

**CABINET - SUBJECTS FOR CONSIDERATION, 25 JULY 2005 1:15 PM**

Not relevant



**1 New Initiatives/Policy Matters**

Not relevant



105      METAFE36/04CS      **Better Skills Better Work Better State - A Strategy for  
the Development of South Australia's Workforce  
APPROVED**

Not relevant





5. **RESOURCES REQUIRED FOR IMPLEMENTATION**

*Better Skills Better Work Better State* itself does not have budgetary implications. The strategy outlines priorities that are consistent with the Government's existing commitments.

Treasury and Finance notes that *Better Skills Better Work Better State* does not seek additional funding but may create expectations of additional funding being provided.

Government initiatives resulting from *Better Skills Better Work Better State* requiring additional budget funding will be considered as part of future annual budget processes.

6. **COMMUNITY AND ENVIRONMENTAL IMPACT**

*Better Skills Better Work Better State* will impact positively on the community and environment by enabling more South Australians to participate in learning and work and share in the economic and social benefits of sustainable employment.

7. **RISKS**

The State is at high risk of not meeting its economic and social objectives without a coherent strategy to develop the workforce.

Extensive consultation undertaken in the development of *Better Skills Better Work Better State* has indicated that the introduction of this strategy is timely. This is further supported by significant media and industry attention to current and emerging skills shortages and related workforce development issues.

There is a potential risk of industry and community dissatisfaction if *Better Skills Better Work Better State* is not released and the associated Workforce Development Action Plan is not developed in consultation with them.

8. **CONSULTATION**

The strategy has been developed through extensive consultation across government, through industry and community forums, including scenario-planning workshops. A list of parties consulted is attached.

The Economic Development Board has indicated support of the general direction of the strategy and has agreed to play a significant role in the promotion of the workforce development message to industry and the wider community.

9. **COMMUNICATION STRATEGY**

It is proposed that the Premier or the Minister for Employment, Training and Further Education announce the release of the Strategy, in conjunction with announcements about the establishment of nine Industry Skills Boards and the commencement of active involvement with industry, government and community sectors.

10. **URGENCY**

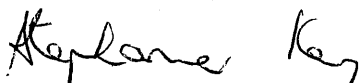
Urgent – To be printed and launched at the Workforce Development Conference being jointly hosted by the Economic Development Board.

11. RECOMMENDATIONS

It is recommended that Cabinet:

- 4.1 Endorse *Better Skills Better Work Better State – A Strategy for the Development of South Australia's Workforce* and approve its release as a public document to key industry, government, community and education and training partners.
- 4.2 Note the process for the development of a more comprehensive Workforce Development Action Plan.
- 4.3 Endorse the *Skills Action Plan: First Steps* which has been jointly developed by the Department of Further Education, Employment, Science and Technology and the Department of Trade and Economic Development to be used as the starting point for developing industry Workforce Development Action Plans that will be regularly updated.

I declare that I have no actual or potential conflict of interest in relation to the proposals contained in this submission.



HON STEPHANIE KEY MP  
MINISTER FOR EMPLOYMENT, TRAINING AND FURTHER EDUCATION

21<sup>st</sup> July 2005

TO: THE PREMIER FOR CABINET

RE: **BETTER SKILLS BETTER WORK BETTER STATE – A STRATEGY FOR THE DEVELOPMENT OF SOUTH AUSTRALIA'S**

**1. PROPOSAL**

- 1.1 To seek Cabinet endorsement of *Better Skills Better Work Better State – A Strategy for the Development of South Australia's Workforce* and approval for its release as a public document to key industry, government, community and education and training partners.
- 1.2 For Cabinet to note the process for the development of a more comprehensive Workforce Development Action Plan.
- 1.3 For Cabinet to endorse the *Skills Action Plan* has been jointly developed by the Department of Further Education, Employment, Science and Technology and the Department of Trade and Economic Development to be used as the starting point for developing industry Workforce Development Action Plans that will be regularly updated as a rolling plans spanning the time-frame of South Australia's Strategic Plan.

**2. BACKGROUND**

- 2.1 *Better Skills Better Work Better State* provides a framework for coordinated action by industry, governments, businesses, regions and the education and training sectors.
- 2.2 In December 2004, the strategy was presented to Cabinet together with a format draft of the supporting Workforce Development Action Plan, pending further development of the action plan with key industry, government and community partners.
- 2.3 The general view across government was that the philosophy of the strategy is sound but that action must occur to achieve its vision.
- 2.4 Cabinet therefore deferred consideration of *Better Skills Better Work Better State – A Strategy for the Development of South Australia's Work*.
- 2.5 The framework was subsequently used as the basis of further collaborative work by the Department of Further Education, Employment, Science and Technology (DFEEST) and the Department of Trade and Economic Development (DTED) in formulating a *Skills Action Plan* focusing on an initial ten areas of skill shortages.

- 2.6 Considerable achievements were also made in consolidating the relationship between the Economic Development Board and the Training and Skills Commission to support and agree on the general thrust of the Workforce Development Strategy.
- 2.7 In the meantime, the importance of workforce development is gaining currency across all levels of Government, industry, human resource professionals and by businesses and enterprises.
- 2.8 *Better Skills Better Work Better State* and the *Skills Action Plan* were lodged with Cabinet for consideration on 4 and 11 July 2005. Subsequently the document has been reviewed by the Offices of the Premier, Deputy Premier and Minister for Industry and Trade and myself. Minor revision has been made to the Strategy while further consultation with government agencies has updated (and made more complete) the *Skills Action Plan*, which has also been reformatted and is to be launched with the main strategy document.
- 2.9 *Prosperity through people: a population policy for South Australia* committed the Government to the development and release of a South Australian Workforce Development Strategy. This was in response to the recommendations supporting such a strategy made by both the Economic Development Board's *Framework for Economic Development* and the *Skills for the Future Ministerial Inquiry*.
- 2.10 As a state we are enjoying a season of record low unemployment, and the benefits of a booming economy; although this in itself can create a number of challenges including the real potential for worker and skill shortages.
- 2.11 *Better Skills Better Work Better State* directly relates to South Australia's Strategic Plan objectives *Growing Prosperity, Fostering Creativity, Building Communities, and Expanding Opportunity*. See 3.14.
- 2.12 The Training and Skills Commission has led the development of *Better Skills Better Work Better State*. It did so as part of its function to provide advice and recommendations to the Minister on strategies and priorities for increasing the work skills base in the State with the aim of supporting employment growth and investment,
- 2.13 The Training and Skills Commission, in conjunction with, and the support of, the Economic Development Board, will promote to industry the key messages of the workforce development strategy. They also have a role to oversee the development of the detailed industry Workforce Development Action Plan and to monitor the strategy's achievements and outcomes in the context of South Australia's Strategic Plan.

### 3. DISCUSSION

- 3.1 *Better Skills Better Work Better State* aims to ensure that South Australia has an adequate number of people in the workforce, with the right skills, in the right place, at the right time.
- 3.2 An effective workforce development system makes the labour market work more effectively for both employers and employees. It goes beyond training and skills to incorporate work organisation, job design, industrial relations, human resource management practices and employment conditions. It puts government and industry side-by-side to plan for workforce needs and to address issues such as recruitment, retention and utilisation of labour.
- 3.3 Workforce development signals a better balance between the acquisition, use and renewal of skills in the workplace and is an appropriate response to the implications of demographic change and ageing for the labour market.
- 3.4 However the achievement of this requires a better understanding of the factors influencing employment rates, particularly of youth, and of demand side issues, such as the factors that influence labour and skills shortages.
- 3.5 The key message is that the training system (or supply factors) alone cannot meet the industry demand for a skilled workforce.
- 3.6 Skill shortages exist for a number of reasons. While the training system is often blamed for skill shortages, it is usually not the case that insufficient numbers of people are being trained. Industry and regional structures, business and economic cycles, business size, workplace conditions and wages all contribute to skill imbalances.
- 3.7 An integrated workforce development approach is required to effectively alleviate persistent skill shortages and to satisfactorily meet industry's demand for skilled labour.
- 3.8 The new approach for Government augments the demand driven vocational education and training system in this State, which directs some \$300m towards industry skills priorities, as articulated in the State's annual vocational education and training plan.
- 3.9 The primary purpose is to provide a new framework for specific actions and initiatives that address broader workforce issues and related policies that must work in concert with skills formation policies and practices.
- 3.10 These actions and initiatives will be determined for specific industry sectors and regions, in conjunction with key partners, and articulated through rolling workforce development action plans.

- 3.11 The vision is for an efficient, highly skilled workforce that supports a globally competitive economy and a socially inclusive community.
- 3.12 *Better Skills Better Work Better State*, is a long term strategy that focuses on:
- Young people entering the workforce for the first time.
  - People not in the workforce but seeking work. Jobs growth, better utilisation of labour and a more inclusive workforce will enable those who are unemployed, or those wishing to return to the workforce after raising families, to reskill in areas needed by industry and gain rewarding jobs.
  - Current workers. An efficient, highly skilled workforce will provide opportunities for existing workers to stay in the workforce, develop their careers and move into new areas, as older workers retire and new occupations emerge through technology and innovation.
  - Targeted groups such as Indigenous, women, people from non-English speaking backgrounds, and people with a disability. Ensuring that opportunities are provided for all South Australians to participate in learning and work, to utilise their skills and to share in the economic and social benefits of sustainable employment.
- 3.13 The three priority areas of *Better Skills Better Work Better State* have been developed through consultation and highlight the broad range of policies, systems and structures needed to create and sustain the workforce. Within each of these priorities there are focus areas to be addressed over the next five years, as follows:
1. ***A high skill economy that is created through:***
    - a skilled workforce
    - jobs through business and economic growth
    - high performance workplaces
    - responsive learning systems
  2. ***Quality employment that provides:***
    - access to learning and jobs
    - flexibility for workers
    - fair and sustainable work
  3. ***Better workforce planning that comprises:***
    - research excellence
    - better workforce information and planning
    - coordinated government action

3.14 The three priorities and focus areas for action address the specific targets set out in South Australia's Strategic Plan as listed below:

<b>Better Skills Better Work Better State</b> priorities and focus areas	Related South Australia's Strategic Plan targets
<p>The creation of a High Skill Economy</p> <p><i>A skilled workforce</i></p> <p><i>Jobs through business and economic growth</i></p> <p><i>High performance workplaces</i></p> <p><i>Responsive learning systems</i></p>	<ul style="list-style-type: none"> <li>▪ Better the Australian average employment growth rate within 10 years (T1.1)</li> <li>▪ Exceed the national economic growth rate within 10 years (T1.5)</li> <li>▪ Reduce net (migration) loss to interstate to zero by 2008 with a positive inflow from 2009. (T1.8)</li> <li>▪ Match South Australia's share of international migrants to Australia with the State's share of the overall national population over the next 10 years (T1.9)</li> <li>▪ Exceed Australia's average productivity growth within 10 years (T1.10)</li> <li>▪ Achieve the lowest number of working days lost per thousand employees in Australia within 10 years (T1.11)</li> <li>▪ Improve the connections between educational institutions and industry to enhance creativity and innovation (T4.10)</li> <li>▪ Increase leaving age to 17 to ensure that young people are either in school, employed or in structured training (T6.12)</li> <li>▪ Increase the proportion of the South Australian labour force with non-school qualifications from 50.7% in 2002 to 55% within 10 years. (T6.15)</li> <li>▪ Exceed the national average (university participation) within 10 years (T6.16)</li> <li>▪ Continue to exceed the national average (TAFE participation). (T6.17)</li> </ul>
<p>Access to Quality Employment</p> <p><i>Access to learning and jobs</i></p> <p><i>Flexibility for workers</i></p> <p><i>Fair and sustainable work</i></p>	<ul style="list-style-type: none"> <li>▪ Equal or better the Australian average unemployment rate within 5 years (T1.2)</li> <li>▪ Equal or better the Australian average youth unemployment rate within 5 years (T1.3)</li> <li>▪ Improve Adelaide's quality of life ranking on William M. Mercer Quality of Life Index to be in the top 20 cities in the world within 10 years. (T2.1)</li> <li>▪ Reduce regional unemployment rates (T5.9)</li> <li>▪ Raise the lowest incomes of South Australians relative to those of the average South Australians (T6.3)</li> </ul>
<p>Shaping our future through Better Workforce Planning</p> <p><i>Research excellence</i></p> <p><i>Better information and planning systems</i></p> <p><i>Coordinated government action</i></p>	<ul style="list-style-type: none"> <li>▪ Lead the nation in cost effectiveness of government services within 5 years (T1.18)</li> <li>▪ Lead Australian governments in timely and transparent government decision-making within 5 years (T1.19)</li> <li>▪ Align State and Local Strategic Plans within 12 months of the release of the South Australia's Strategic Plan and agree joint initiatives from them. (T5.7)</li> </ul>

- 3.15 The vision of the strategy can only be realised through the active involvement of partners that include Industry Skills Boards and relevant industry groups, Regional Development Boards, community organisations, education and training institutions, government agencies (State, Commonwealth and Local) and private sector recruitment firms.
- 3.16 The strategy will be achieved through Workforce Development Action Plans focusing on joint Government and industry initiatives that will contribute to addressing the causes of skill shortages, eg:
- Skill gaps in the workforce
  - Cyclical high demand for skills
  - Recruitment difficulties caused by factors such as locational and regional factors, industrial relations, wages and working conditions
  - Insufficient investment by government, business and industry in training.
- 3.17 The Workforce Development Action Plans will be regularly updated, and align with the time-frame of South Australia's Strategic Plan. They will build tangible commitments from:
- enterprises to employ work ready and skilled people and promote the uptake of apprentices;
  - government and businesses to assist and fund the development of a skilled workforce for current and future demand;
  - employers to participate in workforce surveys and planning so that we can jointly plan for and respond to longer term skills demand (at enterprise, regional and State levels);
  - employers and unions to address barriers to recruitment and retention (eg working conditions, wages, family friendly practices etc); and
  - the education and training system and individual providers (TAFE and non-TAFE, universities etc) to be responsive to industry skills, individual's needs and the characteristics of regions.
- 3.18 Workforce Development Action Plans will be developed in consultation with the nine Industry Skills Boards which have replaced the former industry training advisory boards. Industry Skills Boards have been established to enable industry to exercise a leading role in workforce development and to facilitate South Australian industry's role in the national VET system.

