

Skills for Queensland

Discussion paper



Cover image: Gemma Hartwig, 2017 Queensland Apprentice of the Year and 2017 Winner of the Australian Training Awards' Australian Apprentice of the Year Award.

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Foreword

The Palaszczuk Government wants to ensure that all Queenslanders can access quality vocational education and training (VET) that meets the needs of industry both now and in the future.

We are committed to creating jobs in a strong economy and to working with industry and community stakeholders to ensure we are investing in the right programs.

We know that vocational education is a pathway to fulfilling and rewarding employment and we want to see our communities and schools value vocational education and training in recognition of that. VET in regional and remote Queensland is critical to the continuation of industry in those regions and the Palaszczuk Government is committed to ensuring that there is access to high quality and affordable VET no matter where you live.

The labour market is changing. Innovation and new technologies are driving a substantial shift to the way in which we work and will continue to work in the future. The VET system must have the ability to adapt so that graduates can be job-ready. In many ways, it is about planning for jobs that do not exist yet. By responding to changes to existing jobs and industries as they modernise, we can ensure the VET system is efficient, responsive and agile.

To meet this challenge, we are seeking industry advice about critical skill needs, emerging opportunities and priorities.

We need more people participating in relevant VET qualifications to deliver the workforce needed by businesses and industry to help the economy grow.

This is why it is critical that every Queenslanders has the opportunity to participate in training that leads to sustainable employment. This is particularly important for those who experience barriers to workforce participation.

In 2018–19 we are investing \$777.9 million in a range of programs that support people to access training and skills, including free TAFE for Year 12 graduates, direct subsidies for employers, and further investment in Skilling Queenslanders for Work. In addition, Back to Work is increasing workforce participation for previously unemployed jobseekers across the state, including increasing employees' skills and access to further training opportunities.

Apprenticeships and traineeships will continue to be a priority for VET in Queensland, along with training for a broader range of purposes, including second-chance education, foundation skills, school students, mature aged workers and existing workers needing to upgrade skills or change jobs.

The Queensland Government wants VET participants, their families and industry to be better informed about the opportunities, pathways and services that are available to support skills development in a changing labour market. This would mean that our VET participants would not only be leading the way in Australia, but have skills that can be marketed globally.

We look forward to working with stakeholders to enable Queenslanders to have access to the skills and training they need to share in the prosperity of the future.

The Honourable Anastacia Palaszczuk MP
Premier of Queensland and Minister for Trade

The Honourable Shannon Fentiman MP
Minister for Employment and Small Business
Minister for Training and Skills Development

Introduction

This discussion paper invites feedback from stakeholders to inform a new Queensland VET strategy. Throughout this process, we will be engaging with stakeholders including TAFE Queensland, registered training organisations, group training organisations, unions, industry associations, businesses and individuals.

New thinking and new approaches are needed to make sure that we get our investment right. Getting the right results from our investment in VET means ensuring Queenslanders have access to relevant and affordable training that helps them to participate in the community.

Investing in training will ensure that workers have the skills that industry and employers need now, as well as those needed in the future.

Skills and training investment supports job creation and facilitates better matches between

jobseekers and employment opportunities, and enables small and medium-sized businesses to innovate and create jobs.

By creating the right conditions now, we are preparing Queenslanders to handle the changes that are already happening to the way we work.

In this discussion paper, a number of questions are posed where we are seeking your response.

Feedback can be provided to the Department of Employment, Small Business and Training by **5.00pm, Friday 19 October 2018.**

Feedback to the questions raised in this discussion paper can be made:

online – complete the online survey at qld.gov.au/skillsforqueensland

by email – send your submission to VET.strategy@desbt.qld.gov.au

by post – send your submission to
VET Strategy
PO Box 15483
CITY EAST QLD 4002

Case study

Tradies spark superior training

Tradesmen on Time is a passionate electrical contracting business supporting each staff member to become self-reliant, autonomous and highly skilled. The company is committed to training that runs across their business model.



Winning 2017's Australian Training Awards category of Small Employer of the Year was a clear acknowledgment of their commitment to training staff, particularly apprentices.

They have hosted 40 work experience students and employed six apprentices which has enabled them to develop their workforce into a highly trained, experienced and committed group of electricians.

Tradesmen on Time has found TAFE Queensland to be the best training provider for their apprentices as the committed teaching staff help the students reach their full potential. The company also uses Master Electricians Safety and Training products for high quality electrical and safety training.

