

Skills SA

South Australian Skills Plan

Concept summary for engagement

November 2022

Skilled.
Seamless.
Successful.



Government
of South Australia

Department for Education

Vision



By 2033, South Australia will have highly adaptable **skilled people** supported by an accessible **seamless system** which contributes to a **successful economy** in South Australia.

Skilled people are at the centre of our South Australian Skills Plan. We will create an inspiring and valued experience for learners and industry to build the skilled workforce needed to support a strong and resilient economy, and for individuals to achieve their skills and career aspirations.

A seamless system will bring together providers, industry and learners to deliver simplified, seamless and high-quality training for employability and life-long self-development. It will ensure that learners and industry have the right skills for today and, sustainably, into the future.

A successful economy will be supported by a highly skilled workforce that is adaptable and responsive to changes in the labour market. This will contribute to productivity improvements and job creation by equipping businesses with the skills they need to innovate, grow, and succeed. Highly skilled people will contribute to positive economic impact with flow-on effects for society.

For your feedback

- > What does this vision mean to you?
- > Do you see yourself, your clients or your stakeholder group supported by this vision?
- > The concept for the Skills Plan outlines three main focus areas: Skilled People, Seamless System, Successful Economy. From your perspective, are these the right focus areas? Are there any gaps?

You've spoken, we heard – opportunities for improvement

South Australia's skills system should reflect the needs and aspirations of its users, while contributing to the economic and social wellbeing of all South Australians. Recent engagement with students, employers, industry, and training providers showed a need to:

- improve the cultural perception and attractiveness of vocational education and training (VET) as a credible pathway to increase participation and skill levels
- reduce VET system complexity, enhance collaboration, connectivity and responsiveness in the sector and improve ease of navigation for learners at all stages
- collaborate to improve service offerings and design new innovative products, services and solutions
- expand the capacity and capability of training providers to develop and deliver flexible, relevant, high-quality products and services to customers
- improve workforce planning and pathway mapping that informs funding support and learner journeys
- ensure appropriate measures of success that focus on outcomes for learners, industry and the economy.

Understanding the challenges and aspirations of stakeholders is a critical step in developing the skills plan to improve outcomes for learners, providers and industry. We're committed to ongoing, meaningful engagement and consultation with all of those who have a stake in the development of a world-class skills sector.

For your feedback

South Australia's skills system should reflect the needs and aspirations of its users. Our recent engagements have raised a number of opportunities for improvement.

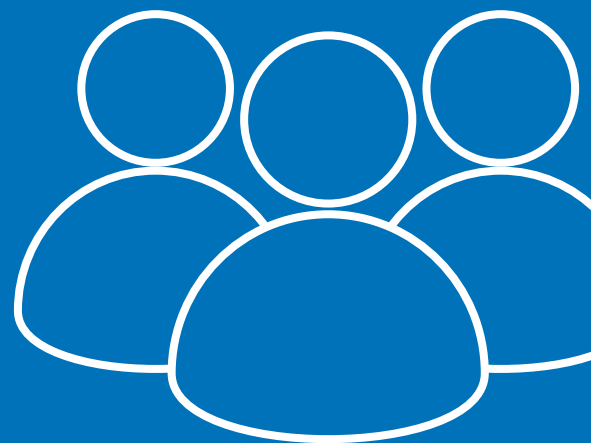
- > Do you agree with these?
- > Are there other opportunities for improvement you would like to see reflected?

To deliver our vision and respond to feedback the skills plan will:

- profile the current and future state skills needs
- identify key skills priorities for South Australia
- outline a roadmap for responses in the short, medium and long term to support skilled people, a simplified and seamless system, and contribute to a successful economy
- identify partners and leadership for solutions (e.g. government, industry, training providers).

This document outlines the challenges, our goals and reform priorities for people, the skills system and the economy.

Skilled People



Why is this a focus area?

Skilled people are a cornerstone of a strong and resilient economy. Learners and industry must be given the opportunity to develop and access the skills they need, when they need them, not only for today's world, but for the future as well. A world-class, future focussed skills system can provide this opportunity.