- 3.19 The following nine Industry Skills Boards have been declared by the Minister:
- Business Services Industry Skills Board South Australia
  - Construction Industry Training Board
  - Electrical, Electro-technology, Energy and Water Skills Board (SA) Inc.
  - Food, Tourism and Hospitality Industry Skills Advisory Council Inc (SA)
  - Manufacturing Skills Advisory Council SA Inc.
  - Primary Industries Skills Council SA Inc.
  - SA Health and Community Services Skills Board
  - Services Skills Industry Alliance Inc.
  - Transport and Distribution Training SA Inc.
- 3.20 These industry-led boards will work in conjunction with Government industry development bodies, such as the Premier's Food Council, the Wine Industry Council, the Export Council, the Small Business Development Council, the Manufacturing Consultative Committee, and the Defence Industry Advisory Board, to identify industry specific workforce issues and appropriate responses.
- 3.21 A primary function of Industry Skills Boards is to be *workforce development agents* with industry and to develop, over time, industry specific workforce plans to address immediate and longer-term workforce issues.
- 3.22 It is proposed to publicly release *Better Skills Better Work Better State* in conjunction with the launch of the nine Industry Skills Boards in recognition of their major role in workforce development within their industry sectors.
- 3.23 The *Skills Action Plan* will be released as the starting point for developing industry Workforce Development Action Plans, which will have a similar format to that of the *Skills Action Plan: First Steps*
- 3.24 The Workforce Development Action Plan will be regularly updated to reflect achievements over time and new initiatives.

### 3.25 Economic, financial and budgetary implications

- 3.25.1 *Better Skills Better Work Better State* does not have direct budgetary implications. The Strategy outlines priorities that are consistent with the Government's existing commitments.
- 3.25.2 *Better Skills Better Work Better State* is a long-term strategy for developing the workforce South Australia needs for a healthy, buoyant economy and a high standard of living and rewarding future for all South Australians. As such, it will contribute to a positive effect on South Australia's economy over the next 5 years.
- 3.25.3 The Workforce Development Action Plan will outline specific actions to be undertaken by all partners and some proposed new government actions may be subject to future budget decisions. This is inevitable in a climate where securing appropriately skilled people is the single most important risk factor that needs to be managed by enterprises.
- 3.25.4 Treasury and Finance notes that *Better Skills Better Work Better State* may create expectations of additional funding being provided for workforce development initiatives. Treasury and Finance notes that the strategy outlines priorities that are consistent with the Government's existing commitments.

### 3.26 Staffing Implications

- 3.26.1 Existing staff in the Department of Further Education, Employment, Science and Technology will continue to provide executive support to the Training and Skills Commission and will facilitate consultation in relation to the Workforce Development Action Plan.

### 3.27 Impact on the community and the environment

#### 3.27.1 Regulatory impact

Nil

#### 3.27.2 Impact on small business

The State's small business sector will be positively supported through the strategy to expand and to move into new markets. This will enable the State to strategically use skills to attract new industries, creating new opportunities for young people, existing workers and those people who have traditionally been marginalised. Specific actions will focus on the unique workforce issues affecting small business. Consultation and active engagement with the small business sector will occur through the Small Business Development Council and Industry Skills Boards.

### 3.27.3 Environmental impact

Nil

### 3.27.4 Impact on families and society

*Better Skills Better Work Better State* will impact positively on families and society by enabling more South Australians to participate in learning and work and to share in the economic and social benefits of sustainable employment.

Despite recent jobs growth, there are still many South Australians who are unable to find a job or who have a job but would prefer to work more hours. At the same time, an increasing number of people are working very long hours, and find it difficult to spend time with their families or pursue community or leisure interests.

In the future jobs will be shared more evenly across the regions of the State, and groups in the population, particularly those groups that are generally marginalised in learning and work.

*Better Skills Better Work Better State* has a focus on creating a learning culture within communities where people may have had limited opportunities to participate in learning.

### 3.27.5 Regional impact

Regions will benefit from the release of *Better Skills Better Work Better State* as resources will be provided to seventeen regional Employment and Skills Formation Networks to enable them to work locally to identify and address local employment and skill issues.

## 3.28 Risk Management Strategy

- 3.28.1 There is potential for industry and community dissatisfaction if *Better Skills Better Work Better State* is not released. The Economic Development Board's *Framework for Economic Development*, the *Skills for the Future Inquiry* and the population policy publicly articulated the Government's intention to release a Workforce Development Strategy for South Australia.

### 3.29 Implementation Strategy

- 3.29.1 The Training and Skills Commission will continue to work with business, industry, government, regions and the community to commit to Workforce Development Planning.
- 3.29.2 They will monitor progress in addressing the identified needs and the action plans will provide a practical approach to developing South Australia's workforce into the future.
- 3.29.3 Regular workforce development forums will be co-hosted by the Training and Skills Commission and the Economic Development Board to promote awareness and debate. The Commission will also host quarterly meetings with Industry Skills Boards to discuss the challenges facing different industry sectors and their industry specific workforce plans. These discussions will contribute, over time, to revising the focus areas of the strategy.

### 3.30 Communication Strategy

- 3.30.1 The communication strategy includes the promotion of *Better Skills Better Work Better State*, professional development, provision of information, and will include:
- Producing a brochure, a website and other tools to publicise and promote the purpose and activities of the strategy
  - Maintaining relationships with government and non-government agencies that are responsible for activities through meetings, working parties and joint initiatives etc
  - Providing information and activities about the intent and priority actions of *Better Skills Better Work Better State* and the Workforce Development Action Plan.

### 3.31 Consultation

- 3.31.1 Consultation has been undertaken with the Economic Development Board, Social Inclusion Unit, industry, employer associations, unions, community groups, government agency representatives and training providers. The following major consultations were held:
- *Search Conference* (11 August 2004)
  - *Government Interagency forums* (9 July & 31 August 2004)
  - *Scenario planning workshops* (8 & 14 September 2004)
- 3.31.2 While public sector agencies were represented at each consultation, Government Interagency forums were conducted on 9 July 2004 and 31 August 2004 solely for representatives of public sector agencies.

3.31.3 A full list of Government agencies consulted is attached.

### 3.32 Executive Council

3.32.1 It is not necessary for *Better Skills Better Work Better State* to be presented to Executive Council.

## 4. RECOMMENDATIONS

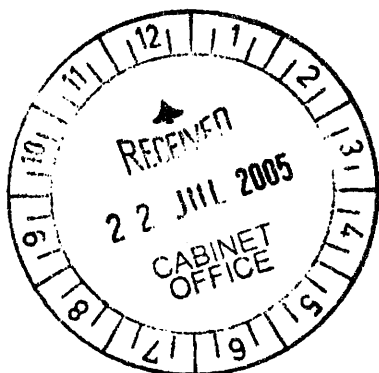
It is recommended that Cabinet:

- 4.1 Endorse *Better Skills Better Work Better State – A Strategy for the Development of South Australia's Workforce* and approve its release as a public document to key industry, government, community and education and training partners.
- 4.2 Note the process for the development of a more comprehensive Workforce Development Action Plan.
- 4.3 Endorse the *Skills Action Plan: First Steps* which has been jointly developed by the Department of Further Education, Employment, Science and Technology and the Department of Trade and Economic Development to be used as the starting point for developing industry Workforce Development Action Plans that will be regularly updated.

*Stephanie Key*

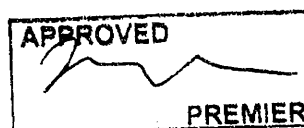
HON STEPHANIE KEY MP  
MINISTER FOR EMPLOYMENT, TRAINING AND FURTHER EDUCATION

2<sup>nd</sup> July 2005



***In Cabinet***

25 JUL 2005



**RECENT CONSULTATIONS**

Lance Worrall	Office of the Premier
Ben Tuffnell	Office of the Deputy Premier
Tom Kenyon	Office of the Minister for Industry and Trade
Lois Boswell	Office of the Minister for Employment, Training and Further Education
Cathy Hill	Department of Treasury and Finance
Mick O'Neill	Department of Trade and Economic Development
Murray Arthur-Worsop	Department of Trade and Economic Development
Jo Hoiles	Department of Health

**CONSULTATION WITH GOVERNMENT**

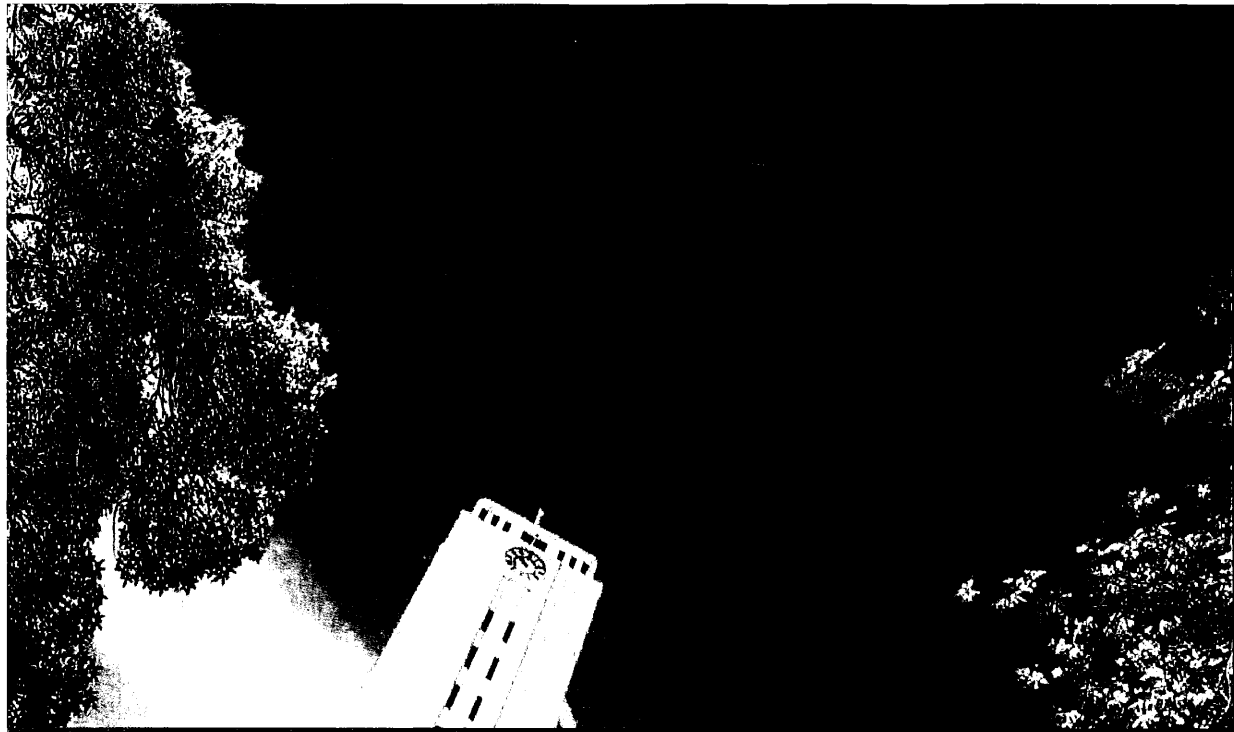
Department of Administration and Information Services (DAIS)	<ul style="list-style-type: none"> <li>▪ Safe Work Week</li> <li>▪ Policy and Legislation Group</li> <li>▪ Workplace Services</li> </ul>
Department of Correctional Services	
Department of Education and Children's Services	<ul style="list-style-type: none"> <li>▪ Office of the Chief Executive</li> <li>▪ Aboriginal Education</li> <li>▪ Organisational and Professional Development Services</li> <li>▪ Strategic Policy Unit</li> <li>▪ Futures Connect</li> </ul>
Department of Families and Communities	<ul style="list-style-type: none"> <li>▪ Aboriginal Affairs and Reconciliation</li> </ul>
Department of Environment and Heritage	<ul style="list-style-type: none"> <li>▪ Business Services Corp Human Services</li> </ul>
Department of Employment and Workplace Relations	
Department of Environment and Heritage	<ul style="list-style-type: none"> <li>▪ Local Agenda 21</li> <li>▪ Office of Sustainability</li> <li>▪ Protection Authority HRD Services</li> </ul>
Department of Health Services	<ul style="list-style-type: none"> <li>▪ Labour Relations and Insurance Services</li> </ul>
Department of Justice – Attorney Generals	<ul style="list-style-type: none"> <li>▪ Human Resources</li> <li>▪ Equal Opportunity Commissioner</li> </ul>
Department of Premier and Cabinet	<ul style="list-style-type: none"> <li>▪ Strategic Projects Division</li> <li>▪ Population Policy Unit</li> <li>▪ Office of the Commissioner for Public Employment</li> <li>▪ Capital City Project</li> <li>▪ Cabinet Office</li> </ul>