These responses will help inform the Queensland Government's new VET strategy and drive change to the policies which influence the VET sector.

Earlier consultation

In 2017, the Queensland Government consulted with stakeholders across the state on *Advancing skills for the future: a strategy for vocational education and training in Queensland*. The insights from this consultation have informed Skills for Queensland.

Existing sectors will need to continue to be supported to be ready to respond to emerging opportunities, and new industries need training that meets their evolving needs. Stakeholders viewed VET as a high-quality pathway to jobs and were keen to see more done to promote the value of VET to enable skills development, employment and career progression.

Participants suggested that there are further opportunities to improve engagement with industry, support industry's understanding of the VET system, and for training delivery to be more responsive to industry priorities.

A review of the consultation on *Advancing skills for the future: a strategy for vocational education*

and training in Queensland has identified that further discussion and consultation would be beneficial in the development of a VET strategy. This is the focus of Skills for Queensland.

Queensland Government's priorities for Queensland



The Queensland Government's *Our Future State: Advancing Queensland's Priorities* outlines our plan to tackle the major challenges facing the state.

One of the government's priorities is to create jobs in a strong economy.



Create jobs, including supporting more than **60,000** jobs per year through key State Budget initiatives, from 2018–19 to 2020–21.



Increase private sector investment in Queensland by **15%** by 2020–21.



Engage more young Queenslanders in education, training and work with a target of **91%** of young Queenslanders engaged in education, training or work by 2022.

Participation in VET will be key to achieving more jobs for Queenslanders. The Queensland Government will continue to strengthen the VET sector to be more responsive to the changing needs of our economy.

A shared responsibility

State and territory governments share responsibility for funding VET with the Australian Government. Federal-state relations in the training space have shifted in recent times. While a level of federal funding for training continues to be provided through the National Agreement on Skills and Workforce Development, the Australian Government has created ongoing funding uncertainty by offering the National Partnership on the Skilling Australians Fund, which includes only limited guaranteed funding.

This lack of certainty makes it difficult for the Queensland Government to plan for improved training outcomes for Queenslanders, potentially making it harder for industry and individuals to access the skills they need.

Nationally, VET is subject to ongoing review and reform, encompassing many elements of the VET system including training products and courses, the Australian Qualifications Framework and the *National Vocational Education and Training Regulator Act 2011*.

Industry advice and research confirms the ongoing importance of higher level VET skills. However, students wanting to access diploma and advanced diploma courses through VET are at a disadvantage compared with higher education students because of the ongoing disparity between course funding and student loan arrangements that are administered by the Australian Government.

With so much change and uncertainty, it is important to go back to Queensland's VET sector stakeholders with fundamental questions about how to get the most from our investment in VET.

Our vision for VET

Queensland should have the strongest VET sector in Australia, one which supports all Queenslanders, including those in regional and remote communities, to have the skills and opportunities to secure jobs now and in the future.

Investment in training and skills is one of the most important levers to increase participation in employment, boost productivity, and foster innovation.

Training and skills development provides a broad range of opportunities from generic and transferable skills to support labour mobility and life-long learning, through to industry-specific skills that fill critical jobs in the economy.

VET pathways, including VET in Schools and school-based apprenticeships and traineeships, support school students to transition to employment, higher level VET and university. In addition, VET programs assist a range of individuals to engage or re-engage with the labour market.

Apprenticeships and traineeships remain vital to a strong economy by producing the trade skills needed for the future. Tradespeople start small businesses, employ people and are often the backbone of communities, particularly in regional Queensland. While this is not a new issue, it is more urgent now given the changing nature of work.

VET can also help unemployed and underemployed Queenslanders to start on the pathway to sustainable employment.

Working aged Queenslanders can achieve formal qualifications to gain employment in targeted industries or upgrade their skills profile for career advancement.

Many businesses – small, medium and large – use VET to develop the skills of their employees and improve the productivity of their workforce.

More people are looking at how they can create their own future through entrepreneurial opportunities as a small business and, potentially, becoming an employer themselves.

Alongside a strong VET system, the Queensland Government is working to create an environment favourable to business confidence and investment, as well as connecting businesses to opportunities.



This includes fostering emerging and innovative industries and supporting small businesses, which account for around **97%** of all Queensland businesses.

As new industries emerge and technology continues to advance, the nature of work also changes. Training arrangements must be responsive to deliver relevant skills for future needs and create prosperity for us all.

The Queensland Government is committed to supporting job creation, and the education and training required to prepare Queenslanders for these jobs.