Skilled people drive productivity and competitiveness, both nationally and internationally, in established and emerging industry sectors such as construction, defence, renewable energy, information technology, advanced manufacturing, and space. It is our skilled people that will position South Australia to become globally competitive in the increasingly interconnected and rapidly changing world of Industry 4.0. VET also drives greater social inclusion, especially for people that are disengaged or experiencing disadvantage, through developing workplace-related skills and providing access to employment opportunities.

Industry must be confident that today's VET learners are developing the technical skills needed on the job, as well as a broad range of human skills (such as communication, teamwork, and interpersonal skills) essential to succeed in the workplace. Employers need access to data, tools, guidance, and support to help them identify and meet their current and future skills needs, whether they are seeking to consolidate their position or grow their business.

Learners, and potential learners, need access to trusted and reliable information, so they can make fully informed choices about their training opportunities and available supports. The information could be supplemented by tailored career information services, with exposure to the opportunities provided by VET from high school onwards. When enrolled in their chosen course, learners should be sure the skills they are learning are ones that will help them in their life and career, both now and into the future.

Placing learners at the centre of our skills plan will support people to adjust to change, support people and the economy to be resilient, adaptable and maximise the positive impacts of change. Being part of the South Australian VET system should be an inspiring and rewarding experience for all stakeholders. Learners need opportunity to develop the skills they require, and industry, whether at the micro-business or large enterprise level, require access to the skilled workforce they need to thrive.

Where are we now?

South Australia's VET system has many strengths, however some recent national surveys and stakeholder engagement processes have highlighted room for improvement. Nationally, South Australia is:

- second for overall student satisfaction with their training, according to the National Centre for Vocational Education Research's (NCVER) VET Student Outcomes 2021 report
- second in trade and non-trade training contract completion rates, according to the NCVER's Completion and Attrition Rates for Apprentices and Trainees 2020 report.

This is a strong base to build on, however South Australia also has:

- the lowest percentage of people studying towards a non-school qualification in the nation, based on the Australian Bureau of Statistics' (ABS) Education and Work Australia report for 2021
- the highest unemployment rate in Australia, based on ABS Labour Force data for July 2022.

Significant reforms have been undertaken in the VET for Secondary Schools space including the introduction of Flexible Industry Pathways and the current development of Technical Colleges. To support adult learners to engage with VET there are a range of challenges to address that have been highlighted through recent engagement with local stakeholders:

- Industry perceive VET as being fragmented and a system that is overly complex to navigate. They are discouraged by a lack of supplementary human skills in learners seeking to enter the workplace. They feel some VET qualifications are too inflexible for today's world. They are also seeking improvements in collaboration with government, including the development of better industry support mechanisms.
- Learners at all stages of their career are put off by the complexity of the system, and the inability to easily engage with a trusted source of truth about their training options. They do not always understand their options and may not have opportunities for personalised career information services. They find it difficult to transition between occupations and struggle to access supports needed to successfully complete their qualifications.

What do we want to achieve?

VET should be an inspiring and valued experience for industry and learners. Industry should be supported to identify their current and future skills needs. Learners need to be supported to select and successfully engage in training, particularly where they are facing barriers to completing their learning.

Supported by stakeholder feedback, we are proposing four outcomes that if achieved, will contribute to ensuring we have skilled people.

- **A meaningful and relevant user experience** that is simple, personalised, and flexible. Creating an end-to-end engagement model with a single user portal will support learners, employers and training providers to find tailored information which will inform their decision making and track their journeys through VET. The user experience should be supported by responsive product and service offerings, strong support networks and tailored information and advice.

- **Inclusive access to high quality education and training** that supports learners from diverse backgrounds to gain skills they need to participate effectively in the workplace, community and further learning, with additional support for those who need it.
- **Stakeholders collaborate to improve outcomes** for learners and industry. By working together, governments, industry and training providers can collectively understand and solve problems and create opportunities.
- **VET is a valuable and valued pathway** with clear benefits for individuals at any stage of their career. Choices about whether to undertake VET or higher education are based on the outcomes learners are seeking and their career path of choice with both pathways being valued options.

