

### **Training and Education Industry: national approach to workforce development for the VET sector**

The Training and Education industry is the fourth largest industry in Australia, employing 7.6 percent of the total workforce. It has been one of Australia's fastest growing export sectors in recent years contributing \$18.6 billion to the Australian economy in 2009.

Innovation & Business Skills Australia's (IBSA) Environment Scan (Escan) 2011, *Skilling diverse workforces – innovation, leadership and beyond* and the *Training and Education Industry Escan* provide an analysis of the social, technological, economic and labour market environments influencing workforce development and skills demand in the Training and Education Industry.

There are a range of specific challenges that the Vocational Education and Training (VET) system will face arising from a new national emphasis on responding to industry workforce development needs. The demand for nimbleness in responding to industry skills needs creates policy, administrative and service challenges for those in the sector; meeting changing client needs and expectations is a core challenge for the VET workforce and calls for a national approach.

The Escan reported that the Training and Education industry's ability to develop an appropriately skilled workforce will be impacted by the ageing of the workforce, an anticipated labour shortage and limited engagement of the industry in developing and planning its own future workforce. Capacity to recognise and address language, literacy and numeracy (LLN), along with skill recognition, were professional development needs identified in the VET sector. These issues were elevated to national discussion by the Productivity Commission's research report into the vocational education and training workforce along with Skills Australia's recent paper *Skills for Prosperity*.

Effectively implementing new technologies and balancing technical and teaching skills in the VET workforce will be vital to meeting changing client needs and expectations for holistic workforce development services; it is a significant challenge to get the balance right between workforce teaching and technical skills.

Escan 2011 identifies future workforce challenges in developing sufficient skills in business analysis, customisation of skilling arrangements, LLN support and capacity development, human resource management, strategic leadership capability, new technologies and workforce planning.

Looking ahead to Escan 2012, IBSA is undertaking a national survey of industry associations and a series of national industry consultations to identify the most pressing workforce development issues in the Training and Education and other industries; Escan 2012 will be available in March 2012.

The *Training and Education Industry Escan* and information on the upcoming industry consultations is available on the IBSA website <http://www.ibsa.org.au/news-and-projects/environment-scan.aspx>