Expanding the Skilling Queenslanders for Work initiative with increased investment of **\$180 million** over three years, bringing total funding to \$80 million in 2018–19.



Investing up to **\$85 million** over three years in the redevelopment, refurbishment and expansion of six identified TAFE Queensland facilities, with \$30 million for 2018–19.

VET delivers positive results for Queensland

The Queensland Government's investment in VET is delivering genuine results by offering affordable and attractive options for prospective students, including apprentices and trainees, employers and businesses.

Our investment is supporting Queenslanders to undertake training that leads to real job outcomes or further training to meet career aspirations. Recent results include:

More than 80% of Certificate 3 Guarantee graduates transitioned to work or further training.

Over the last four years, the Higher Level Skill program has assisted 88,234 students to transition to employment in critical occupations or higher level study, with investment of over \$191 million.



More than **172,333** apprentices and trainees have been employed across a range of industries supported by training investment of more than **\$759 million**.

Since the reintroduction of Skilling Queenslanders for Work (SQW), \$253.06 million has been approved to help around 47,000 disadvantaged Queenslanders with skills development, training and job opportunities. Around 12 months after completing, 73% of SQW graduates were still employed or engaged in further study.



83.1% of school students that undertook a VET program while at school transitioned to further education, training or paid employment.

These are just a few examples of how VET is delivering solid results that are making a difference to the lives of Queenslanders.

System foundations

VET in Queensland is part of a national system. Quality assurance of training providers and products occurs through the Australian Skills Quality Authority and Australian Qualifications Framework (AQF).¹

Industry groups and employers lead the identification of future skill needs and articulate training expectations nationally through the Australian Industry Skills Committee and related advisory bodies.

State and territory governments share responsibility for funding industry-relevant training with the Australian Government, which also administers loans for students studying certain diploma level and above courses. All governments are working together to improve information for students, and sharing of information with regulatory bodies to maintain quality across the VET sector.

VET is delivered by approximately 4,200 public and private providers nationally. VET can be government subsidised or fee-for-service, with individuals and/or employers contributing toward the cost.

Arrangements in Queensland

In Queensland, industry advice helps to guide Government investment in VET including subsidy levels. Qualifications are prioritised for funding based on input from stakeholders to ensure training meets local, regional and state skills needs.

Jobs Queensland works with industry, regions, communities, employers and unions to provide strategic advice on skills demand, future workforce needs, and traineeships and apprenticeships. It advises on workforce planning for key industries and sectors across the state.

The Queensland Government's Annual VET Investment Plan supports over 200,000 Queenslanders each year to gain their first qualification, upskill and reskill, get and keep a job or progress on an apprenticeship or traineeship pathway. VET skills also help small businesses grow and innovate.

The Queensland Government is also responsible for apprenticeship and traineeship regulation and incentives. Local support for employers, students, providers and industry is provided through a network of regional locations.

The effective operation of public providers, including TAFE Queensland, Aviation Australia, Central Queensland University, Queensland Agricultural Training Colleges and the Aboriginal Centre for the Performing Arts, is overseen by the Queensland Government.

The Queensland Training Ombudsman empowers students, apprentices, trainees and employers to resolve issues and provides recommendations to improve quality across the VET system.

The Queensland VET Quality Framework outlines the government's commitment to achieving quality outcomes from the state's investment in VET. It guides the development of operational policy, procedures and guidelines.

The future of work

The world is changing, and our economy and labour market are changing too.

The jobs we do are being impacted and influenced by many factors including:

- changes in technology, which have reduced the need for routine functions and increased the need for highly skilled functions
- globalisation, which is transforming and streamlining jobs, enabling workers to improve or change their job skills and increasing productivity
- advances in information and communications technology, which is impacting most aspects of modern life, and has increased the need for digital literacy, communication and engagement skills
- the introduction of the National Disability Insurance Scheme, which has increased the demand for personal care skills
- an ageing population that is working longer, but also contributing to removing skills from the labour market on retirement.

¹ Training providers refers to training organisations registered by the Australian Skills Quality Authority that deliver training accredited under the Australian Qualifications Framework.

The labour market of the future will need highly skilled workers – workers whose skills have kept pace with technology, automation, innovation and the rapid shift to a knowledge-based economy.

The increasing pace of disruptive technology means that in many industries and occupations Queenslanders need to re-skill now to be ready as new jobs and industries emerge. In particular, science, technology, engineering and mathematics (STEM) skills will be critical to making this transition and supporting new jobs and driving economic growth.