## ATTACHMENT 1

	<ul style="list-style-type: none"> <li>▪ Business and Skill Migration</li> </ul>
Department of Primary Industries and Resources	<ul style="list-style-type: none"> <li>▪ Industry Development</li> <li>▪ Wine</li> <li>▪ Economic Analysis and Policy</li> <li>▪ Office of Regional Affairs</li> <li>▪ Office of Manufacturing</li> </ul>
Department of Transport and Urban Planning	
Department of Treasury and Finance	<ul style="list-style-type: none"> <li>▪ Strategic Planning</li> <li>▪ Economics</li> </ul>
Department of Water Land and Biodiversity Conservation	<ul style="list-style-type: none"> <li>▪ Corporate Services</li> </ul>
Department of Further Education, Employment, Science and Technology	<ul style="list-style-type: none"> <li>▪ Science, Technology and Innovation Directorate</li> </ul>
ETSA Utilities	
Office for the Commissioner for Public Employment	<ul style="list-style-type: none"> <li>▪ Human Resource Development Strategies</li> <li>▪ People Development</li> <li>▪ Manager - Workforce</li> </ul>
Office of the Employee Ombudsman	
Office of Multicultural Affairs	
Office for Women	
Office for Youth	
SA Metropolitan Fire Service	
South Australian Tourism Commission	
South Australia Police	
TAFE SA	<ul style="list-style-type: none"> <li>▪ Murray</li> <li>▪ Regency</li> <li>▪ Douglas Mawson</li> <li>▪ Australian Flexible Learning Framework</li> <li>▪ Torrens Valley</li> <li>▪ Regency</li> </ul>
Training and Skills Commission	<ul style="list-style-type: none"> <li>▪ Office of the Training Advocate</li> </ul>

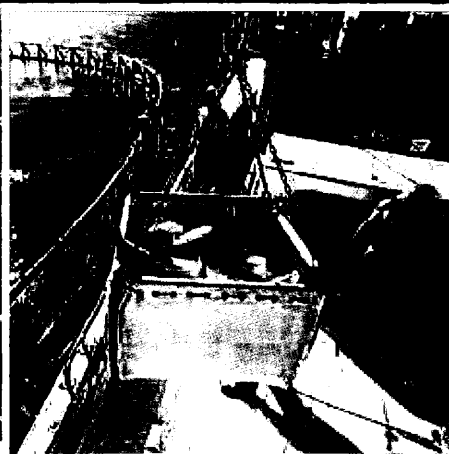
## CONSULTATION WITH INDUSTRY, REGIONS AND THE COMMUNITY

Adelaide Metro Area Consultative Committee	Adtrans Group Ltd
Adelaide New Apprenticeship Centre	Allied Engineering Pty Ltd
Agriculture & Horticulture Training Council of SA	Anglicare
Alloomba	Australian Education Union
ASK Employment and Training Services	Australian Manufacturing Workers Union
Australian Nursing Federation	Bagster Community House
Australian Refugee Association	Centre for Labour Research University of Adelaide
Business SA and TASC member	Clipsal Australia
City of Adelaide	Construction Industry Training Board
Codan Limited	Cooper's Brewery
Construction Industry Training Centre Inc.	Dermody Petroleum
Community Services & Health Industries Training	Disability Action
Detmold Packaging Pty Ltd	DOME Association
Disability Works Australia	Elders Australia
Eastwood Community Centre	Engineering Employers Association SA
Employment & Training Services, Barkuma Inc	ESF Network, Regions at Work, Mt Gambier
English Language Services	Goreta Aboriginal Corporation
Flinders University	Hospitality Group Training
HETA Inc	IDSC Southern Districts
Hudson Global Resources	Keillor Building Associates Pty Ltd
IT Council for South Australia	Master Builders' Association
Local Government Association	Motor Trade Association of SA Inc
Migrant Resource Centre	Northern Volunteering
Northern Area Community & Youth Services	Overseas Qualifications Unit, English Language Services
Nurses Board of South Australia	Philmac Pty Ltd
Playford Partnership	Printing Industries Association of Australia South Australia and Northern Territory Region
Prime Placements	SA Wine Industry Association
Real Estate Institute of SA	Seafood Training South Australia Inc
Schefenacker Vision Systems Australia	Southcorp Wines
South Australian Road Transport Association	SYDAC Pty Ltd
State Retailers Association of SA Inc	Training and Skills Commission
The MTA Group Training Scheme	United Trades and Labor Council of SA (now SA Unions)
Transport Training Centre Inc	University of Adelaide
Uniting Care Wesley Adelaide	University of South Australia
Virginia Horticulture Centre	Youth Affairs Council of SA



A Strategy for the Development of  
South Australia's Workforce to 2010

# Better Skills. Better Work. **Better State.**



Government  
of South Australia

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## Minister's Foreword

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South Australia's economy is growing strongly, leading to the lowest unemployment rate in over a generation and a Triple A rating for our State's economy. In addition to this recent success, we have now attracted major new investment to our State such as the Air Warfare Destroyers, the renaissance of our resource industry (including plans to more than double the output of Olympic Dam), and billions of dollars of other major projects in the pipeline.

This new investment adds to our challenge to retain and upgrade the skills of our existing workers, replace the baby boomers as they retire, and develop and attract new skilled workers for future development; but I can't think of a more rewarding problem for South Australia to have!

Successful regions in today's world recognise that investment increasingly follows the best available pool of skills and knowledge. Cost competitiveness is important but it is not enough on its own.

Such regions regard their people as the key competitive advantage, and see education and skills at all levels as an investment in the future economy and community. High skill economies will be most likely to attract and retain investment in industries with a strong future.

The term "knowledge economy" is no mere slogan.

It points to the very real fact that economic activities are increasingly knowledge intensive and that in this globalised world, success means being able to compete and stay ahead of the pack.

Innovation is not about a few high-profile, high-tech, sectors of the economy; it is about every part of the economy and the need to innovate in all things. Its importance to our economic future development does not mean that we have to turn every business into a mini-University. Rather, it means that we must apply, in new and changing ways, new technologies, new types of work organisation and be constantly open to new skills and ideas.

If I was asked 20 years ago what skills the workforce of 2005 would require, I would never have guessed at the exact impact of the Internet, globalisation, the personal computer and mobile phones on our lives.

Similarly, the skills that will be required by the South Australian workforce of 20 years time are still unclear but nevertheless we must make important decisions right now that will determine South Australia's future. By focusing collectively on workforce development and planning, we will create a culture that values skills, innovation, and our people. This approach will provide South Australians with an exciting and equitable community in which to live.

The strategy outlined here aims to create an environment in which that skill culture can grow and flourish.

I am confident that by forging a strong partnership between South Australian industries, workers, the education and training sector and Government, we can build a region that will continue to prosper in our rapidly changing world.

Stephanie Key  
Minister for Employment, Training and Further Education



## Message from the Training and Skills Commission

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We need people with the right skills, both now and into the future to move forward.

The creation of an efficient and productive workforce requires more than an adequate number of workers. People wanting work must be able to find rewarding employment, meet their personal and family responsibilities and participate in the State's economic and social life.

The South Australian Government, recognising the importance of long term workforce planning, charged the Training and Skills Commission with leading the creation of a strategy for developing South Australia's workforce.

After extensive consultation the message was clear. Our industry, community and business partners told us that:

- the State needs clear priorities to ensure we have an efficient, highly skilled workforce to support a prosperous and inclusive community.
- employers need information and tools to better understand workplace and demographic trends in order to integrate workforce planning into their overall business planning, while training providers must deliver a comprehensive range of tailored services to support industry's skill requirements.
- individuals need to be encouraged and supported in life-long learning.
- workforce development is a shared responsibility of Government, businesses, industry, community, and educational institutions.
- workforce development plans and policies must drive South Australia's economy.

This strategy is just the beginning. In 2005 we will continue to have more detailed discussions with industry, the community and training organisations, to identify the specific actions required by industry sectors and regional communities to address their specific workforce needs.

Already we have seen the importance of workforce development gain currency across all levels of Government, industry, human resource professionals and by businesses and enterprise.

The Training and Skills Commission has consolidated its relationship with the Economic Development Board and gained support for and agreement on the key messages that need to be communicated to South Australia's business, industry and community sectors.

However there are many other partners needed to bring the workforce development message to effect. The Training and Skills Commission will continue to work with business, industry, government and the community.

We will do this by overseeing the implementation of *Better Skills Better Work Better State*, developing action plans in consultation with Industry Skills Boards, monitoring progress and recommending changes as needs and priorities alter. The Training and Skills Commission in partnership with the Economic Development Board will also co-host regular Workforce Development forums to address the specific issues of skill shortages and workforce development.

Our goal is to create better skills and better work for all South Australians.

Anne Dunn  
Chair, Training And Skills Commission



# Workforce Development

## The Way to a Better State

Workforce Development is a deliberate strategy that draws together the policies and practices that contribute to creating an efficient, highly skilled workforce.

The development of a skilled workforce capable of supporting our economy and maintaining high standards of living for all South Australians cannot be left to chance.

In its April 2005 Progress Report on Implementation, the Economic Development Board recognised that skill shortages and development are widely acknowledged as perhaps the single most critical issue currently facing the South Australian economy. It also identified that better partnerships between industry and the education and training sectors are essential to addressing these issues and supported the Training and Skills Commission in its role in facilitating these.

Workforce development is an over-arching concept that links skills with the way work is organised. It signals a better balance between the acquisition, use and renewal of skills in the workplace, and is an appropriate response to the implications of demographic change and ageing on the labour market.

Over the past 2 years, the South Australian Government has initiated a number of reforms and strategies which establish a strong foundation to support the development of the State's current and future workforce. These include:

the introduction and passage of the *Training and Skills Development Act*;

establishment of the Training and Skills Commission;

the formation of the new Department of Further Education, Employment, Science and Technology to integrate the state's employment, skills and innovation sectors;

a comprehensive review of the TAFE sector and subsequent establishment of the new TAFE SA;

introduction of *South Australia Works*, a \$22.6million program to increase learning, training and work opportunities for all South Australians; and

the establishment of 9 Industry Skills Boards.

*Better Skills. Better Work. Better State* builds on these foundations in a way that supports the Government's broader economic development and social inclusion agendas.

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### Workforce development supports our economic objectives

In the past, the provision of education and training was seen as the main mechanism for developing the workforce. A workforce development approach recognises there is a far broader range of policies, systems and structures which - when used together - can create and sustain the workforce.

Industry development, industrial relations, health care, the availability of child care or aged care, education, migration, superannuation and retirement patterns all affect the shape of the workforce and influence people's ability to participate within it.

All South Australians have a mutual interest in working together to create a world-class workforce for South Australia.

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### Workforce development supports our social objectives

- Young people - providing opportunities for the State's young people to develop skills and secure work will offer them real choices to remain in, or return to, South Australia.
- People not currently in the workforce - jobs growth, better utilisation of labour and a more inclusive workforce will enable those who are unemployed, or those wishing to return to the workforce after raising families, to re-skill in areas needed by industry and gain rewarding jobs.
- Current workers - highly skilled workers who are able to move between jobs in line with their career aspirations and efficient workforce practices will ensure that succession strategies are developed to address the retirement of older workers.
- Ensuring that opportunities are provided for all targeted groups such as Indigenous people, women, people from non-english speaking backgrounds and people with a disability to participate in learning and work, to utilise their skills and to share in the economic and social benefits of sustainable employment.



# The Workforce Development Imperative

## South Australia's Labour Market Challenges

South Australia is currently experiencing a unique challenge in its labour market - unemployment is at its lowest point in decades, we are experiencing almost full employment, and as a State we are enjoying the positive effects of a booming economy.

Not surprisingly, there is both anecdotal and tangible evidence of worker or skills shortages in some occupations, industries and regions; however these cannot be simply attributed to a burgeoning economy or blamed on a training system training insufficient numbers. Industry and regional structures, business size, workplace conditions, and the mobility of workers can all contribute to labour market imbalances.

There are a number of other labour market challenges for South Australia:

- There is a gap between well-paid, full time, secure employment and low paid, casual and insecure work.
- Jobs growth has been proportionately greater in Adelaide than elsewhere and has been proportionately greater for some groups of the population than others.
- Young people who are not in school, training or work face potential long term problems in the labour market.
- At the other end of the age spectrum, many older workers have been 'forced' into early retirement, following retrenchment and very long periods of unemployment.

