



**Victorian
Skills Authority**

The Importance of Vocational Education and Training

The Future of Apprenticeships

February 2023

Craig Robertson

Chief Executive Officer, VSA



Jobs, Skills,
Industry
and Regions

BIRRARUNG MARR









Our view of competency differs

A knowledge-based model

- Competence integrates practical and theoretical knowledge, as well as personal and social qualities
- for broadly defined occupational fields.

multi-dimensional development of the individual as a citizen as well as an employee.

Coordinated Economy

A skills-based model

- competence is performance of fragmented and narrowly defined tasks, with minimal underpinning knowledge.
- for specific occupations

For functional employability in relatively low-skilled employment

Liberal Democratic Economy

Participation is in decline as a result

Projected participation rates for higher education and VET



2018
4.9%



2030
4.9%

under current
higher ed policy



2018
4.4%



2030
1.4%

following VET
two-year trend



2018
9.3%



2030
6.3%

whole of tertiary
participation rate

There is a new imperative

The type of economy and the type of growth matters – and its distribution matters..... growth that puts equality and equal opportunity at the centre.

Treasurer of Australia
January 2023

Market Stewardship

Governments 'shaping' markets in the provision of public services. It focuses on inputs, such as funding and resources, and outputs, such as profits and service availability.

System Stewardship

Governments takes active responsibility for system outcomes measured by impact on the **system's beneficiaries**.



**Leadership
& vision**



**Data &
evidence**



**Market
facilitation**



**Workforce &
capability**



**Accountability &
Empowerment**



**Local-based
delivery**

A new era for skills in Victoria

The Victorian Skills Plan:

- ▶ A 'skills roadmap'
- ▶ Represents a new approach to connecting industry, learner and community insights
- ▶ Provides evidence for the provision of training and skills across Victoria aligned to current and future job needs
- ▶ Identifies actions and the further work needed to build a robust skills base and shape the next generation of skills delivery strategies.

With evidence drawn from more than **60 local, national and global sources**, enhanced through **more than 100 consultation forums** with industry, employers, unions, education and training providers and learners, the Skills Plan:



Delivers industry-validated insights on the scale and form of the issues facing Victoria



Provides clear direction on the response required, and;