For your feedback

- > In your view, what needs to be true to successfully achieve the outcomes in Skilled People?
- > What else do we need to consider to achieve the outcomes for Skilled People?

How will we create change?

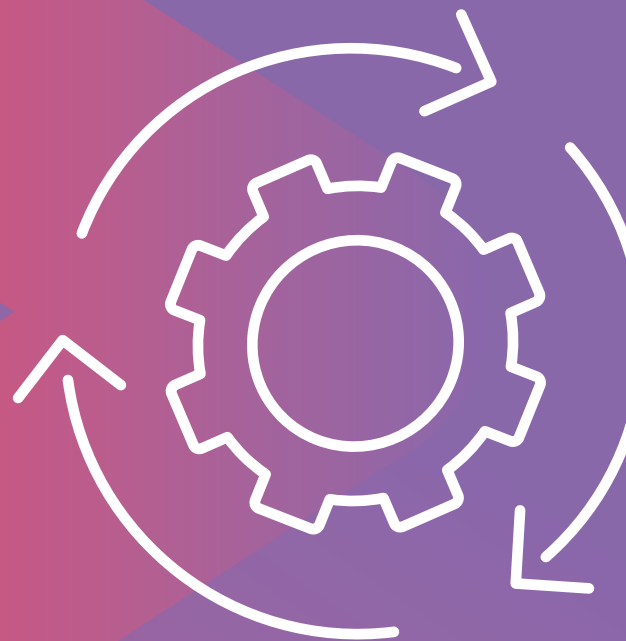
There are four main drivers of change we are considering to achieve outcomes for skilled people:

- **Skills and Industry Labs.** Bringing together learners, industry, and training providers in collaborative and innovative ways. The Labs could offer a range of services, from career advice through to training and connections to employment opportunities. Pilot labs are being considered for establishment in 2022-23 to demonstrate the concept.
- **Strengthened narrative for skills.** A strong narrative and value proposition for skills will reinforce the message that VET is a valuable and valued pathway. By engaging across the spectrum of current and future learners, and influencing the influencers so VET is discussed in the same conversation as higher education, and choice is aligned to career aspirations, we will demonstrate the value offered by VET to industry and learners.
- **Single user portal.** Learners, employers and training providers should have access to an integrated, simple to use, personalised entry point to the training and skills system.
- **Holistic support for learners and industry.** Building on the strong foundation of supports already in place, through better integration and testing new service models, to ensure all learners receive the support they need, when they need it and industry have the data, tools and support required to meet skills needs. Immediate priorities could include design of tailored learning strategies and new support models for neuro-divergent learners, and mental health supports for learners.

For your feedback

- > What are your thoughts on the proposed drivers of change and their impacts on you, your clients, your industry?
- > How might we go about implementing these?
- > Which one would make the biggest difference to you, your clients, your industry?

Seamless System



Why is this a focus area?

South Australia requires a transparent, flexible and responsive training system if we are to meet the challenges posed by transformation in the world of work, driven by new technologies and emerging sectors, and to ensure progression in the workplace for as many people as possible.

An optimised skills ecosystem should be informed by workforce planning that is business and industry specific, and economy-wide. It should offer valued training products that are accessible and customisable, serviced by a provider market that has the capacity and capability to deliver quality outcomes, aligned to learner, industry and workforce needs.

The complexity of the current system, combined with employer concerns over the availability of suitable skills training, means South Australia could face a future of shrinking capability and skilled job creation. Addressing this is not just an economic imperative, but a social one: we need to offer everyone the chance to develop skills and engage in sustained employment throughout their lives.

Enhanced collaboration and connectivity between industry, businesses and training providers will be key to developing co-designed training solutions, including piloting emerging products and testing new approaches.

