (SA) has developed a comprehensive approach to skills and workforce development. It is expected that the approach will address both the social and economic priorities of the government.

Information needs for workforce development

The planning process combines information from top-down modelling with that from bottom-up consultations from a range of key advisory bodies (e.g. Economic Development Board, Social Inclusion Board and Industry Skills Boards and other regional, community and industry groups).

The challenge however is in the development of a model for decision-making that incorporates the information from the various sources and also maintains overall coherence.

The SA approach recognises the importance of high quality labour market and skills information needs of:

- new entrants (including families) about to make career decisions
- existing workers who wish to up-skill or re-skill
- employers and industry groups.

The information will be easily accessible and improve the match between the supply of and demand for skilled people.

Increasing labour force participation and participation in education and training

SA recognises the importance of increasing labour force participation to meet future challenges of higher employment and population ageing. It will develop specific policies to increase the participation of target groups (e.g. women, older workers, disadvantaged groups).

In particular, the approach stresses the importance of skills development in increasing labour force participation for particular groups currently not in the labour force. This will require increasing the participation in education and training.

No doubt some of these policies will take time to develop. In developing programmes, some key guiding principles are suggested:

- target training to meet need of industry, local employers and interests of individuals
- stress the importance of qualifications
- develop small scale programmes initially followed by evaluation before larger scale rollout of the programmes is contemplated
- early intervention for some types of unemployed workers, those at risk of leaving school early and workers in industries at risk
- combination programmes—on- and off-the-job training, mentoring, job search assistance, follow-up support and embedding case management to support people in need from disadvantaged backgrounds.

Greater devolution of TAFE SA and increasing contestability in the VET sector

Greater devolution of TAFE SA has resulted in a network of three connected institutes. The new structure allows each institute to be more responsive to customer needs.

There are plans to develop a *Lead Institute* model to provide a 'single entry point' for industry. A Lead Institute will contain specialist centres closely aligned to key industry sectors.

The paper could provide more detail of the model and how it will improve the delivery of VET in SA. What gap in the delivery of VET is likely to be filled by a Lead Institute?

The proposal on increased contestability is the most contentious.

Will it improve quality?

How will it improve quality?

How will the regulatory arrangements for VET providers be developed to ensure consistently high quality outcomes from all providers?

Current concerns about several providers (e.g. in Victoria), mainly servicing international students, suggest that the regulatory arrangements are not sufficient to ensure good quality from all providers.

There is a danger that low-cost providers providing low-quality training can survive in the training market unless good information on performance is publicly available on a regular basis.

Is the market in SA large enough to accommodate more players without compromising the viability of TAFE SA?

What areas of provision will become contestable, and on what basis will these areas be determined?

Future roles for TAFE SA

TAFE SA already provides a full range of courses and programmes and it interacts and cooperates with industry and local employers. These roles should be further emphasised.

Additional roles that could be considered are:

- engage with job network and employment agencies (perhaps some should have shopfronts on TAFE SA campuses)
- offer case management services on campus for disadvantaged groups.

Other issues

Will the financial crisis affect SA's skills and workforce development programme?

The SA Government considers mining and defence manufacturing as key industries.

Is there a risk in backing just two main industries?

Does SA have a natural and competitive advantage in developing other industries (e.g. alternative energy generation, sustainable water industries and dry land farming)?

Is the approach robust?

In general, the conceptual framework of the approach is robust. It has sufficient built-in evaluation and review processes for continual improvement. Therefore, I think the approach has a strong chance of success in helping South Australia develop its workforce.