South Australia has the oldest population in Australia and its average age is rising more quickly than any other State or Territory:

- This may exacerbate future labour shortages that could harm productivity and impede the State's economic growth.

South Australia's workforce will look very different in 10 to 20 years time:

- one third of the State's current workforce will be approaching retirement within 10 years.
- the size of the working age population will continue to grow until 2011 after which it could begin to decline unless action is taken.
- retiring baby boomers have knowledge, skills and experiences very different to those held by younger employees and new workforce entrants ... skills we cannot afford to lose.

As older workers retire and the supply of new entrants shrinks, there is an opportunity to further reduce unemployment and provide jobs for all who want them.

As these trends intensify, there is the risk that South Australia will move from a situation in which there is a plentiful pool of available workers, to one where the challenge is ensuring there are enough workers to meet industry needs. Economic modelling suggests that South Australia's growth may be slowed by a lack of workers in just over a decade.

Failure to address these issues now, and into the future, will result in a workforce vulnerable to the effect of skill shortages, poaching of workers and wage volatility. Most developed economies will experience similar changes leading to the continued loss of skilled people interstate and overseas.

### South Australia's Strategic Plan

South Australia's Strategic Plan, *Creating Opportunity*, identifies a number of targets related to these workforce and labour market challenges.

**Ensuring we have enough skilled workers** - currently the State has a lower proportion of the workforce with formal qualifications than the national average. As skills become increasingly important within the global economy, employers and employees will appreciate the need to invest in high order skills and formal qualifications.

- > ...targets to increase the proportion of the labour force with non-school qualifications from 50.7% in 2002 to 55% (the national average) within 10 years.

**Increasing the rate of employment growth** - despite significant improvements in the labour market in recent years, South Australia has historically recorded a lower rate of employment growth than the national average.

- > ...targets to better the Australian average employment growth rate within 10 years.

**Reducing the unemployment rate** - while South Australia's unemployment rate has consistently been above the Australian average, there has recently been a marked improvement - the challenge now is to sustain this.

- > ...targets to equal or better the Australian average unemployment rate within five years, including youth unemployment.

# The Vision

## A Better Future for South Australia's Workforce

South Australia has an efficient, highly skilled workforce  
that supports  
a globally competitive economy  
and  
a socially inclusive community

We will realise the vision to create a globally competitive economy and a socially inclusive community through fostering a highly skilled workforce and a labour market characterised by quality employment. These will be underpinned by better workforce information and planning tools and systems.

*Better Skills Better Work Better State* comprises three interrelated priorities:

The creation of **A High Skill Economy**

Access to **Quality Employment**

Shaping our future through **Better Workforce Planning**

### A High Skill Economy

A skilled workforce  
Jobs through business & economic growth  
High performance workplaces  
Responsive learning systems

### Quality Employment

Access to learning and jobs  
Flexibility for workers  
Fair and sustainable work

underpinned by

### Better Workforce Planning

Research excellence  
Better information and planning systems  
Coordinated government action

## CONFIDENTIAL DRAFT

# Priorities for South Australia's Workforce

## Priority 1 - the creation of A High Skill Economy

### A High Skill Economy

The creation of a high skill economy will enable South Australia to develop its competitive advantage and provide quality jobs. Diversifying the State's industry base, lifting capital investment and increasing exports provides the best opportunity to increase growth and jobs.



#### Focus

a skilled workforce



#### We will take Action by

providing education and training opportunities for young people to gain first time employment  
ensuring workers have relevant skills to meet industry needs  
promoting investment in skills by employers, industry and individuals

jobs through business and economic growth



strengthening and diversifying the State's industry base and expanding into global markets  
supporting innovation and commercialisation of new ideas  
strategically using skills to attract investment  
supporting entrepreneurs and new business opportunities

high performance workplaces



promoting high performance work practices  
encouraging integrated business and workforce planning  
supporting small businesses to recruit, develop and retain workers

responsive learning systems



developing closer links between industry and educational institutions  
promoting and implementing flexible delivery of training in workplaces and the community  
facilitating effective pathways and recognition arrangements across qualifications and institutions  
promoting and recognising quality and excellence in learning and training



### Outcomes

In the future, a highly skilled workforce will position South Australia to take advantage of opportunities that arise from the commercialisation of research and development and the increased role of innovation in providing jobs and economic growth.

Equally, the State's small business sector will be encouraged to expand and to move into new markets. This will enable the State to use skills strategically to attract new industries, creating new opportunities for young people, existing workers and those people who have traditionally been marginalised in the labour market.



### Measured against South Australia's Strategic Plan Targets

Better the Australian average employment growth rate within 10 years (T1.1)

Exceed the national economic growth rate within 10 years (T1.5)

Reduce net (migration) loss to interstate to zero by 2008 and positive inflow from 2009 (T1.8)

Match SA's share of international migrants to Australia with the State's share of the overall national population over the next 10 years (T1.9)

Exceed Australia's average productivity growth within 10 years (T1.10)

Achieve the lowest number of working days lost per thousand employees in Australian within 10 years (T1.11)

Improve the connections between educational institutions and industry to enhance creativity and innovation (T4.10)

Increase school leaving age to 17 to ensure that young people are either in school, employed or in structured training (T6.12)

Increase the proportion of the South Australian labour force with non-school qualifications from 50.7% in 2002 to 55% within 10 years (T6.15)

Exceed the national average (university participation) within 10 years (T6.16)

Continue to exceed the national average (TAFE participation) (T6.17)

# Priorities for South Australia's Workforce

## Priority 2 - access to Quality Employment

### Quality Employment

Despite recent jobs growth, there are still too many South Australians who cannot find a job, have given up looking, or have a job but would prefer to work more hours. At the same time, an increasing number of people are working very long hours, and find it difficult to spend time with their families or pursue community or leisure interests.

South Australians also have a right to be employed under fair and equitable conditions. This priority will support people to find sustainable work, contribute to improvements in living standards, and provide people with options about how and when they participate in learning and employment.

Quality of employment will be achieved by addressing access to learning and jobs, flexibility for workers and fair and sustainable work.



### Focus

access to learning and jobs



### We will take Action by

- promoting and fostering learning communities
- ensuring high levels of literacy and numeracy throughout the community
- removing barriers for marginalised and disengaged people to participate in learning and work

flexibility for workers



- helping individuals make informed decisions about work and study throughout their lives
- helping individuals balance work and life
- supporting workers to manage career change

fair and sustainable work



- supporting workers at risk of retrenchment
- improving working conditions
- demonstrating to employers the value of workforce diversity



### Outcomes

These actions will result in more people in South Australia sharing the benefits of sustainable work.

In the future jobs will be shared more evenly. In particular, young people, Aboriginal South Australians, people with disabilities and older job seekers who have in the past missed out will be provided with opportunities to participate in learning and work.



### Measured against South Australia's Strategic Plan Targets

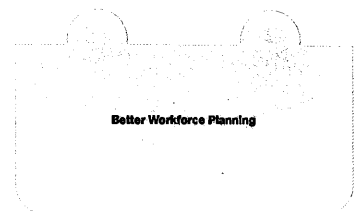
Equal or better the Australian average unemployment rate within 5 years (T1.2)

Equal or better the Australian average youth unemployment rate within 5 years (T1.3)

Improve Adelaide's quality of life ranking on William M. Mercer Quality of Life Index to be in the top 20 cities in the world within 10 years (T2.1)

Reduce regional unemployment rates (T5.9)

Raise the lowest incomes of South Australians relative to those of the average South Australian (T6.3)



# Priorities for South Australia's Workforce

## Priority 3 - shaping our future through Better Workforce Planning

### Priority 3: Better Workforce Planning

Improved and accessible workforce information and planning tools are needed to inform business decisions, enhance local economic development efforts, and create the jobs and wealth of the future.

Forward-looking workforce development policies and practices, built on sound workforce and economic data will enable South Australia to identify, develop, attract and retain the critical skills needed to drive its economy and achieve its strategic goals.



#### Focus

research excellence



#### We will take Action by

developing collaborative working arrangements between the State Government and research institutions to exchange skills and knowledge about workforce development issues  
 positioning South Australia as a nationally recognised research hub to be a leader in workforce development

better information and planning systems



collecting a comprehensive range of workforce information to support planning and decision making  
 making available high quality workforce information and related planning tools and services to individuals, educators, businesses, industries and regions  
 developing integrated data and planning systems for use by Government, industries and regions  
 promoting workforce planning at the Statewide, industry sector, cluster and firm level

coordinated government action



strengthening industry and cross-government relationships  
 developing whole of Government responses to workforce development issues  
 ensuring flexibility and collaboration at the regional level



#### Outcomes

Better information will be made available for better business decision making.

The skill of South Australia's workforce will be its competitive advantage.

Education and training providers will be better prepared to meet the workforce needs of the state.



#### Measured against South Australia's Strategic Plan Targets

Lead the nation in cost effectiveness of government services within 5 years (T1.18)

Lead Australian governments in timely and transparent government decision-making within 5 years (T1.19)

Align State and Local Strategic Plans within 12 months of the release of the South Australia's Strategic Plan and agree joint initiatives from them (T5.7)



## Taking Action

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We will take action to build jobs and meet industry needs for skilled workers.

The initiatives identified in the following pages have been agreed through consultation and highlight the broad range of policies, systems and structures needed to develop the workforce.

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### Workforce Development Action Plans

The Training and Skills Commission will collaborate with businesses, industry, the community and government to develop detailed a Workforce Development Action Plan that will identify the steps required to meet specific industry and community needs and to address issues facing industry sectors and regions.

The Action Plan will also address the needs of particular groups within the community such as women, Aboriginal people, young people, older workers, skilled migrants and people from non-english speaking backgrounds.

The Workforce Development Action Plan will be a rolling plan spanning the timeframe of South Australia's Strategic Plan. The Training and Skills Commission will regularly coordinate the updating of the plan and report progress against South Australia's Strategic Plan targets.

The Action Plan actions will be complemented by the development of a comprehensive workforce plan for South Australia's Public Sector workforce. The Commissioner for Public Employment will work with the Senior Management Council to implement a strategy that will attract and retain a workforce in a time of declining numbers of working age people.

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### Communication

It is vital that all partners in workforce development are aware of the particular workforce issues confronting our state.

The Training and Skills Commission in partnership with the Economic Development Board will host a regular workforce development forum to promote debate. The Commission will also host quarterly meetings with industry skills boards to discuss the challenges facing different industry sectors, and these discussions will contribute over time to revising the priorities.

By working collaboratively we will contribute to meeting South Australia's Strategic Plan targets, that advocate for:

- more jobs;
- more skills; and
- improved productivity.

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### Industry Skills Boards

Nine Industry Skills Boards have been established and will play a major role in workforce development within each of their industry sectors. These new boards will also enable industry and government to work together more effectively.

The boards have a range of functions, including identifying workforce skill trends and emerging skill needs, and considering issues relating to career advice and the attraction and retention of a skilled workforce. They will have prime responsibility for South Australian industry's role in the national vocational education and training system and will promote skills formation and investment in it.

The industry skills boards will provide industry intelligence for training, skills development and workforce development issues specific to each industry and will promote the importance of integrating workforce development and business development to industries, enterprises and their workforce.



## Priority One: the creation of **A High Skill Economy**

### Focus: **A Skilled Workforce**

Today's global marketplace demands a skilled and adaptable workforce.

Successful enterprises are those that are able to respond quickly to demands for new and innovative products and services and are supported by a skilled and adaptable workforce.

Better skills benefit both a business and its workforce. Possessing high level skills enables a person to obtain better jobs with better pay and significantly improve their career prospects.

Maintaining and improving skill levels within our workforce requires industry, government and employees to work together to develop the skills needed for the future.

A number of new initiatives have been introduced under the *South Australia Works* program to support disengaged, marginalised and unemployed people in gaining the skills our State needs: skills that will enhance their chances of obtaining work.

Individuals also have a responsibility for improving their own work-related knowledge and skills.

Over the next few years, a highly skilled workforce will be developed through the following:

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#### Providing education and training opportunities for young people to gain first time employment

*A Commitment to Young People* - as a state we have a responsibility to ensure that all young South Australians have real and equitable opportunities to develop the skills and knowledge required to participate in the workforce, in meaningful, productive work.

The South Australian Government will expand and promote opportunities for new entrants to the workforce, through pre-apprenticeship training, apprenticeships and traineeships with a particular focus on areas of identified skill shortage and strategic growth.

Alternative ways of entering the workforce will also be developed, through cadetship and scholarship programs within both the public and private sectors.

The Youth Conservation Corps will continue to offer young people the opportunity to gain skills and work experience through environmental projects.

South Australia's Youth Engagement Strategy will focus on engaging as many young people as possible in learning and work. It will support young people as they make the transition from school to further education, training and employment.

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#### Ensuring workers have relevant skills to meet industry needs

The South Australian Government will continue to attract working age migrants through promotional campaigns and promoting new visa categories designed to address skill and labour shortages, particularly in regions.

