

Innovation &  
Business Skills  
Australia (IBSA)

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# New Industries & Sustainable Economic Growth

Patricia Neden, CEO



## 2 New Industries & Sustainable Economic Growth

- The Escan is an annual analysis of priority / essential workforce and skills development issues in IBSA's six industry sectors.
- It is the primary tool through which this advice is provided to
  - **Skills Australia:** skills needs priorities for targeting investment in Australia's national training system, including for the Productivity Places Program (PPP)
  - **the National Quality Council:** identifying priorities for training package enhancements
  - **the Department of Education, Employment and Workplace Relations (DEEWR):** to underpin policy decisions to address skills needs in priority occupations, and
  - **IBSA Industry stakeholders:** on apparent or emerging skills and workforce development priorities.

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- **IBSA's Escan has a five stage methodology**
  - industry consultation forums
  - online industry survey
  - draft Escan validation with IBSA's Sector Advisory Committees and the State and Territory Advisory Network
  - IBSA Board approval, submission of the Escan to DEEWR and public release, and
  - analysis of the effectiveness of the methodology for future Escans.

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- **General highlights are identified throughout the Escan**
  - the macro environment
  - the Australian economy and labour market
  - political and policy environment
  - social and demographic change
  - environmental changes
  - innovation and technology

## ● Key findings: Business Services

- While difficult to generalise many parts of the business services sector appear relatively exposed to changes in economic growth:
  - As the employment situation deteriorates . . . a shedding of middle-management roles and . . . support functions associated with middle management. Complicated by ‘managers’ being one of the occupations in greatest need recently . . . and reported by the Australian Institute of Management (3/12/2008).
- Some businesses would experience increased demand with economic downturn and, combined with cost-reduction strategies, increased outsourcing.

- **Key findings: Business Services (continued)**

- For the national VET system and IBSA, increased integration of higher education and VET programs is most significant for business services because of VET and higher education participants undertaking business and management programs. This could lead to a higher demand for transferability between VET and university qualifications.
- Training in business services provides skills that are needed in many job roles across the economy; business service skills, used across all industries, are likely to remain in relatively strong demand.

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- **Industry survey:** key sector occupations in demand

Call or Contact Centre Operator, Team Leader and Manager	Receptionist
OHS Manager / OHS Officer / Advisor	Sales Representative
Sales and Marketing / Business Development Manager	Telemarketer
Human Resource Administrator / Manager	HR Clerk / Officer
General Administrative Officer	Para-legal Professional
Business Policy and Planning Manager	PA / Secretary
Corporate Services Manager	Market Research Analyst
Contract Program and Project Manager / Administrator	
<u>Finance related functions:</u> Bookkeeper, Accountant	

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- Business Services participation and qualification completions in IBSA Training Packages (BSB):

	VET participants	Qualifications completed
Cert III and below	71 600	19 000
Cert IV and above	59 800	19 500
Total	131 400	38 500

- NCVER commencing participants' data for 2008 suggest a significant increase of ~38% in Certificate III and below qualifications; this is likely to reflect the influence of Job Seeker commencements under the Productivity Places Program (PPP) in 2008.
- Notably, commencement data for Certificate IV and above for the same period shows an ~8.5% increase which, while still significant, is likely to reflect that PPP Existing Worker commencements started substantially with State and Territory implementation after April 2009.

- **Key findings: Cultural and Creative**

- Demand for skills will be heavily influenced by policy decisions related to infrastructure and content with expansion of digital broadcasting (including television and radio).
- Survey results regarding attitudes of organisations in the cultural and creative industries indicate concern about the global economic downturn reducing training budgets.
- The sector is more likely to use on the job training, less likely to provide formal training and is generally finding it difficult to access training. A relatively high level of contract and casual-based employment influenced the survey responses of the sector.

- **Industry survey: key sector occupations in demand**

• Web Designer	• Graphic Designer (also reported in printing and graphic arts)
• New and Multimedia Designers	• Video Producer
• Library Technician	• Artistic Director
• Other Writers	• Community Cultural Development Officer
• Post-production Media Technician	• Arts Administrator / Manager
• Camera Operator (film, television or video)	• Director (film, television, radio or stage)
• Private Teachers / Tutors (art, dance, drama, music, teacher(s))	• Cinema Theatre or Facilities Manager

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- Cultural and Creative participation and qualification completions in IBSA Training Packages: Film, TV, Radio and Multimedia (CUF)

	VET participants	Qualifications completed
Cert III and below	4 200	1 100
Cert IV and above	3 600	1 200
Total	7 800	2 300

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- Cultural and Creative participation and qualification completions in IBSA Training Packages: Entertainment (CUE)

	VET participants	Qualifications completed
Cert III and below	1 800	480
Cert IV and above	440	140
Total	2 240	620

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- Cultural and Creative participation and qualification completions in IBSA Training Packages: Music (CUS)

	VET participants	Qualifications completed
Cert III and below	2 500	750
Cert IV and above	2 400	910
Total	4 900	1 660

## 14 New Industries & Sustainable Economic Growth

- Cultural and Creative participation and qualification completions in IBSA Training Packages: Visual Arts, Crafts and Design (CUV)

	VET participants	Qualifications completed
Cert III and below	5 500	750
Cert IV and above	2 600	650
Total	8 100	1400

## 15 New Industries & Sustainable Economic Growth

- Cultural and Creative participation and qualification completions in IBSA Training Packages: Museum and Library / Information Services (CUL)

	VET participants	Qualifications completed
Cert III and below	900	390
Cert IV and above	2 300	370
Total	3 200	760

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- **Key findings: Education**

- Ageing and recruitment workforce issues are particularly severe in Education.
- While TAFE is but one part of VET, feedback from stakeholders indicated that it is becoming more difficult to attract and retain TAFE teachers. This is a problem reflected in other parts of the sector. Employees, now reaching the conclusion of their career, may have been attracted to teaching or lecturing for lifestyle reasons, as well as the satisfaction gained from this vocation. Today, the lifestyle benefits may have evaporated relative to other careers, with salaries generally lower than those being earned in trade or professional employment. Balancing this to some extent are the alternative income streams that TAFE teachers can sometimes access.
- For the national VET system to attract, maintain and develop a well skilled workforce into the future an attractive VET career will be needed.