Changing the understanding of the value of VET relative to higher education is important in achieving the Government's objective. The system needs to have clear and connected pathways, offering training products that are valued equally, and can be complementary, to a university education.

The South Australian Government is focussed on delivering a simplified, seamless and high performing skills system with a modern and responsive TAFE SA as a leader in a strong and valued VET sector that offers training for employability and life-long skill development.

We want to ensure that learners and industry have the right skills for today and, sustainably, into the future.

Where are we now?

VET funding in South Australia has seen many changes in the past decade, including both the scale of total funding, and how this funding is managed to deliver training. These changes have impacted skills development and delivery, and contributed to fluctuations in size and diversity of the local VET system. We heard from our engagement that stakeholders often find the VET system confusing to navigate due to changing funding allocations, qualifications and programs.

To increase diversity and capability in the VET system, various programs and initiatives have been introduced that provide opportunities for Registered Training Organisations (RTOs) to receive funding for initiatives to assist in building their capability, with professional development initiatives available to the entire local VET workforce. While positive outcomes have been achieved by such initiatives, there is further work to be done to increase the capacity and capability of the local VET system.

Our engagement identified that RTOs are seeking greater support to access high quality training products, facilities, and to attract and retain an appropriately qualified and experienced trainer and assessor workforce. Additionally, providers are seeking greater access to streamlined government services and planning information to assist them in identifying opportunities for growth and accessing the support required to achieve these goals.

The complexity of the national training system hinders employers and learners from readily identifying the qualifications and skillsets they need to gain the right skills and build their workforce. This is contributing to a local workforce that does not meet the skills needs of the state. While reforms to the national system are underway to address these challenges, they will take time to design and implement. In tandem with the national reforms, we will build on work already underway to develop and test new models for more local products.

Improving the connectedness between schools, VET and higher education is imperative to increasing the value proposition of VET for learners and industry. Work is already underway in our public education system to address this, including through reforms to reposition VET within secondary schools, as outlined in the 'Vocational Education and Training for School Students policy' and the Government's commitment to building four new Technical Colleges. Similarly, the *South Australian Skills Act 2008* was amended in 2021 to develop a more responsive, flexible skills system which is easier to navigate and to introduce new approaches to training such as higher education apprenticeships.

What do we want to achieve?

A seamless skills ecosystem that is valued and meets the contemporary needs of industry and learners will deliver a workforce that produces quality outcomes, aligned to the State's critical skills shortages. A system that will provide industry with highly productive and skilled individuals and give learners clear and attractive pathways, based on contemporary career advice, from secondary education into skilled occupations at the highest levels.

We need a high-quality, strong training sector to support skills development and meet current shortages and future needs. To achieve this, we need a revitalised and responsive TAFE SA at the heart of the sector with a clear role for both TAFE and non-government RTOs.

Supported by stakeholder feedback, we are proposing three outcomes that if achieved, will contribute to a seamless skills ecosystem.

- **Quality and adaptable providers**, including TAFE SA and non-government RTOs, who have a clear vision of their role in the skills ecosystem and who demonstrate a learner centered approach to the training experience. They will deliver an inspiring and supportive experience for learners, have strong connections with industry, and be committed to developing the capability of their staff, systems, and training and assessment practices.

- **A simple, streamlined, consistent and transparent funding model** that drives quality outcomes and focuses on risk mitigation, where training providers can access relevant supports and guiding tools to help them adopt monitoring and continuous improvement practices.
- **Responsive products and services** that are integrated and developed collaboratively to meet local workforce demands, with genuine labour market currency - evidenced by employers choosing to engage with the skills system through providing work placements, engaging in work integrated learning, recruiting recent graduates and training their existing workforce.

For your feedback

- > In your view, what needs to be true to successfully achieve the outcomes for Seamless System?
- > What else do we need to consider to achieve the outcomes for Seamless System?

How will we create change?

We will continue to proactively engage across both public and non-government training providers to build capacity and transform training by working closely with industry, business, unions, and training providers to collaboratively develop solutions to respond to current shortages and future skills demand.