Overseas students who study in South Australia will be provided with opportunities to gain work experience and strategies will be developed to encourage students to remain here as skilled migrants.

Recognition of overseas qualifications is critical to enabling skilled migrants to fill local skill shortages. New recognition processes and system improvements such as better information and streamlined processes will be developed to ensure the skills and experience of overseas trained workers is harnessed to meet industry needs.

Existing workers will be supported to develop high order skills in targeted areas.

South Australia's best practice apprenticeship and traineeship system will be further enhanced.

Parents wishing to return to the workforce will be assisted to undertake education or training through the *Return to Work Credit* initiative.

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#### Promoting investment in skills by employers, industry and individuals

The Workforce Development Fund has been made available for industries and enterprises to both identify and invest in skills to meet their future workforce needs.

Through the *InSkill SA* procurement policy, the Government will continue to recognise and reward businesses that demonstrate their commitment to training.



## Priority One: the creation of **A High Skill Economy**

### Focus: **Jobs through Business and Economic Growth**

An innovative and outwardly focused economy is essential to developing South Australia's competitive advantage and providing quality jobs.

The South Australian economy has experienced a period of major structural change over the last two decades. While these changes have highlighted the need to be cost competitive, they have also emphasised the need to compete on the basis of high skills.

Historically, our State has been reliant on 'traditional' industries, such as manufacturing and agriculture, which until relatively recently have been insulated from international competition through high levels of industry protection. The removal of this protection and the move to a more globally competitive economy, combined with demographic changes, has resulted in particular labour market challenges.

To address this, the State Government is committed to improving our economic performance and lifting our employment potential. *Better Skills Better Work Better State* is critical to this process.

The Department of Trade and Economic Development and the Department of Further Education, Employment, Science and Technology will work together to create clearer links between investment, export and employment and skills formation activities.

The strengthening and diversification of our State's industry base is fundamental to our future.

By 2013, there will be more jobs through business and economic growth by:

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Strengthening and diversifying the State's industry base and expanding into global markets

The State's industry base will be strengthened and diversified to boost economic and jobs growth through a range of Government strategies and partnerships with industries such as the defence, mining resources, export, manufacturing and creative industries strategies.

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Supporting innovation and commercialisation of new ideas

Job opportunities will be expanded by embracing innovation, through the *Shaping the Future STI<sup>10</sup> - a 10 Year Vision for Science, Technology and Innovation in South Australia*.

New ideas will be nurtured and commercialised through the Premier's Science and Research Fund, Australian Innovation Festival and Entrepreneurs Challenge and the Adelaide Thinkers in Residence initiative.

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Strategically using skills to attract investment

Increasingly, enterprises are attracted to regions with a highly skilled and adaptable workforce. South Australia will position itself to attract investment opportunities through strategies tailored to investors' employment and skill needs.

For example, the Department of Further Education, Employment, Science and Technology together with the Office of the North, the Department of Trade and Economic Development and the Land Management Corporation are working together to progress the Edinburgh Parks Workforce Planning Strategy.

The Strategy has been developed to ensure that there is adequate skilled workforce available to fill the jobs created by the Edinburgh Parks development. It provides detailed labour market and skills profiles of individuals living and working within the region and develops labour market and training responses to assist in matching individuals to jobs.

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Supporting entrepreneurs and new business opportunities

The development of entrepreneurs will be fostered through business start-up assistance offered by the South Australian Youth Entrepreneur Scheme, the Office of Small Business, and a range of small business courses through TAFE SA and other training providers.



## Priority One: the creation of **A High Skill Economy**

### Focus: **High Performance Workplaces**

Employers who value and reward their staff, invest in skill development and encourage achievement create high performance workplaces.

A highly skilled, globally competitive workforce requires strong, innovative and outward looking enterprises and workplaces.

High performance workplaces value their employees; they invest in identifying, fostering and managing their talent, and they acknowledge and reward achievements. Such workplaces provide strong leadership – leadership based on sharing knowledge and information, empowering employees and involving them in decision-making.

High performance workplaces compete within an environment that encourages business to travel the 'high road' to productivity and profitability, through investing in skills, people and research and development, rather than the low road of cost cutting. They promote a culture of continuous improvement and recognise the benefits of flexible working arrangements and family friendly policies which encourage work/life balance.

South Australia needs more high performance workplaces that invest in their workforce and plan for their future. These organisations will be developed and rewarded by introducing standards and a certification process.

High performance workplaces will be supported through the following:

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#### Promoting high performance work practices

The Training and Skills Commission will inform employers of the benefits of flexible working arrangements and promote a range of best practice demonstration models in work/life policies through for example, the network of Business Enterprise Centres and Regional Development Boards.

Employers will be encouraged to move beyond compliance in workplace safety through the promotion and acknowledgment of safe and healthy work practices.

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#### Encouraging integrated business and workforce planning

Businesses will be encouraged to develop and implement strategies to address their workforce needs through the Workforce Development Fund.

Businesses will also be helped to write workforce plans by being provided with advice, information and practical tools through the Department of Further Education, Employment, Science and Technology and the Workforce Development Fund.

Industry Skills Boards will also play a key role in promoting the importance of workforce planning in their industries.

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#### Supporting small businesses to recruit, develop and retain workers

Small businesses employ a large number of South Australians and are critical to the State's economy. Specific strategies to support them to recruit, develop and retain their workforce will be created through initiatives such as the Workforce Development Fund.

The Carnegie Mellon University will help expand executive and postgraduate capabilities by offering post-graduate degrees and executive education courses initially in Masters degree programs in Public Policy and Management and Information Technology.



## Priority One: the creation of **A High Skill Economy**

### Focus: **Responsive Learning Systems**

A high skill economy and equitable society must be supported by high quality learning systems which can change to meet the needs of workplaces, industry and individuals.

South Australia has a strong educational reputation – with quality universities, a network of TAFE SA campuses across the State, a wide range of both public and private providers in schools, higher education and vocational education and training, and a strong adult community education sector.

Building on these strengths is essential to the creation of learning systems that will support a highly skilled and competitive workforce into the future. This objective will be achieved by creating and promoting flexible delivery options which better meet the needs of workplaces and individuals. Excellence in teaching and learning and closer links between educational institutions and industry are also vital.

As a result of the *Review of TAFE Governance in South Australia* and the *Skills for the Future Ministerial Inquiry*, the State Government has now positioned TAFE SA to have a central role in meeting the State's workforce skills needs by providing forward-looking, responsive, innovative and client-focused services across the State.

We will continue to build on these strengths and develop responsive learning systems through the following:

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#### Developing closer links between industry and educational institutions

The new Industry Skills Boards will facilitate strategic links between industry and educational institutions to ensure that learning is relevant to current and emerging industry needs.

Ongoing professional development of teaching staff in all education sectors will enable the provision of better training to meet current and future skill needs.

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#### Promoting and implementing flexible delivery of training in workplaces and the community

South Australia will make the most of on-line technologies to allow more workplaces, communities and individuals to access information and training.

The South Australian Flexible Learning Strategy, *Forward Directions*, provides a framework for the delivery of training to South Australia's population and encourages new partnerships between industry and training providers. In addition, South Australia will be an active participant on the National Flexible Learning Advisory Group, providing advice on collaborative flexible learning, delivery and initiatives.

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#### Facilitating effective pathways and recognition arrangements across qualifications and institutions

Relationships between adult community education and vocational education will be formalised.

Articulation and credit transfer arrangements between secondary education, vocational education and training and higher education are being continuously refined to reflect closer partnerships between the institutions.

The State Government will encourage the use of Recognition of Prior Learning as a means of recognising skills and gaining qualifications and the development of credit transfer arrangements to enable easier articulation between learning sectors.

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#### Promoting and recognising quality and excellence in learning and training

Excellence in learning will continue to be recognised and promoted through the annual Training Awards and other recognition programs.

The services of the Training Advocate in providing vocational education and training information, referrals and in facilitating the resolution of complaints will be supported and publicised.



## Priority Two: access to Quality Employment

### Focus: Access to Learning and Jobs

All individuals must have opportunities to participate in learning and employment throughout their lives.

Despite recent strong jobs growth, too many South Australians remain outside the workforce or are underemployed. We need to work hard to ensure that new jobs are accessible in all regions and to all population groups.

We know that lack of post-school qualifications has a negative impact on job prospects - those who leave school early or who do not have a post-school qualification are more likely to be unemployed than others. The South Australian Government is committed to improving opportunities for South Australians to complete secondary education or its vocational equivalent and to gain post-school qualifications.

The Government, through the South Australian Youth Engagement Strategy (SAYES), has made a commitment to ensure that all 15 to 19 year olds are engaged in either school, training or work - that is, learning or earning.

More will also be done to remove the barriers preventing the most disadvantaged from participating in learning and work. The *South Australia Works* initiative which has six components: Regions at Work, Public Sector Works, Industry Works, Youth Works, Indigenous Works, and Experience Works; and is designed to provide those looking for work with access to learning and jobs.

The Government will continue to build on its commitment to the strong Adult Community Education sector which provides an entry point to education and training for the disadvantaged in our community, including people who find difficulty in engaging with a more formal structured learning environment

All South Australians will be provided with greater access to learning and jobs through the following:

#### Promoting and fostering learning communities

The Training and Skills Commission will develop a Community Learning Statement which identifies a range of opportunities for more South Australians to participate in community learning.

A Learning Communities Strategy will focus on creating a learning culture within communities where people may have previously had limited opportunities to participate.

#### Ensuring high levels of literacy and numeracy

Reducing class sizes in junior primary and increasing the school leaving age are key elements of the Government's commitment under South Australia's Strategic Plan to improve the rates of literacy among South Australia's young people.

The adult community education sector provides valuable opportunities for the development of language and literacy and introductory vocational skills for older South Australians in accessible, community based settings.

The State Government's School Retention Action Plan aims to improve school retention rates. A key focus of this work has been to increase the options and opportunities for young people during the transition from school to further education, training or employment. Similarly, the Review of the South Australian Certificate of Education (SACE Review) was commissioned to improve school retention.

#### Removing barriers for marginalised or disengaged people to participate in learning and work

The *South Australia Works* initiative will help to create work and learning opportunities for people in all regions of the State including Indigenous South Australians

The Employment and Skills Formation Regional Networks will enable regions to provide better access to learning and work programs for their local communities.

The Social Inclusion Board and Economic Development Board have joined forces with Department of Further Education, Employment, Science and Technology to develop opportunities for increasing and expanding youth employment opportunities which are meaningful and sustainable. This work will build on the solid foundations created by a range of Government and industry initiatives currently underway, as well as fostering innovative new approaches.



## Priority Two: access to **Quality Employment**

### Focus: **Flexibility for Workers**

Helping individuals make choices about learning and work enables them to manage their career pathways.

There are a number of barriers that can restrict people's ability to get into the workforce, to move in and out of work for family and other reasons and to stay in the workforce for as long as they want to.

If South Australia is to have a sustainable workforce - one that continues to support a growing economy - new strategies will need to be identified to encourage workers to enter and remain in the workforce, according to their personal situations and objectives.

The State Government wants to make it easier for parents to return to work and to combine work and family. It wants to make it easier for older workers to remain in the workforce in ways that suit their individual lifestyles and preferences.

Flexibility for workers will be supported by:

**Helping individuals make informed decisions about work and study throughout their lives**

Many people find it difficult to navigate through the training and employment systems, to find information about careers and employment options, and to use information to make decisions about their future.

Comprehensive career development services will help people to manage their work and study choices throughout their lives.

Web based information on training courses and training providers will enable students to make informed decisions about where, what and how they study.

**Helping individuals balance work and life**

Parents wishing to return to work will be supported through the *Return to Work Credit* program.

Options for older workers to continue in the workforce will be increased by:

- identifying and removing disincentives for mature aged people to remain in paid work
- promoting mentoring programs for older workers; and
- encouraging retirees to share their skills and experience with those still in the workforce.

To encourage greater use of flexible work arrangements within South Australian workplaces, employers will be assisted in developing recruitment, selection, upskilling, retention and succession planning strategies through the Workforce Development Fund.

**Supporting workers to manage career change**

As part of their role to promote the message of workforce development, the Training and Skills Commission will encourage employers to consider providing assistance to workers to manage career change, or to up-skill or re-skill to meet their businesses' current and future workforce needs.

Through the *South Australia Works Experience Works* program, mid-career training and development for mature age workers will be provided to support them to move into new jobs.



## Priority Two: access to **Quality Employment**

### Focus: **Fair and Sustainable Work**

Promoting fair working conditions, and minimising workers' vulnerability to discrimination and unemployment is essential to creating a strong and vibrant workforce.

Economic security is important for people to be able to plan for their future - to obtain loans, have families and to enjoy a quality of life that every South Australian wants.

Despite strong growth and record low unemployment, there are many low-paid South Australians who are concerned about their job security, including those individuals who work insufficient hours to meet their personal or family needs.

There are other workers who are vulnerable to long term unemployment as a result of firm downsizing and restructuring.

Uncertainty about work and income impacts on individuals and the communities in which they live.

More will be done to help firms and workers navigate change in the workplace, through early intervention strategies, information, guidance and advice.