- **Industry survey:** key sector occupations in demand

Training and development professional	Training centre manager
Workplace VET trainer / assessor	Vocational education teacher

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- Education participation and qualification completions in IBSA Training Packages: Training and Assessment Training Package (TAA)

	VET participants	Qualifications completed
Cert IV and above	24 000	11 300
Total	24 000	11 300

- **Key findings: the Financial Services sector**

- The employment situation in financial services is difficult with deterioration in the global environment it is likely that a short-term impact on employment is inevitable.
- Survey results regarding the attitudes of businesses in the financial services sector indicate they are generally more satisfied than other sectors about their ability to find and retain employees, the performance of employees and flexibility in managing their workforce.
- Financial services businesses are the most likely of the IBSA sectors to fund training fully and the training is most likely to be specifically in relation to a product, process or technical skill.

- **Industry survey:** key sector occupations in demand

Financial Planner	Superannuation Funds Manager
Financial Services Manager	Managers Credit Audit Compliance

## 21 New Industries & Sustainable Economic Growth

- Financial Services participation and qualification completions in IBSA Training Packages: Financial Services (FNS and FNB)

	VET participants	Qualifications completed
Cert III and below	10 700	3 000
Cert IV and above	23 400	5 200
Total	34 100	8 200

- **Key findings: Telecommunications and Information and Communications Technologies**

- Official employment statistics have a tendency to mask the true size of this sector. The Australian Computer Society (ACS) has reported there are around 280,000 ICT professionals employed in Australia, with over 60 percent of those directly employed within the ICT industry.
- It is widely accepted by the ICT sector that Australia does not have a sufficient supply of ICT practitioners to satisfy its needs today.
- Skills needs are more pronounced in some regions with the need being severe in WA, NT and ACT. This experience is common with other developed nations; the extremely tight ICT labour market reflects the growing importance of ICT skills.

- **Key findings: Telecommunications and Information and Communications Technologies (continued)**

- Examples of response to the crisis include the ACT Skills Commission (2008) identifying a number of urgent measures to address the severe shortage in the Canberra region and the Australian Information Industry Association launching a national campaign to promote ICT careers.
- In telecommunications, the National Broadband Network rollout has created demand for technical skills. The demand for these skills will increase significantly with the full implementation of the project. The skill range of jobs in this area is relatively wide, so there will be increasing requirements for jobs ranging from relatively low skilled to highly skilled.
- Some stakeholders consider that a *nationally recognised qualification* system for telecommunications workers is needed.

- **Industry survey:** key sector occupations in demand

Multimedia specialist and web developer	ICT Project Manager
Database and Systems Administrator or ICT Security Specialist	ICT Help Desk Officer
Computer Network Professionals	Chief Information Officers
Software and Applications Programmer	ICT Support and Test Engineers
ICT Network and Support Professional	ICT Managers
ICT Business and Systems Analyst	Technical Writers
ICT Support Technician (other)	ICT Professional

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- Telecommunications and Information and Communications Technologies: participation and qualification completions in IBSA Training Packages: Information and Communications Technology (ICA)

	VET participants	Qualifications completed
Cert III and below	38 300	8 300
Cert IV and above	14 100	3 900
Total	52 400	12 200

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- Telecommunications and Information and Communications Technologies: participation and qualification completions in IBSA Training Packages: Telecommunications (ICT)

	VET participants	Qualifications completed
Cert III and below	8 700	3 000
Cert IV and above	1 500	600
Total	10 200	3 600

- **Key findings: Printing and Graphic Arts**

- Printing is relatively static in terms of output and employment growth but offers opportunities as a consequence of technology and innovation.
- Printing and graphic arts skills are needed right across the economy and these opportunities are not widely known to school leavers.
- Printing is becoming service based rather than manufacturing based with new career paths and training structures needed.
- There are only a few RTOs who deliver traditional printing qualifications.

- **The industry survey:** key sector occupations in demand

binders and finishers	print assistants
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- Printing and Graphic Arts: participation and qualification completions in IBSA Training Packages: Printing and Graphic Arts (ICP)

	VET participants	Qualifications completed
Cert III and below	2500	680
Cert IV and above	320	110
Total	2820	790

- **Overall survey results**

- Organisations in IBSA sectors are continuing to have some difficulty developing an appropriately skilled and flexible workforce and in retaining staff.
- Retaining staff has become less of an issue as employees increasingly seek to consolidate their current positions.
- Training can assist businesses in meeting these challenges; this includes training of current and prospective employees.
- The challenge is to ensure training that meets business' needs is available, that employers are aware of the training's availability and of its benefits.

- **Attitudes to training across IBSA sectors**

- On the job training is the easiest for businesses to access and is the most frequently used type of training.
- While attitudes vary somewhat between sectors, businesses are generally willing to pay for most or all of the cost of training, provided the training meets a defined business need and they are satisfied with the value of the training.
- A relatively small proportion of businesses do not train staff at all, although less than half train all staff.
- There is a general need for more training to assist businesses to meet the challenges of staff retention and flexibility.
- The national VET system needs to make clear to businesses the benefits it offers in enabling them to achieve improved profitability and performance.