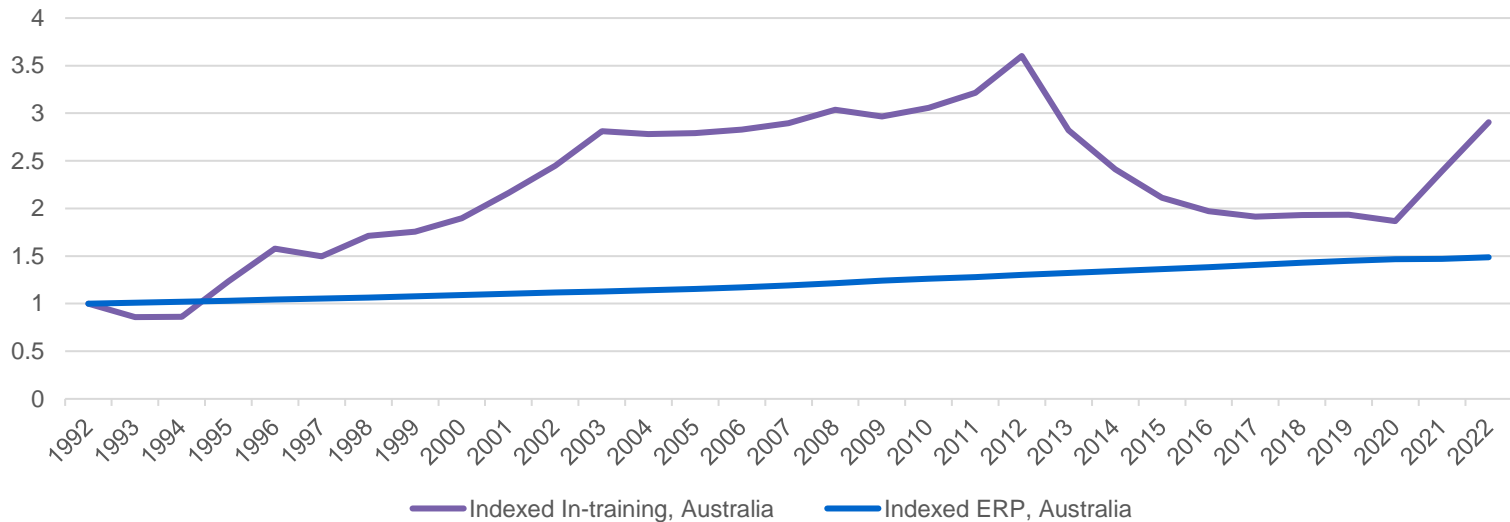


Identifies priority actions to improve the training and skills sector

The evolution of apprenticeships traineeships in Australia

Apprenticeship is a key feature of the economy and policy

Apprenticeship and Traineeship In-Training and Estimated Resident Population Total at 30 June, 1992-2022
(Index, June 1992 = 1)

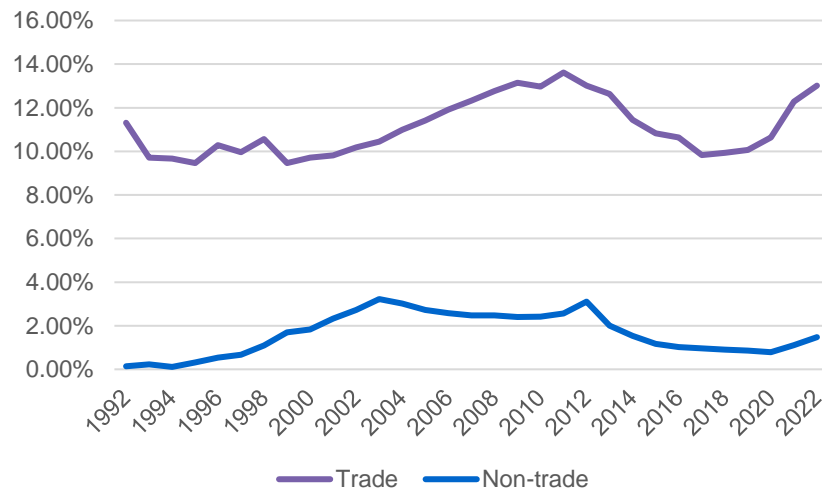


Training rates have been declining steadily since 2012, with recent years showing a slight uptick.