There are four main drivers of change we are considering to achieve our outcomes for a seamless system:

- **System stewardship** that focuses on setting a clear direction and outcomes for the skills system, drawing on the experiences of stakeholders and enabling providers to deliver high-quality, relevant and accessible training. This includes providing sector development and interventions that align to strategic priorities and need.
- **Ecosystem development**, where innovative and high-quality products, services and providers are informed by and connected to industry and student needs – where stakeholders have clear and active roles in the design and delivery of education and training.
- **Quality outcomes** that are driven by a simplified and streamlined funding model that focuses on outcomes, recognises quality, and where stakeholders have a greater level of certainty to identify and address skills needs.
- **Test, trial and innovate** co-designed products and services to ensure contemporary solutions are delivered, and successful models can be scaled up and delivered across the skills system.

For your feedback

- > What are your thoughts on the proposed drivers of change and their impacts on you, your clients, your industry?
- > How might we go about implementing these?
- > Which one would make the biggest difference to you, your clients, your industry?

Successful Economy



Why is this a focus area?

South Australia's economy continues to be shaped by the development and deployment of new technologies, such as those being used in advanced manufacturing or being developed in renewable energy. These technologies have, and will continue to, increase the demand for highly skilled workers.

Despite South Australia's recent relatively strong economic recovery from the pandemic, challenges remain. These challenges include South Australia's share of the Australian economy declining, a lower-skilled workforce than required to meet need, and our unemployment and underemployment rates are typically higher than other states.

Economic growth is strongly linked to the skills of workers. This is why an education, skills and training system that can equip businesses with the skills they need to innovate, grow and succeed is a key enabler to building a robust workforce and strong economy and a key focus area of the Skills Plan.

By working in partnership Government can implement policies that improve the quality of our skills system, and support individuals and businesses to gain the skills they need to thrive.

The Department for Industry, Innovation and Science (DIIS) is working to deliver workforce 'roadmaps' in critical sectors such as hydrogen, and defence industry which will identify occupations in demand and address focus areas for industry and Government, including high level solutions and actions to be pursued.

DIIS will also develop a scenario-based planning model, driven by robust data analysis and industry engagement, to estimate the demand and supply of workers, as well as any workforce shortages and gaps within various industry sectors in South Australia.

These will further enable the Government's response to the economic challenges and ensure businesses get the support they need.

We aim to build a highly skilled workforce that can support economic diversification and competitiveness, and realise new opportunities arising from Industry 4.0, technological advances and structural adjustment.

Where are we now?

South Australia has consistently lagged behind other states on a range of economic measures for many years, yet we have the potential to lead the way in emerging sectors such as hydrogen and space. We have some persistent skill shortages that hold some businesses back, and with employment at a record high, businesses are having difficulty filling job vacancies. Employers raise concerns about accessing the skills required to unlock future growth.

Rapid digital transformation and automation are driving changes to job roles and the skills required in many occupations, increasing the demand for higher-skilled workers and reshaping the nature of work.

South Australia faces a number of challenges in creating a highly skilled and adaptive workforce. We have:

- a lower proportion of the population aged 20-64 who have attained a higher-level post-school qualification than average
- a high proportion of the population with literacy and or numeracy levels below the level required to participate in education, training and work in the modern economy
- an ageing population and a higher proportion than average of the working-age population either not in the labour force or unemployed.

Skills planning within government plays an important role in connecting skills needs and training delivery and realising the economic and community benefits of our skills investment.

We heard from stakeholders that our delivery approach is rigid and often metro-centric and navigating our service offering is complex. With a number of government agencies working to contribute to economic growth and success, we need to focus more on working together to meet customer needs.

We have listened to concerns about the shortage of skilled VET professionals, with the supply of some courses not keeping up with demand in regard to quantity or in some cases quality. Training delivery in regional and remote areas remains a significant challenge, exacerbating workforce pressures for regional businesses.