Fair and sustainable work will be supported by:

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#### Supporting workers at risk of retrenchment

Economic development agencies will work closely with the Department of Further Education, Employment, Science and Technology to develop an early notification process that will enable better planning and a rapid response to firm restructuring.

Assistance in retraining, financial planning and finding alternative employment will continue to be provided to workers affected by firm closures or significant downsizing.

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#### Improving working conditions

The *Industrial Law Reform (Fair Work) Act, 2005* will allow for the creation of better working conditions by addressing discrimination, effective balancing of work and family responsibilities, and promoting security and permanency in employment.

The ongoing work of the Equal Opportunity Commission and the leadership provided by the Employee Ombudsman will enable the Government to continue to improve workplace conditions and relations to the mutual benefit of workers and employers.

Increased resourcing will be provided for Industrial Relations inspectors to undertake their role in educating employers and employees and assisting them to understand their roles and responsibilities.

As part of a partnership focused on workforce development, unions and employer associations should continue to support improved and harmonious workplace conditions and relations.

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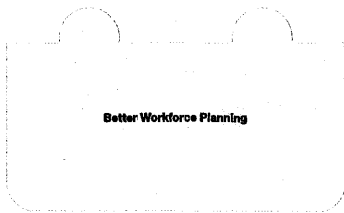
#### Demonstrating to employers the value of workforce diversity

The benefits of a diverse workforce will be promoted to employers. In addition, tools will be developed to assist in achieving an age-balanced workforce.

*Workforce Planning Tools: Ageing Workforce* - work will be undertaken with the Industry Skills Boards to develop a practical resource for planning in the context of an ageing workforce. The project involves the delivery of two forums:

- A forum focused on challenges and opportunities in an era of an ageing workforce.
- A forum to demonstrate the workforce development planning tool.

The project will provide Industry Skills Boards with the opportunity to examine the impact of demographic trends on the development of South Australia's workforce, and identify the role the boards can play in assisting businesses to maintain high performance workplaces.



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## Priority Three: shaping our future through **Better Workforce Planning**

### Focus: **Research Excellence**

Excellence in workforce development policy and practice must be underpinned by a strong research base and collaboration between partners.

South Australia is a leader in applied labour market research, with expertise within our universities, State Government agencies, research centres such as the National Centre for Vocational Education Research and the private sector. This capability will be used to improve our understanding of workforce development issues and guide planning and policy development.

Research excellence will be fostered by:

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Positioning South Australia as a nationally recognised research hub to be a leader of workforce development.

Developing collaborative working arrangements between State Government and research institutions to exchange skills and knowledge about workforce development issues.

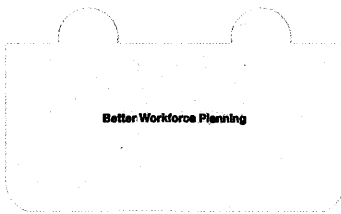
The Workforce Development Research Consortium is a collaboration between the State's three public universities and the South Australian Government. It will work with Government and industry to develop the State's capacity to understand the impact of demographic change and ageing on the workforce.

Best practice models and tools for workforce development will be researched and developed through the Consortium's Australian Research Council Linkage Grant.

As part of the Thinker in Residence initiative, an internationally renowned expert in Workforce Development will be sponsored.

A Workforce Development Research Program will investigate pertinent workforce issues to inform policy, planning and workplace practices. Industry Skills Boards will play an important role in applying the research findings within their industry sectors.

A regular Workforce Development Conference will be hosted by the Training and Skills Commission in partnership with the Economic Development Board to promote debate.



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## Priority Three: shaping our future through **Better Workforce Planning**

### Focus: **Better Information and Planning Systems**

Planning for our future workforce requires good information about the labour market and good systems that enable integrated planning at all levels.

**Good information is essential to sound decision making.**

Individuals need quality career information to make informed decisions about the skills they should acquire and the jobs they might pursue.

Enterprises need good information about their industry and workforce, to build strong and profitable businesses.

Government needs good information on economic and labour market trends to effectively target industry development, employment, immigration and skills recognition strategies.

The challenges facing our workforce also require coordinated action. There are many important actions being taken by all partners - but it is fragmented. Individuals, enterprises, industries, regions and government agencies all have important roles in responding to workforce needs. An integrated and planned approach will ensure the best efforts of participants are not wasted.

The development and accessibility of better information and planning systems will be supported by:

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Collecting a comprehensive range of workforce information to support planning and decision making

Local knowledge on industry and regional trends will be gathered through Industry Skills Boards and Employment and Skills Formation Regional Networks.

A Workplace Survey could collect information on hiring intentions, skill needs and workplace issues; the potential for a regular Workplace Survey of firms in South Australia will be assessed through a feasibility study.

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**Making available high quality workforce information and related planning tools and services**

Drawing upon the analytical and policy expertise within the Department of Further Education, Employment, Science and Technology, the *Workforce Information Service* will be established to provide information about labour market trends, skill shortages, post compulsory learning opportunities, and workforce development issues. It will also provide a service to government agencies.

A new planning report will be developed to provide a picture of employment and skills in South Australia. This will be the centerpiece product of the Workforce Information Service, complemented by the DFEEST Regional Profiles series and Industry Profiles.

Workforce planning tools will be developed and made available to enterprises.

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**Developing integrated data and planning systems for the State and for industries and regions**

An integrated employment and skills formation data and planning system will be established, providing a framework for workforce development planning across the State. Plans developed by enterprises, industries and regions in partnership with the government will link and inform efforts and ensure all activity remains clearly focused on meeting South Australia's workforce needs.

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**Promoting workforce planning at the Statewide, regional, industry sector, cluster and firm level.**

Industry Skills Boards and Employment and Skills Formation Regional Networks will coordinate workforce development planning at the industry and regional level.



## Priority Three: shaping our future through **Better Workforce Planning**

### Focus: **Coordinated Government Action**

Cooperation across government is a pre-requisite for effectively responding to the workforce challenges impacting on the State's economic and social prosperity.

State Government agencies currently support the development of South Australia's workforce in a range of ways. Almost every agency is responsible for implementing initiatives which impact on the current or future workforce. **Better Skills Better Work Better State** is the umbrella under which these initiatives will be coordinated.

By linking these developments productivity and employment growth will be maximised, duplication will be reduced and opportunities will be provided for all South Australians.

In addition, Government agency collaboration will enhance job and skill development options, build a strong, inclusive workforce and contribute to economic sustainability.

Government action will be coordinated by:

#### Strengthening industry and cross-government relationships

The Training and Skills Commission will work closely with the Economic Development Board and the Social Inclusion Board to promote collaboration on workforce development.

South Australia will continue to help shape the national training system and employment services framework through the Ministerial Council on Education, Employment, Training and Youth Affairs, the Ministerial Council on Vocational Education and other mechanisms.

#### Developing whole of government responses to workforce development issues

The Training and Skills Commission will highlight and promote the importance of workforce development issues in the creation and implementation of State Government enabling plans such as the State Infrastructure Plan and State Housing Plan.

Opportunities to plan for future workforce needs will arise through strategies such as *Shaping the Future STI<sup>10</sup> – a 10 Year Vision for Science, Technology and Innovation in South Australia*, the State Food Plan and the Manufacturing Strategy.

Local accommodation shortages need to be addressed so that local economic and employment growth is not constrained.

#### Ensuring flexibility and collaboration at the regional level

Through the *South Australia Works* program, Regions at Work, resources will be provided to 17 Employment and Skills Formation Regional Networks to enable them to work with local partners to address local employment and skill issues.



## Partners

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The creation of a highly skilled workforce benefits us all and is a shared responsibility. Businesses, workplaces, unions, individuals, educational institutions and Government agencies can facilitate this work by identifying skill requirements, providing formal and informal learning opportunities and forging cooperative arrangements to share knowledge and skills.

The following groups must work collaboratively to ensure that South Australia's workforce is highly skilled and able to compete in the global economy.

### The Training and Skills Commission

The Training and Skills Commission plays an important role through its promotion of quality training, the protection of apprentices and trainees throughout their training, and in providing advice to Government on workforce development. The Commission collaborates with the Economic Development Board, Social Inclusion Board and the national training system to achieve specific training and employment outcomes.

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### Industry

#### Enterprises

South Australia has over 80 000 businesses and industry associations – businesses essential to the State's economic future. Each enterprise has the potential to recognise and support ongoing skill development and to adopt high performance work practices.

#### Industry Skills Boards

Industry Skills Boards have a major role to play in workforce development. Not only do they identify new and emerging workforce needs, but also represent and promote South Australia's employment and skill formation requirements in the national vocational education and training arena. They are also a source of intelligence for workforce planning in South Australia.

#### Employment Service Providers

A number of organisations such as recruitment agencies, job networks and labour hire companies act as workforce placement agents. These organisations fulfil a range of responsibilities including job placement services, brokering a connection between employers and potential employees and offering career information.

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### Employer and Employee Associations

Employer groups play a critical role in identifying current and future workforce requirements for their industries. They are actively represented on the Training and Skills Commission and all industry skills boards. They play a key role in raising awareness amongst enterprises of the challenges facing our workforce and coordinating industry-led solutions.

The key role of trade unions in the workforce is to protect worker interests by advocating for quality of employment conditions, safety in the workplace, availability of appropriate skills and remuneration, adequacy of qualifications and licensing requirements and to promote skills training. They are actively represented on the Training and Skills Commission and all industry skills boards.

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### Communities

Communities, with their strong social networks are well placed to find local solutions to local workforce development issues.

#### Employment and Skills Formation Regional Networks

*South Australia Works* (designed to provide those looking for work with access to learning and jobs), delivers its services through regional Employment and Skills Formation Networks.

Through these networks, communities decide on their particular local workforce development priorities and develop plans and strategies to address them. The Government resources these plans annually.

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### Government

The State Government, as both employer and service provider, is responsible for leading and implementing initiatives and reforms in workforce development. A range of targeted activities, underpinned by efficient information exchange on skills and employment will assist in the development of strategic cross-government relationships and in formulating whole of government solutions to attract, develop and retain a viable, highly skilled workforce.

Local Government in South Australia provides economic, social and environmental support for communities. Councils share resources and work cooperatively with other Councils and other spheres of government.

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## Learning Providers

### Schools

Young people are key assets and their well-being is vital for the successful future of our state. School retention is a key issue that is currently being addressed by the State Government through both the Economic Development Board and Social Inclusion Board. It is important that clear links and pathways are supported from school to further education and employment.

### TAFE SA

Institutes of TAFE SA currently provide learning opportunities and skill development in various campuses throughout South Australia. TAFE SA plays a key role in communities and industries in helping to build and sustain them, generating support for local government, supporting innovation and technology, implementing the industry, economic and social policies of government and helping to attract investment in industries and regions.

### Private Training Providers

There are approximately 250 registered training organisations based in South Australia that deliver vocational education and training with an emphasis on the training of trainees and apprentices. Organisations registered in other states and territories also deliver nationally recognised training in the State. They also play a key role in building the economy.

### Adult Community Education

Adult Community Education offers formal and informal learning opportunities through neighbourhood houses and other community organisations. Adult Community Education not only encourages skill development, it also acts as a valuable pathway for those individuals and groups that are considering entering or re-entering the workforce.

### English as a Second Language Providers

English as a Second Language Providers deliver courses to develop English language competencies for people from non-English speaking backgrounds. This training increases individuals' opportunities to get employment and to successfully participate in further education and the South Australian community.

### Higher Education Sector

South Australia has three universities and 21 non-university higher education registered providers. They each deliver a range of degree and higher level qualifications in specific areas which link directly with activities in schools and TAFE SA across the state.

The South Australian Government has recently announced the establishment of a fourth university for South Australia. The Carnegie Mellon University will be offering its technology and management degree programs.

A Higher Education Council has now been established to engage the State's universities in the Government's economic, social and cultural agenda and to foster cooperation and collaboration.



# South Australia's Skills Action Plan First Steps

August 2005

Jointly developed by:

Department of Further Education, Employment, Science and  
Technology

Department of Trade and Economic Development.

This document is the first step in developing comprehensive industry  
Workforce Development Action Plans for South Australia in partnership  
with business, industry and community groups.

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### **A joint initiative of**

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**Government of South Australia**  
Department of Further Education,  
Employment, Science and Technology  
and  
Department of Trade and Economic  
Development

## Workforce Development Strategy Skills Action Plan

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### South Australia's Skills Challenge

South Australia's economy is growing strongly, leading to the lowest unemployment rate in a generation. For growth to continue we must ensure that there is an adequate supply of appropriately skilled people.

Workforce development is a pro-active approach to skills development and workforce retention and which creates an efficient, highly skilled and inclusive workforce.

The Workforce Development Strategy *Better Skills, Better Work, Better State* sets out the economic and social benefits to be gained from seeing workforce development as a shared responsibility of Government, industry, community and educational institutions. This change of culture will not just happen of its own accord but requires leadership and the development of concrete actions.

In order to start this process the Department of Further Education, Employment Science and Technology (DFEEST) and the Department of Trade and Economic Development (DTED) have developed this *Skills Action Plan* as a tool to consult with business, industry (through Industry Skills Boards) and community groups. It is a starting point, not a finished product, to which will be added further actions as a result of that consultation process.