In the next five years, it is predicted that two-thirds of jobs will come from five industries: health care and social assistance; professional, scientific and technical services; education and training; tourism and hospitality; and construction.

The jobs of tomorrow will need workers with transferable skills such as creativity, problem solving and critical thinking. At the same time, industries with high levels of human creativity and interaction, and limited opportunities for automation will continue to experience a high demand for workers in the future.

Traditional trades remain vital to the economy, but rapid advances in technology are already making these jobs more technologically focused.

New ways of delivering training and new training approaches are required now to enable workers and industries to keep pace with advancing technology and practices.

VET has long been regarded by industry and employers as critical in strengthening the connection between education, training and the labour market and providing the important link between knowledge and practical skills.



Of the almost **one million** new jobs to be created by 2022, **more than half** will require a VET qualification.²

It is more important than ever that our skills and training responses match workforce needs. The changing Queensland economy will impact on people and regions in a range of ways and it will be important that training is able to support inclusive growth across the state. We need to be skilling people now for the jobs that will be driving our economy in the future.

Queensland's VET sector must be flexible, adaptable and ready to respond to these changes.

Case study

Brisbane manufacturer powers on

When electricity supply is interrupted, Murarrie-based NOJA Power's high-tech products instantly identify the fault, re-switch and re-close the network, and quickly find an alternative power source.



NOJA Power exemplifies Queensland's burgeoning advanced manufacturing sector. They undertake a large amount of research and development which requires the expertise of mechanical engineers, electrical engineers and software engineers to design the switchgear, automation and production. To date, it has installed more than 52,000 NOJA automatic circuit reclosers in almost 90 countries.

NOJA Power is also deeply invested in education and training, having electrical apprentices who grew up in the business and who are still working today, some in managerial roles. They also have a well-known cadet program taking the best-of-the-best from year 12 school leavers to ensure the next generation of their workforce.

² Australian Government Department of Jobs and Small Business, Employment Outlook to May 2022, p8. Based on the Department of Jobs and Small Business' 2017 employment projections. <http://lmip.gov.au/default.aspx?LMIP/EmploymentProjections>

Meeting the need for skills through industry advice and market settings

Our goal is to ensure government investment in VET is targeted to training that is producing job-ready graduates in high priority areas.

The primary objective of government investment in VET is to provide vocational pathways that lead to job and career outcomes for students, and to address the skill needs of industry and employers – both large and small.



Queensland, along with the Northern Territory, has the highest VET participation rate nationally, representing **27.1%** of working aged Queenslanders compared to the national participation rate of 24.1%.³

Queensland's government funded VET participation remains strong.

The Queensland Government is investing \$777.9 million in 2018–19 in the skill needs of Queenslanders through a range of programs to support individuals seeking employment for the first time, upgrading their existing skills to be more competitive in the job market, changing their careers, or starting their own business.

Just over 60% of government funded training is at the certificate III level, with a further 21% at certificate IV level and above.

Funding is directed towards areas in high demand and those that are predicted to be in demand in the next five to 10 years. Community services, construction and hospitality remain key industry investment sectors in training subsidised by government in the User Choice, Certificate 3 Guarantee and Higher Level Skills programs.

Case study

PMG keeps pace through training

Investing in their staff and supporting a wide range of training opportunities has ensured marine contracting business Pacific Marine Group (PMG) remain industry leaders in marine contracting and commercial diving despite fast-past changes to their industry.



From apprenticeships through to specialised commercial diving and marine qualifications, the additional training provided to staff has allowed PMG's project teams to be equipped for the unexpected. Based in North Queensland, the project teams often operate in remote and regional locations including Papua New Guinea, Torres Strait, Weipa and Townsville.

Employees complete training in areas outside of their primary area of employment, with some divers undertaking fitting and turning apprenticeships, diesel fitters gaining marine engine driver qualifications and marine staff acquiring project management skills.

PMG were state finalists for the Medium Employer of the Year in the 2017 Queensland Training Awards.

³ National Centre for Vocational Education Research (NCVER), Total VET students and courses 2017 (Total VET Activity), Table 2a.

Apprenticeships and traineeships can fluctuate with economic conditions and incentives.

Declining commencements is a national, state and regional trend. However, in recent years, Queensland's rate of decline has been less than other jurisdictions demonstrating relatively strong employer commitment to long term training and development.

Nationally, the number of apprenticeship and traineeship completions in the 12 months ending 31 December 2017 was 95,100, a 3.7% decrease from the previous 12 months. In Queensland the decrease was 3.2% (to 22,400).