We need to strengthen our relationships with industry, learners and training providers, to collect and share data, to work better across government and create policies and programs that work towards our long-term vision.

What do we want to achieve?

We heard from our engagement with targeted stakeholders that we must make changes to better respond to skills and workforce needs, and more effectively help people, regions and industry to succeed. We must clearly articulate the roles and responsibilities of government and industry to improve the efficiency and effectiveness of our delivery approach.

Success must be defined and measured so we can incentivise the right behaviours and provide certainty to key stakeholders to drive and sustain economic growth.

Supported by stakeholder feedback, we are proposing three outcomes that if achieved, will contribute to a successful economy:

- **Data-driven, evidence-based planning and forecasting** with a regional and sector focus, to provide a roadmap to increase skill levels in line with demand and improve the return on government investment in skills. A long-term planning approach that is collaborative and respected, with industry advice and intelligence embedded, supported by a strong evidence base and informed by cutting-edge data collection and analysis.
- **A skilled workforce that supports current and emerging economic opportunities in South Australia**, where delivery of training and services aligns to community and economic need in the short and long-term.
- **Individuals and businesses are equipped with the skills they need to innovate, grow and succeed** by ensuring the customer is at the centre of what we do, driving our funding and delivery approaches to support a seamless customer experience. Responsiveness, transparency and collaboration will be at the heart of everything we do, and we will leverage technology to inform our service design.

For your feedback

- > In your view, what needs to be true to successfully achieve the outcomes for Successful Economy?
- > What else do we need to consider to achieve the outcomes for Successful Economy?

How will we create change?

There are four main drivers of change we are considering to achieve our outcomes and generate economic impact:

- **Collaborative and evidence based planning** through the design and pilot of a long-term planning approach which includes:
 - creating new data sets and adopting the latest technology and innovative approaches
 - an enhanced industry and learner engagement process with the regional and cohort perspective integrated by design.
- **Measures aligned to success** with clear key performance indicators and success measures to drive and sustain economic growth and social outcomes.
- **Partnerships to meet customer needs** with agencies working together to design customised solutions to respond to the skills and workforce needs of industry, people and regions.

- **Place based and community skills strategies** that are designed in partnership with stakeholders to meet local needs and improve outcomes. As an early priority the Government will work collaboratively with Aboriginal communities to develop an Aboriginal Adult Education Strategy to identify needs and aspirations for Aboriginal skill development and identify targeted solutions with shared commitment to the strategy. Subject to an assessment of impact, this approach could be expanded to other cohorts or regions.

For your feedback

- > What are your thoughts on the proposed drivers of change and their impacts on you, your clients, your industry?
- > How might we go about implementing these?
- > Which one would make the biggest difference to you, your clients, your industry?

We would like to hear from you



To support us in finalising the South Australian Skills Plan we would like to hear your feedback on the South Australian Skills Plan Concept and Summary. To assist you in providing feedback, focus questions have been presented throughout the concept summary for your consideration.

To provide your feedback please visit the YourSAy engagement at yoursay.sa.gov.au/sa-skills-plan or email your feedback to EDU.skillssapolicyandstrategy@sa.gov.au

Feedback questions in summary

Vision

- > What does this vision mean to you?
- > Do you see yourself, your clients or your stakeholder group supported by this vision?
- > The concept for the Skills Plan outlines three main focus areas: Skilled People, Seamless System, Successful Economy. From your perspective, are these the right focus areas?
Are there any gaps?

You've spoken, we heard

South Australia's skills system should reflect the needs and aspirations of its users. Our recent engagements have raised a number of opportunities for improvement.

- > Do you agree with these?
- > Are there other opportunities for improvement you would like to see reflected?

Feedback questions for each focus area

- > In your view, what needs to be true to successfully achieve the outcomes outlined for each focus area?
- > What are your thoughts on the proposed drivers of change and their impacts on you, your clients, your industry?
- > How might we go about implementing these?
- > Which one would make the biggest difference to you, your clients, your industry?
- > What else do we need to consider to achieve the outcomes for each focus area?