Many industry sectors are experiencing high demand for skills and this plan does not cover all sectors; a more comprehensive Workforce Development Action Plan will expand on this beginning to address these needs. It will be a rolling plan, spanning the timeframe of South Australia's Strategic Plan.

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#### Skill Shortages

'Skill Shortages' is a blanket term used to describe various situations of labour supply, and is often used to describe what are, in fact, skill gaps or recruitment difficulties.

Skill shortages exist when employers are unable to fill vacancies for an occupation at current levels of remuneration and conditions of employment, and reasonably accessible location. Shortages are typically for specialised and experienced workers, and can coexist with high unemployment in the occupation. Occupations may be in shortage in some regions and not in others.

Skill gaps occur when the expectations of employers about their existing workforce are higher than the actual skills held by that workforce.

Existing employees may lack the required qualifications, experience and/or specialised skills to meet the firm's skill needs for an occupation.

Recruitment difficulties occur when employers have difficulty filling vacancies despite an adequate supply of appropriately skilled workers. Difficult location, low remuneration, poor working conditions, unsatisfactory hours or ineffective recruitment methods can make it difficult to attract sufficient workers.

Any or all of these situations result in employers being unable to find the right people for the available jobs.

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#### Addressing Skill Shortages through Workforce Development

The Training and Skills Commission has been charged by the Minister for Employment, Training and Further Education with leading the development and implementation of the Workforce Development Strategy - *Better Skills, Better Work, Better State*, the primary purpose of which is to provide an argument for action.

An effective workforce development system makes the labour market work well for both employers and employees. It goes beyond training and skills to incorporate work organisation, job design, industrial relations, human resource management practices and employment conditions. It puts government and industry side by side to plan for workforce needs and to address recruitment, retention and utilisation of labour.

*Better Skills, Better Work, Better State* envisages an efficient highly skilled workforce that supports a globally competitive economy and a socially inclusive community. The strategy comprises three interrelated priorities:

- creating a *high skill* economy;
- access to *quality* employment; and
- shaping our future through *better workforce planning*.

This *Skills Action Plan* outlines core initiatives which contribute to workforce development across all industries, and specific initiatives relevant to an initial 10 key industry sectors listed on page 7.

## Initiatives from Government

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An effective workforce development system requires effort on the part of both the public and private sectors.

The Government will continue to help develop the skills of South Australians, including, as at July 2005, by the following workforce development activities:

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### A robust and successful publicly funded training system

TAFE SA is South Australia's largest provider of vocational education and training. It has 53 campuses and learning centres located across South Australia, offering more than 1,450 nationally accredited courses. Around 80,000 students study annually with TAFE SA. National surveys show that it is highly valued by its graduates and by employers and its employment rates for graduates are well above the national average.

In addition, around a further 40,000 students each year enrol in vocational education and training through a community provider, a private registered training organisation or as a part of their school program.

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### South Australia Works

*South Australia Works* is a \$22.6million learning and work package. Its purpose is to increase learning, training and employment opportunities for all South Australians, particularly those young, mature aged and Aboriginal people who are most disadvantaged.

Seventeen local Employment and Skill Formation Networks have been formed across the State to respond to immediate and longer term regional skill shortages. Approximately 9,500 people have participated in the Regions at Work Programs since the Networks formed in January 2004. Another 7,500 people are expected to participate in 2005-06.

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### Workforce Development Fund

The Workforce Development Fund is a \$1million per annum program supporting industry-wide projects aimed at developing and implementing better workforce practices, including succession planning, upskilling, recruitment and retention strategies.

In 2004-05 the Workforce Development Fund supported 16 projects in a range of industry sectors including manufacturing, food, transport and logistics, maritime, tourism, services industries, and creative industries.

Additional industry-wide projects are currently under consideration for the 2005-06 program.

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### Apprenticeships and Traineeships

There are around 34,000 apprentices and trainees in SA, about three quarters of whom receive training through public funds provided to registered training organisations (approximately \$36million in 2004-05).

The uptake of trainees and apprentices by South Australian employers is at its highest level ever and the number has grown faster in South Australia than in Australia as a whole - 7% growth in South Australia, compared to a decline of 3% nationally over 2004.

There are more than 9,300 apprentices in traditional trades (27% of the total number of apprentices and trainees). There has also been an 11% increase in the number of people commencing a trade apprenticeship in the year to December 2004.

Almost 60% of South Australian apprentices and trainees are under 25 years old, making the apprenticeship and traineeship system a very effective program for young people by combining learning and work.

To expand the uptake by employers of apprentices and trainees in areas of skill shortages, DFEEST has instigated a number of initiatives:

- Trialling alternative models for pre-apprenticeship training in the traditional trades that focus on attracting suitable participants and building strong links between employers and registered training organisations.
- Newspaper and radio advertisements encouraging young job seekers to consider a career in the traditional trades and promoting an Apprenticeship Hotline that provides information about apprenticeships in the traditional trades.
- A pilot program to fund an employer's existing workers to undertake trade apprenticeships.
- Providing \$1million annually to Group Training Companies, to match a further \$1million provided by the Commonwealth Government, to increase their training capacity and recruit apprentices and trainees in skill shortage areas.
- Providing employment opportunities for up to 600 young South Australians annually through the Government Apprenticeship Scheme and the Government Youth Traineeship Program, alongside the new Public Sector Cadetship Program and the Communityship Program.

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## Assistance Programs for Displaced Workers

The *South Australia Works* program provides direct assistance to workers, including trainees and apprentices, who are displaced through business closures and restructure.

This is an important initiative to retain workers in a region through upskilling, job seeking and job matching services. Workers are assisted to have their skills recognised to update their qualifications and are provided with generic training opportunities.

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## Workforce Development Research Consortium

The Consortium is developing a range of workforce development tools and strategies. It is a collaboration between South Australia's three public universities and the South Australian Government.

The Workforce Development Research Consortium has been commissioned to undertake the following research topics in 2005-06 to support the implementation of the Workforce Development Strategy:

- Developing standards and reporting tools for High Performance Workplaces.
- Mapping the life cycle experiences of men and women in the labour market and in study.
- Planning for an Ageing Workforce and Skills Shortages - this project will focus on the prevalence, scope and quality of workforce development and planning tools and practitioners available for use within South Australian workplaces.

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## Workforce Information Service (WIS)

The Workforce Information Service is being established to provide web-based information about labour market, economic and demographic trends, skill shortages and workforce development practice. It will disseminate information and tools to Industry Skills Boards, Regional Employment and Skills Formation Networks, industry groups and learning institutions.

It will also provide services to government agencies, such as the Department of Trade and Economic Development (including Immigration SA), Department of Primary Industry and Resources SA, Department of Education and Children's Services and the Social Inclusion Unit.

The Workforce Information Service will draw upon expertise within Department of Further Education, Employment, Science and Technology and will be an important element in supporting the Workforce Development Strategy's priority of 'creating our future through workforce planning'.

Over 2005-06, major projects of the WIS include:

- Scoping and development of a planning system to inform employment and skills formation resource allocation, linked to economic and employment forecasting modeling.
- Assessing the feasibility of conducting a survey to collect information on hiring intentions, skill needs and workplace issues.
- Developing workforce planning tools for enterprises, complemented by advice and assistance from workforce development practitioners.
- Providing information via the Internet.

The service will work closely with the Workforce Development Research Consortium.

## **Initiatives from Government**

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### **Enhanced Career Services for South Australians**

DFEEST is working in partnership with the Australian Government Department of Employment and Workplace Relations to improve South Australian labour market occupational information and data.

DFEEST is also working in collaboration with the three school sectors to improve careers information and advice for secondary school students by:

- developing twice yearly labour market information fact sheets for use by students and their advisors;
- sponsoring professional development for advisors;
- trialling the Australian Blueprint for Career Development in schools;
- establishing a web-based resource for career advisors; and
- assisting Industry Skill Boards to develop strategies for informing young people about career and work opportunities in their respective industries.

At the core of the Australian Blueprint for Career Development is a set of competencies that all people need to manage their work and lives effectively. The Blueprint provides a sound basis for designing, delivering and evaluating career services ranging from career counselling in schools, TAFE and universities, to job placement agencies and services. The competencies described in the Blueprint will enable individuals to manage their work and life decisions and responsibilities better and, in terms of the workforce, will help to achieve a better match between a person's skills, aptitudes, interests and values, and the expectations of employers.

DFEEST is also leading a national project to promote a career development focus in the vocational education and training sector.

These several initiatives respond to calls from business, education and training providers, parents and individuals for improved career information and career management services. They lay the foundation for a more systematic and comprehensive approach to career development in the State and as such form an important part of the State's Workforce Development Strategy.

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### **A Commitment to Young People**

As a state we have a responsibility to ensure that all young South Australians have real and equitable opportunities to develop the skills and knowledge required to participate in the workforce, in meaningful, productive work.

Put simply, we need to ensure that young people are well skilled, well supported and provided with opportunities for work.

This is not a task or responsibility that government can undertake alone. It requires the commitment of the whole community.

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### **South Australian Youth Engagement Strategy**

In January 2005, the Premier announced the government's intention to implement a South Australian Youth Engagement Strategy with the objective of ensuring that all 15-19 year olds are "learning or earning" that is to say, are in full-time schooling or further education and training, full-time employment, or an equivalent combination of part-time study and part-time work.

The ultimate aim of the strategy is to provide every young person with the opportunity and support to:

- complete 12 years of schooling or an equivalent vocational qualification; and
- gain meaningful employment.

The strategy will address the issue of youth engagement on several fronts. It will put in place processes to help all secondary students think about their futures and make plans to achieve their goals, and it will provide new learning and work opportunities to help young people achieve their goals.

The strategy will also look at better ways of supporting young people as they negotiate the "space" between compulsory schooling and further education and training and work.

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## Youth Employment Commitment

While the youth engagement strategy focuses particularly on the needs of young people aged 15-19 years, the youth employment commitment includes young people up to the age of 24 who are most disadvantaged in the labour market, that is, young people who left school before completing year 12, are not working toward an equivalent vocational qualification and are not in full-time employment.

In 2005-06, the government will address the employment needs of this group by building on the success of *SA Works* and other DFEEST programs. It will:

- Test ways of increasing youth employment in two areas of the State, one inside and another outside the metropolitan area.
- Improve access to career information, management skills and support to help young people find jobs.
- Expand the range of opportunities in the public sector through youth traineeships, apprenticeships and cadetships.
- Enlist the support of industry, business and the community to increase youth employment.

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## Skilled Migration

Both the Government's Population Policy and South Australia's Strategic Plan point out the important contribution which skilled migration can make to meeting South Australia's skill needs provided that their skills are recognised.

In March 2005 the Training and Skills Commission approved guidelines for the recognition of skills and qualifications gained other than under the Australian Qualifications Framework. These guidelines provide the basis for the establishment of a trades recognition process.

### The Trades Recognition Process:

- Provides for assessment of skills gained through formal training or on-the-job experience in Australia or overseas, recognition of those skills by the Training and Skills Commission and the granting of a Certificate of Recognition to successful applicants.
- Enables those who have obtained equivalent skills or qualifications overseas to be able to practice in South Australia, particularly where the occupation involves licensing, thereby contributing to addressing existing skill shortages.

## Working with Industry

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The Economic Development Board's Framework for Economic Development recognised that education and training are "central to the future development of the South Australian economy and community" calling for "continuous strengthening of the State's education system", while highlighting that businesses must also embed skills development in their corporate strategies.

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### Alignment with Industry Policies

The State Government's industry policies and strategies recognise that a highly skilled workforce is a significant factor in developing the globally competitive industries needed to achieve the State's economic growth, export and social targets.

In its *Beyond Local, Towards Global* strategy, the Export Council noted the importance of skilled labour in enabling export growth, and recognised the importance of an active approach to dealing with skill shortages to reflect the needs of employers in export industries, especially in regional South Australia. The Export Council will also act to address perceived gaps in export skills.

Sectoral strategies such as *A Blueprint for South Australian Manufacturing* (Manufacturing Consultative Council) and the Government's response, *Global Horizons, Local Initiatives - a Framework for South Australia's Manufacturing Future*; *Wine: A Partnership 2005-2010* (Premier's Wine Council), and the *Food Plan* (Premier's Food Council) all acknowledge the importance of workforce development and identify specific actions to respond to industry needs. Many of these initiatives will complement DFEEST programs and are described briefly under each industry profile.

A close working relationship is required between government, Industry Skills Boards, industry associations, the Economic Development Board, the Manufacturing Consultative Committee and Regional Development Boards to better understand the issues and to develop well-targeted responses.

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### Industry Participation Policy

The Government's new Industry Participation Policy will help competitive local businesses by providing them with a full, fair and reasonable opportunity to tender for major project work. A critical component of the Industry Participation Policy is the integration of workforce development into infrastructure and other major project proposals.

The South Australian Government supports proposals which enhance local employment through workforce plans and a commitment to ongoing workforce and skills development, particularly through apprenticeships and traineeships.