Challenges


The labour market is changing and the skills needed by employers and industry are changing too.

While AQF and training packages continue to be important foundations for the VET system, arrangements must respond quickly to emerging skills that will deliver the workforce of the future.

These changes create opportunity. While some traditional jobs will cease to exist in the next 10 to 15 years, new jobs are being created that will require new and higher level skills.⁴

National and state employment growth trends for occupations that require a post school qualification are likely to continue.⁵

More than three in every four Australian workers are employed in a service industry, with much of the growth driven by health care and social assistance.



By June 2022, Queensland employment is projected to increase by **7.2%**, which is similar to the growth projected nationally.⁶

Industry advice

A VET system that responds effectively to changing labour market conditions needs to be informed by high quality industry workforce intelligence and strong relationships with stakeholders.

Current funding priorities and training decisions for skills are shaped through advice from industry and employers about anticipated future skill needs for particular industries and regions. Information about whole-of-state and industry-specific trends is sourced through an intelligence network including Jobs Queensland and VET Industry Advisory Organisations.

Jobs Queensland provides strategic advice on skills demand, future workforce planning and development, and traineeships and apprenticeships.

VET Industry Advisory Organisations represent a diverse range of key industry areas in Queensland and are funded by the Department of Employment, Small Business and Training to provide advice on training and investment for specific industries and occupations.

In addition to the formal structures to engage with key industries, the department engages with other sectors on emergent VET priorities.

This industry advice complements departmental research and analysis of state, national and international labour market trends, government priorities, and direct approaches.

Industry advice is used to inform the training that is prioritised for funding which reflects the skill needs of the labour market in key areas. Advice is also used to inform the provision of pathways to employment and career development opportunities for priority groups.

4 Future-Proof: Protecting Australians through Education and Skills, Business Council of Australia (BCA), October 2017, 4-5; Nedelkoska, L. and G. Quintini (2018), 'Automation, skills use and training,' OECD Social, Employment and Migration Working Papers, No. 202, OECD Publishing, Paris.

5 *The Australian Jobs Report 2018*.

6 Queensland Treasury.

Key industry areas covered include:

- Aged care
- Agriculture
- Business – property services
- Business – security
- CSG/LNG
- Community recreation
- Community services
- Construction
- Disability services
- Early childhood education and care
- Engineering – aviation
- Engineering – general
- Fitness
- Forestry
- Health
- Horticulture
- Hospitality and events
- Land management
- Manufacturing
- Marine
- Outdoor recreation
- Primary industries
- Racing
- Rail
- Resources
- Retail
- Road
- Sport
- Transport – aviation
- Transport – general
- Tourism
- Utilities
- Utilities – water
- Warehousing

Establishing skills priorities and overall investment for VET

Queensland’s training priorities are designed to meet industry’s need for skills and help a range of individuals including people entering the labour market for the first time; people upskilling for a higher level job; people re-skilling for a different job; school students; and priority cohorts, such as those traditionally disadvantaged in the workforce.

By establishing training priorities and setting government subsidies, funding can be directed toward the skills and qualifications needed in the labour market. Government subsidies encourage training providers to deliver priority training and help make this training affordable and attractive so more students enrol.

Specific settings are designed to address training challenges in regional and remote locations to encourage participation.

Managing and prioritising access to subsidies is an important feature of the VET system within a fixed budget.

Fee arrangements in Queensland

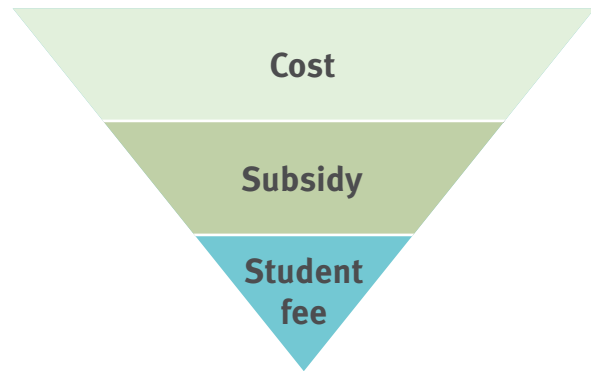
A student contribution towards the cost of training is a longstanding principle of the VET system. It is designed to complement government subsidies in recognition of the private and public benefit of training investment.

Fee-free training, fee concessions and exemptions apply to support participation by priority student cohorts and to boost participation in particular programs and locations.