Total training rates, 1992-2022

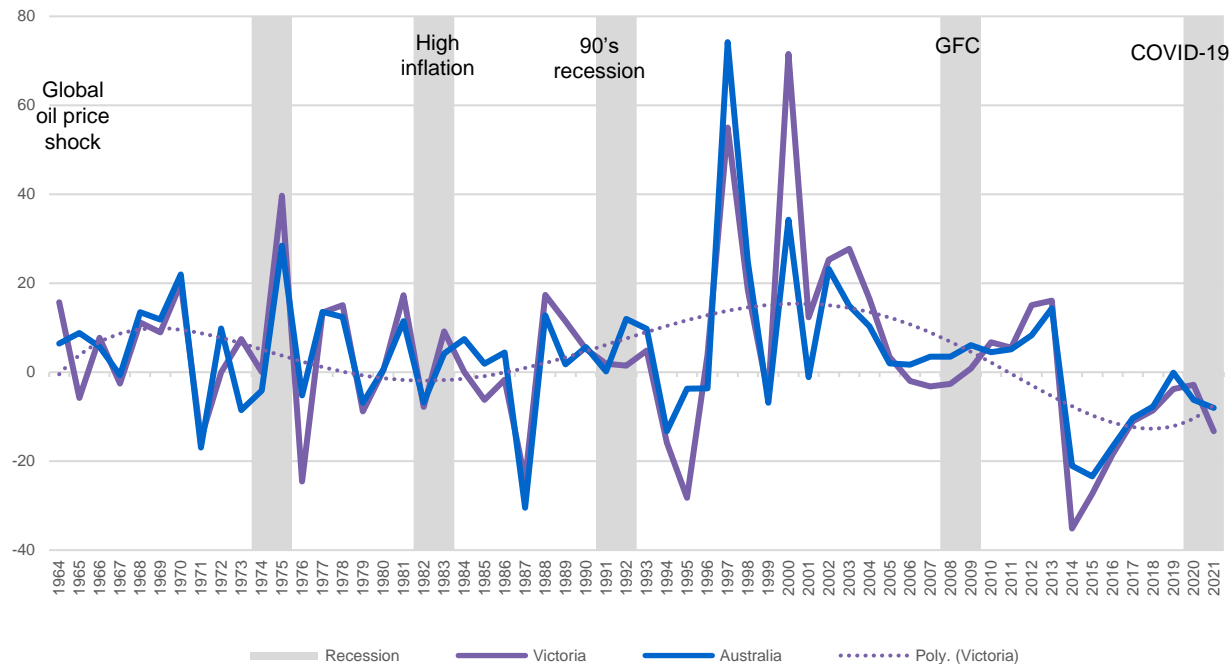


Apprenticeships and Trainee training rates, 1992-2022

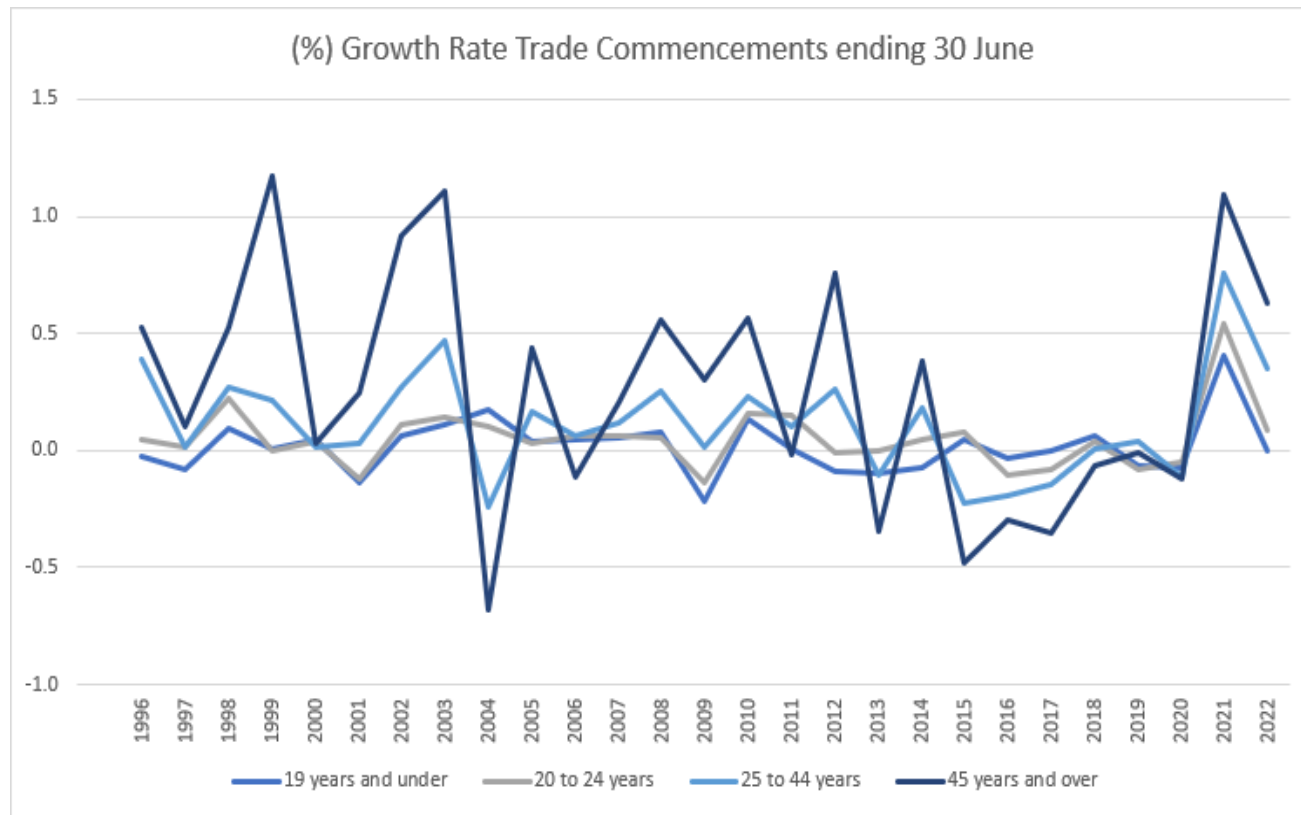


Completions are sensitive to economic downturns

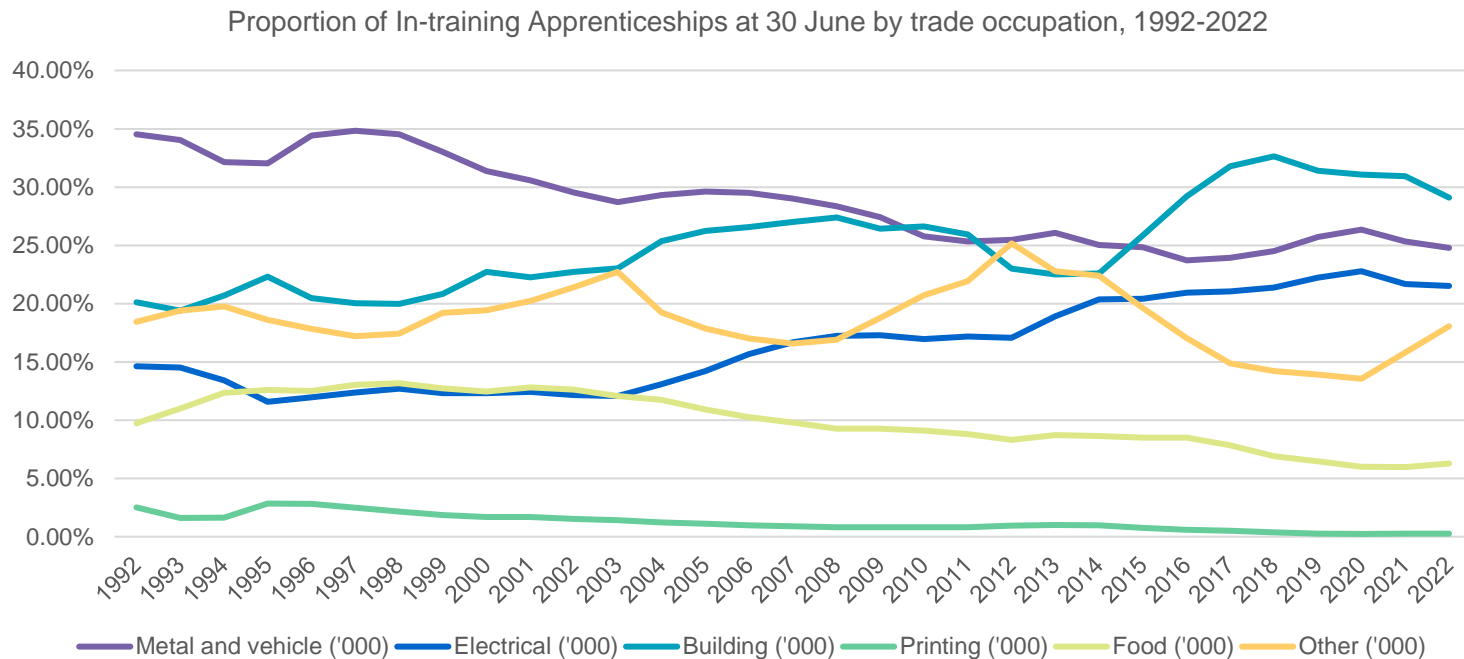
Annual change in number of apprenticeship and traineeship completions, 1964-2021



Equally, Government action has an impact



Still, long-term industry trends are apparent



Public investment matters: Big Build Apprenticeships

Apprenticeships Victoria's (AV) **Big Build Apprenticeships** model connects industry to a pipeline of new skilled workers, while giving apprentices and trainees vital on-the-job experience on some of the state's flagship industry projects. Up to **1,500** opportunities for apprentices and trainees will be created each year.

Big Build Apprenticeships address two key planks of Victoria's economic recovery:

- providing employment and training opportunities for more apprentices and trainees through the Group Training Organisation model
- ensuring a pipeline of skilled workers to deliver the Government's Big Build program

Big Build Apprenticeships will

- work with industry and Group Training Organisations (GTOs) to supply apprentices and trainees to help deliver Big Build projects. BBA leverages the GTO network to employ and support apprentices and trainees
- centre on TAFE as the training provider
- offer opportunities to apprentices and trainees from priority cohorts including COVID-displaced workers, young people, women, older workers re-training and for those most at risk of unemployment through our dedicated Expression of Interest site (in line with Social Procurement Framework)
- support contractors to meet Major Projects Skills Guarantee (MPSG) requirements

The importance of Vocational Education and Training

The imperatives

- We need to lift participation in Vocational Education
- We need to focus on the skills of the individual as worker, entrepreneur and citizen
- The skills we teach need to be deeper and broader for the modern economy
- Clean economy ambitions and active citizenship demand it