Where a fee is charged, the amount is generally a decision for each approved provider with the exception of apprentice and trainee fees which are fixed.

Students choose the course and provider that meets their needs based on a range of criteria, including course content, workplace relevance, career outcomes, learning style, location and cost.

Although fee arrangements are managed through program guidelines, some providers charge negligible fees. This may influence students to choose programs based solely on out-of-pocket expenses, rather than other important criteria.



Our opportunities

We want to know how the Queensland Government can engage more effectively with industry and employers, including small business operators, and how VET can support training and skills development.

We want to ensure that Queensland has the right VET market settings, mix of programs and funding priorities to meet the needs of the Queensland labour market now and in the future.

This means continuing to raise participation levels in VET, particularly in the traditional trades and in



higher level skills, and better matching skill needs to jobs in future areas of employment growth, including in regions experiencing growth.

As individuals progress through their working life, it is important they continue to upskill and re-skill to remain relevant in a changing labour market.

It is recognised that the achievement of a full qualification can increase earning potential and employability of individuals. However, it is

becoming increasingly important for 'gap' training to be available to address more immediate workforce needs.

The VET sector will need to ensure it has the flexibility to respond with different approaches and solutions to meet emerging labour market needs and the changing expectations of individuals and employers, right across the state.

Questions

Industry engagement

1. Are current industry engagement arrangements through Jobs Queensland and VET Industry Advisory Organisations effective?
2. Are there more effective ways of engaging with industry to ensure we get advice and engagement from a cross-section of Queensland businesses and employers?
3. Are VET arrangements (including training package arrangements) responsive enough to deliver on the future skills needs of industry?
4. Is VET linked closely enough to the government's economic and industry development strategies?
5. How do we maximise local jobs from the economic activity that is occurring and the skill shortages that are being reported?

Market settings

6. Is available VET funding effectively prioritised towards training most aligned with current, emergent and future skill priorities?
7. Is VET being delivered efficiently through appropriate delivery strategies that result in high completion rates and employment outcomes?
8. Are the training needs of regional, rural and remote Queensland being appropriately recognised?
9. Are there more effective ways to prioritise VET funding to better meet the needs of industry, employers and students?
10. Are there areas of unmet industry demand for priority skills not currently being addressed by Queensland's subsidy arrangements? If so, how might these be identified now and in the future?
11. Are current Annual VET Investment Plan programs responsive to the needs of employers, industry and students?
12. Are the training subsidies provided by the Queensland Government delivering the right skills for industry and assisting students into jobs?
13. Students, industry and government currently contribute towards the cost of training – do these arrangements help deliver the right people with the right skills at the right time?

Role of providers in delivering VET services

Our goal is to foster a VET market that provides choice, quality and the range of services to meet the skill needs of students, industry, employers and business, and to position public providers to lift VET participation and outcomes.

There is great diversity in the VET provider market, with five public providers and over 1,300 private providers in Queensland. It is important that we continue to ensure access to VET across regional and remote Queensland.

In recent years, policy reforms at the national and state levels have seen the VET market open up to greater competition. As a result, the number of private and other non-government providers has increased.

About half the nationally recognised training delivered in Queensland is government subsidised and about half is fee-for-service.

Key statistics and research

Despite recent controversies nationally with quality issues concerning a small number of providers, Queensland's VET provider network is producing strong outcomes for individuals, employers and industry.

Queensland's VET student outcomes are slightly better than national outcomes, with 79% of Queensland graduates employed after training.

Employers are generally satisfied with outcomes provided through the system although this has declined slightly since 2009.



Just over **87%** of Queensland VET students report satisfaction with training overall, which is equal to the national satisfaction rate.

Case study

TAFE paves the way for London scholarship

Elleni Canaris is heading to London after winning the prestigious Queensland Overseas Foundation \$7500 scholarship.

A graduate of an Advanced Diploma of Applied Fashion Design and Technology at TAFE Queensland's Mount Gravatt campus, Elleni acknowledges that her training provided

important skills for her success as she was supported by fantastic teachers whose methods combined practical training with first-hand industry experience.

Elleni won an Australia-Japan Foundation grant with the Department of Foreign Affairs and Trade after completing her studies. The internship in Tokyo nurtured her inspiration for fashion and was an opportunity to learn more about the importance of marketing strategy to business growth.

Time spent in London will allow Elleni to soak-up all things fashion whilst getting a foot in the door for new markets, contacts and stockists which will ultimately benefit her successful fashion label in Australia.



Queensland's pre-qualified supplier (PQS) system provides a central register of pre-approved providers for the delivery of government subsidised training and assessment services.

These arrangements reassure VET students that their chosen provider is able to deliver high quality, industry-standard training that meets their skill needs, and supports employment opportunities.

In 2017, 50% of employers arranged or provided their employees with non-accredited training to provide skills required for the job being undertaken, to meet and maintain professional or industry standards, or to meet highly specific training needs.

It is important that private investment in training continues to complement government subsidised training to provide more diverse training opportunities.

Challenges

There is a growing demand for highly tailored services and products.

In the future, people will have expectations for more personalised, better and faster services that meet their unique needs.

In response, public and private providers must work more closely with employers, businesses and industry to design customised training solutions that meet the needs of a dynamic labour market.

Public providers

Strong and viable public providers are the cornerstone of a healthy VET sector in Queensland.

Public providers have multiple roles in Queensland's VET system. TAFE Queensland, the state's largest public provider, balances a range of expectations including operating commercially and being responsive to industry and employer needs, operating offshore, online, through mobile services, and directly at workplaces.

TAFE Queensland has a longstanding role in the VET system as a core provider of trade and technical training, pathways to higher education, and statewide services through a network of campuses.

It also delivers training to meet government priorities which may not be met by the market, such as maintaining access and equity in 'thin markets' or geographically dispersed regions where delivery costs are higher and where TAFE Queensland may be the only provider of VET services.



Private providers

Private providers range from niche industry providers to medium and larger private providers with a wide range of offerings. Private providers also include schools, community education providers, enterprise providers and university providers.

Many see the diversity of the private provider market as a strength of the VET system as it offers greater accessibility, flexibility, specialisation and choice.

Our opportunities

A changing labour market requires a different approach to delivering VET services. Training providers, including public providers, will need to become more responsive and flexible to the needs of VET students in every region across the state.

The Queensland Government recognises that the VET sector requires strong, efficient and sustainable public providers to meet the skills needs of industry and the economy, and the employment aspirations of Queenslanders.

Questions

Role of providers

14. Do Queensland's VET providers deliver the skills needed by individuals, industry, employers and business?
15. Are VET providers responsive and flexible in delivering training? What, if any, suggestions would you make to improve responsiveness?
16. Do industry and business have the tools needed to lift the skills of their employees?
17. How important is the role of public providers in the VET sector?
18. How important is the role of private providers in the VET sector?
19. What is the role of VET in supporting regional economic development?



Encouraging all Queenslanders to participate in VET

Our goal is for all Queenslanders to be able to make informed choices about the training needed to do the jobs of the future, training that meets individual needs, and skilling pathways that enhance employability and social wellbeing.

VET plays an important role in inclusive growth and in responding to inequality throughout Queensland.

VET enables Queenslanders of all ages to gain qualifications and specific skills needed to be work ready and productive in the labour market.

VET positively contributes to productivity and economic growth through higher workforce participation and higher earnings.

A wide range of stakeholders – students, industry and employers – engage with the VET system every day.

VET is now more relevant than ever when it comes to preparing Australia to be more globally competitive. The VET sector currently provides training courses for eight out of 10 occupations predicted to have the greatest growth of new jobs over the next five years.

But to build a stronger VET system, students and their families must be well informed about the benefits of choosing VET as their pathway to a future career, and about the type of pathway that will provide them with the best outcome.

Case study

Equity VET student of the year on path to success

Studying a Certificate I in Business with TAFE Queensland has helped Lanie Heath find a new job and earn recognition as the Equity VET Student of the Year at the Metropolitan region of the Queensland Training Awards.



Lanie, who has a vision impairment, wanted an opportunity to return to the workplace when Vision Australia's Career Vision project recruited her onto a Work Skills Traineeship. Vision Australia provided Lanie with the support she needed to prepare for fitting into a new workplace and completing her studies thanks to funding from the Skilling Queenslanders for Work initiative. Working with Access Arts in a fundraising role gave her valuable office experience and earning a Certificate I in Business has opened more doors in the workforce.

With a qualification and recent experience on her résumé, Lanie has gained employment as a project manager with Blind Alliance Australia. As a Queensland Training Awards state finalist she is a great example of how VET can help people towards their goals.

Key statistics and research

VET provides social and economic outcomes and contributes to employability, productivity and community cohesion, and is also a major export industry for Queensland, valued at around \$4.37 billion in 2017.

VET graduates have a better chance of being employed, earning higher wages, or being better placed to set up their own business and create employment opportunities.

For industry and employers, VET provides the skills needed for an effective workforce, allowing industry and employers to be more productive, attract more investment and be more competitive in a global market.

Health care and social assistance is by far the fastest growing sector in Queensland – with 27.2% employment growth over the last five years.⁷ Arts and recreation services, education and training, administrative and support services and accommodation and food services are also amongst the fastest growing sectors.

Apprenticeships will continue to be an important pathway into the labour market. Apprenticeships are expanding beyond traditional trades to include higher level qualifications, new occupations and emerging areas of the economy.

The largest proportion of workers in Queensland are employed in:



health care and social assistance



retail trade



construction



education and training



accommodation and food services⁸

Challenges

Public awareness of the value of the VET sector lags behind when compared to higher education.

There is little recognition of the vital role VET has in providing skilled workers for key industries and occupations.

We need to ensure that prospective VET participants are aware of the opportunities available to them through the VET pathway and to raise the profile of the sector through information about the employment and career opportunities for VET graduates.

Despite Queensland's above national average participation rates in VET, some prospective students remain unsure about the benefits of VET, whether it is the right pathway to a job, or how to engage with the VET system.

Stakeholders confirm that VET is often considered a second preference when compared with higher education, with school leavers, in particular, narrowing their choices to university largely due to public perception.

VET can benefit all Queenslanders, including low socioeconomic status groups, disengaged young people, regional, rural and remote residents, Aboriginal people, Torres Strait Islander people, culturally and linguistically diverse people, students with a disability and women. However, some people are unaware of the VET pathways and support that are available, such as mentoring, career education and advice, and financial support, and how best to engage with the system in a way that suits their circumstances.

The flexibility, diversity and scale of the VET system has resulted in an abundance of information in the market.

⁷ Australian Bureau of Statistics, 2018, 'Labour Force, Australia, Detailed - Electronic Delivery' July 2018, Cat. no 6291.0.55.001.

⁸ Australian Government, Department of Jobs and Small Business, Australian Jobs 2018.

Our opportunities

We want to understand more about how the Queensland Government can positively position VET. We need to shift current perceptions and ensure potential students and their families are well-informed about the benefits of choosing VET as the pathway to a future career and the pathways already available.

Government needs to understand what students are looking for when considering pathway and career options and it needs to be confident that current programs are easy to access.

Students, parents and caregivers need information and guidance to identify quality providers, as well as the industries of future growth and the occupations most in demand.

Training providers need a strong understanding of the opportunities presented by government-subsidised VET and support services to provide better advice to their students.

Industry and employers need help to access labour market and system data and to communicate with the Queensland Government about skill needs and priorities.

The Department is examining ways to make it easier to navigate VET by informing and empowering students and other stakeholders, and considering the most effective way to facilitate ongoing collaboration between training providers, employers and industry.

Positively promoting VET to all stakeholders will create a cohesive brand and position VET to grow, adapt and prosper to meet future skill demand.



Questions

Encouraging VET participation

20. How do we attract parents/influencers, potential students, employers, industry groups, providers and other key stakeholders to VET?
21. Are there new ways to create better connections between schools and VET, and VET and higher education?
22. How can the Queensland Government encourage sharing of information about VET experiences including successes and best practice while remaining a trusted and independent source of advice?
23. What type of information would help make the VET system easier to navigate? How can we improve access to information about existing programs?
24. How can we help people to access the right information about the training provider and course that suits their needs in terms of interests, location, mode of delivery, support services, career trajectory and employment prospects? Are there gaps in information currently provided?
25. How can we ensure students and influencers know about the training available that will help them into a job?
26. How do we better link VET and government employment programs and strategies?
27. How can VET improve labour market participation for those who experience challenges and barriers to securing sustainable employment?
28. How do we ensure that VET supports skills utilisation, the future of work and job creation?



Where to from here?

Feedback can be provided to the Department of Employment, Small Business and Training by **5.00pm, Friday 19 October 2018**.

Feedback to the questions raised in this discussion paper can be made:

online – complete the online survey at qld.gov.au/skillsforqueensland

by email – send your submission to VET.strategy@desbt.qld.gov.au

by post – send your submission to
VET Strategy
PO Box 15483
CITY EAST QLD 4002



Department of Employment, Small Business and Training

PO Box 15483

City East QLD 4002

Email: VET.strategy@desbt.qld.gov.au

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