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### Industry Skills Boards (ISBs)

Nine newly established Industry Skills Boards will work with government to develop industry specific workforce plans, identify workforce trends and emerging skill needs, and consider issues relating to career advice and the attraction and retention of a skilled workforce.

The Department of Further Education, Employment, Science and Technology will be actively working with industry through the Industry Skills Boards and other industry groups and forums in the development of industry specific Workforce Development Action Plans.

The Industry Skills Boards were created to:

- Provide industry intelligence and strategic advice on current and emerging skill and workforce development needs. They do this from both an employer and employee perspectives.
- Promote the importance of integrating skill development and business development.
- Advocate South Australian industry's views in the development, implementation and review of nationally recognised training products and services.
- Promote the advantages to be gained from education, recognised training and lifelong learning for all South Australians.
- Provide advice on the recognition of skills and qualifications gained overseas.

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### Initiatives in Selected Industry Areas

DFEEST and DTED have identified ten industry sectors as initial areas for action to address skills issues. The Workforce Development Action Plan will expand on this list.

- Manufacturing and Automotive
- Defence, ICT and Electronics
- Creative Industries
- Food
- Wine
- Tourism
- Transport and Logistics
- Minerals and Resources
- Construction
- Community and Health Services

The following pages provide a profile of each industry sector, identified skills issues, a list of key partners and initiatives to address the immediate skills issues.

As explained in the introduction, it is anticipated that the consultation process with industry will expand the lists of initiatives and industry sectors for inclusion in the Workforce Development Action Plan.

# Industry Sector Profiles and Skills Initiatives

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## Manufacturing Industry

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### Profile of the Industry

Food and Wine are addressed separately in this plan. Other Manufacturing industry sectors included in this part of the plan are:

- Wood and Paper products
- Non-metallic mineral products
- Metal products
- Mineral resource processing
- Bioscience
- Automotive

Manufacturing has a workforce of over 90,000 people and produces around 14% of Gross State Product. Manufactured goods make up 62% of all South Australia's exports. A large percentage of all business research and development expenditure is in the manufacturing sector.

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### Skills Issues

One-third of the state's manufacturing workforce will approach retirement age over the next ten years.

Labour demand is projected to outstrip supply by 2015.

The length of many training courses leads to lags in adjusting to fluctuations in the labour force.

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### Actions to develop the manufacturing workforce

**Global Horizons, Local Initiatives – A Framework for South Australia's Manufacturing Future.** Launched by the Government in June 2005, the strategy outlines the major issues, challenges and future for manufacturing in South Australia and focuses on a number of key enablers, including workforce development. The Framework represents a shared commitment by industry, unions and Government to improve the competitive environment for the manufacturing sector.

**A Blueprint for South Australian Manufacturing** is an initiative of the Manufacturing Consultative Council. The Blueprint outlines a series of initiatives designed to improve the productivity of South Australian Manufacturing. It identifies roles for government, industry, employers, unions and the community to achieve this goal.

Included in the 18 recommendations of the Manufacturing Consultative Council are proposals to improve the delivery of skills programs through better workforce information, and for the development of high performance workplaces that support the development of superior workforce skills.

**Pre-Apprenticeship Pilot Program** in Metals/Engineering (Mechanical and Fabrication) and Construction (Plumbing) tests alternative models for pre-apprenticeship programs that focus on attracting suitable participants and fast-tracking into traditional apprenticeships.

**Regionally based pre-apprenticeship programs** - three programs will address identified skill shortages in manufacturing related occupations in the regions and will be administered through relevant Regional Development Boards.

**Pre-vocational programs** in outer metropolitan areas - focusing on strengthening the availability of a manufacturing workforce to service emerging growth opportunities.

**Up-skilling** - funded has been provided to the Engineering Employers Association South Australia to operate a program with employers to up-skill migrants and mature age workers facing significant skills gaps. Where appropriate, employers will be required to match the funding contribution.

**High Level Review of TAFE SA Services to Manufacturing and Allied Industries.** The Review has examined how TAFE SA can better respond to workforce trends and employment levels to support the growth and development of manufacturing and allied industries. Strategies may include the use of flexible delivery methodologies and customised training programs.

***Automotive Engineering School at University of Adelaide.***

The Government has helped establish the Automotive Engineering School at the University of Adelaide to provide a new automotive engineering degree program as a response to skills shortages identified by industry.

***Industry/School Partnerships.*** The following highly successful programs provide young people with a pathway into the manufacturing sector:

***Engineering Pathways Program*** - embeds National Metals & Engineering Competency Standards into year 11 and 12 (SACE) school subjects and allows fast tracking of an apprenticeship through the articulation of industry studies towards a Certificate or Diploma in Engineering or other training course.

***Robotic Peer Mentoring*** - Undergraduate students deliver curriculum to secondary students in the area of electronics, robotics and computer programming.

***Concept to Creation*** - This program links in with existing Vocational Education and Training programs to provide students in years 8-10 with an introduction to industry, including on-site training and work experience.

***Certificate 1 Industry Pathways Pilot Program*** - Aims to raise the awareness of school students about careers in manufacturing and provides them with hands-on experience in manufacturing industries.

***Automotive and Manufacturing Workforce Development Project***

- in 2005/06 this project will improve the competitive advantage of automotive manufacturing by enhancing the workforce's capabilities. This will include increasing skill levels, improving innovative practices, and managing learning across organisations. Manufacturers involved include Mitsubishi Motors Australia Limited, Schefenacker Vision Systems, Seeley International, Transitions Optical, BSTG Australia and Clipsal.

***Centre for Innovation*** - The Centre will provide specialist services to support South Australian companies in their development of new products and services, improved practices and the application of advanced technology.

***Pilot Project for Competitive Manufacturing Program***

- a cross enterprise training program to train employers in lean manufacturing processes and principles. Manufacturers involved include Electrolux, Philmac, Dana Australia and Air International.

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**Key Partners**

Department of Trade and Economic Development

Department of Further Education, Employment, Science and Technology

Primary Industry and Resources South Australia

Manufacturing Industry Skills Advisory Council SA Inc.

Economic Development Board

Manufacturing Consultative Council

Engineering Employers Association

Business SA

Other Industry associations

Unions

## Defence, ICT and Electronics Industries



### Profile of the Industries

The defence industry is estimated to have employed around 16,800 people in South Australia in 2002-03, this includes some people also counted as employed in the Information and Communications Technology (ICT) industry directly and indirectly.

Over a 10 year period, the air warfare destroyer (AWD) project will add \$1.2billion in today's dollars, to the State's economy, through a direct \$574million impact, plus another \$609million in spin-off benefits.

Once fully operational the AWD project itself will create approximately 1,700 jobs directly and another 1,300 jobs in the flow-on effects to other sectors of the economy, meaning an extra 3,000 jobs will have been created for South Australians through this project.

A 2005 survey by the SA Centre for Economic Studies estimates that 18,100 South Australians are employed in the ICT industry, excluding telecommunications.

The ICT industry has a significant share of people employed in highly skilled occupations, with 41% employed as "professionals". Not surprisingly, therefore, the ICT workforce is highly skilled relative to the State's workforce as a whole, with 44% having qualifications equivalent to a bachelor degree or higher. This compares to only 33% of all South Australian employees.

The percentage of women in the ICT workforce is estimated at around 25%, compared to 44% for the general workforce. In South Australia the percentage of female students in ICT tertiary education is around 20% (*ICT Skills and Environment Analysis Report, October 2004*).

The electronics industry is involved in the design, development, service and production of electronic and photonic products and components and spans many industry sectors. These include defence, automotive, information and communication technologies, consumer appliances, biomedical appliances and other scientific equipment. All rely heavily on the use of electronic technology.

In the year to February 2005, approximately 15,000 persons were employed in Electrical and Electronics related occupations in South Australia. Of these:

- 56% were electricians
- 12% were electrical & electronics engineers
- 12% were electronics & office equipment tradespersons.
- 9% were electrical & electronics associate professionals

- 7% were communication tradespersons.
- 2% were electrical distribution tradespersons; and
- the remaining 2% were classified as other electrical and electronics tradespersons.

### Skills Issues

There is a potential for skills shortage in these industries due to a number of factors including strong growth over the medium and long terms and constantly changing industry requirements. There is already evidence that in South Australia each advertisement placed attracts fewer applicants than in other states, and that the success rate of filling advertised positions is lower.

The ICT industry has become particularly affected by substantial shifts in the workforce from full-time employment to casual contracting arrangements, with South Australia currently having the highest percentage of contract positions (28.5%) in Australia. This has profound implications for the type and the extent of investment in skills development and for sustaining those skills.

Female participation in technical positions in ICT in South Australia is one of the lowest in Australia, with all areas of ICT male dominated.

For the electronics industry, continued industry growth depends on an adequate supply of graduate and post-graduate engineers and scientists. The Electronics Industry Association has predicted the creation of over 400 new jobs in 2004-05 for graduates in electronic engineering, computer systems or IT&T engineering, software engineering or physical sciences.

The success of South Australia's bid for the Air Warfare Destroyer contract has increased projections of future labour demand across a wide range of both professional and trade occupations.

### Actions to develop the **Defence, ICT and Electronics industry** workforce

**Centre of Excellence in Defence and Industry Systems Capability (CEDISC)** – the Centre is to be established by the South Australian Government in collaboration with the Defence Science and Technology Organisation, industry, and the University of South Australia. CEDISC will provide specific capabilities, training and services in systems and software engineering.

**Maritime Skills Centre** – will make South Australia a centre of excellence in skill development in shipbuilding and related industries. The Centre will provide flexible tailored training to increase the skills of existing shipyard workers and/or workers employed with transferable ship-building related skill-sets.

**Defence Skills Institute** – is a partnership between the Government, the defence industry & local education institutions. The Institute will work cooperatively with government, industry and education and training providers to identify and aggregate defence industry education and training requirements.

**Carnegie Mellon University** – an agreement has been reached between the South Australian Government and the prestigious Carnegie Mellon University to establish a campus in South Australia. The new university will offer post graduate degrees and executive education courses initially in Masters degree programs in Public Policy and Management and in Information Technology.

**Northern Advanced Manufacturing Industry Group (NAMIG)** – initiated by the Electronics Industry Association (EIA) NAMIG has been developed as an industry-led model of industry/education engagement. A number of local large, medium and small enterprises such as BAE Systems, NTS Tooling, Tenix, Holden, Motorola and IMP Printed Circuits, in collaboration with the Northern Adelaide education sector, local councils and industry associations, work with local area schools and TAFE on major education initiatives, in particular the Concept to Creation program. This program provides students with a practical appreciation of advanced manufacturing and encompasses regional Vocational Education and Training (VET) programs plus a comprehensive year 8-10 introduction to industry, including on-site training and work experience.

**(ei)<sup>2</sup>** – an initiative of the Electronics Industry Association, provides a service that connects education with industry in order to support the growth of the South Australian electronics industry. Services being implemented through (ei)<sup>2</sup> include:

**Shared courses** – final year engineering students are able to study some electives at other university campuses (at each of the three local public universities).

**Mentoring program** – links secondary and tertiary students with industry employees.

**Cadetships** – available to final year TAFE and university students, they enable students to work part time in the electronics industry while also studying part time.

**Internships** – Graduates Fast Track Program – for graduate electronic engineering students to become interns rotating between four companies over a two year period while undertaking intense courses of study & receiving mentoring.

**Summer vacation employment** – the study experience and employment preferences of TAFE and university students are matched with electronics companies for summer vacation employment.

**Robotic Peer Mentoring (RPM) Program** – is a three year program funded by the South Australian Government addresses issues related to the future skills development for the electronics industry. Undergraduate students from the University of South Australia, Flinders University and Adelaide University deliver 20 hours of curriculum to students in secondary schools year 9 – 11 classes. The curriculum covers construction of an electronic circuit board as the basis for building a robotic vehicle and programming the microcontroller that controls the robot. The Electronics Industry Association (EIA) is aiming to take this program nationally.

**Premier's Innovation and Electronics Challenge** – this proposed program will be a simplified version of the Robotic Peer Mentoring Program and aimed at Years 3 to 8.

**ICT Industry Education and Skills Development Strategic Plan** – Initiated by the ICT Council for South Australia. The plan outlines 14 projects. Each project addresses either a key impediment or prerequisite to addressing skills imbalances including capability, skills and competencies; gender and diversity; information sharing; branding and marketing and leadership. Each project will have a champion selected as appropriate from industry, the education and training sector or government.

**STEP-IT-UP Program** – initiated by UniSA to provide graduate level Computer Science students with the opportunity to undertake worthwhile ICT projects for small and medium sized enterprises in South Australia.

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### Key Partners

Department of Trade and Economic Development  
Department of Further Education, Employment, Science and Technology  
Electronics Industry Association  
ICT Council  
South Australian Consortium of Information Technology and Telecommunications  
Defence Industry Advisory Board  
Electrical, Electro-technology Energy and Water Skills Board SA Inc.  
Business Services Industry Skills Board  
Australian Electrical and Electronic Manufacturers' Association  
Engineers Australia (Institution of Engineers Australia)  
Australian Information Industry Association (AIIA)

## Creative Industries



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### Profile of the Industry

Nine segments make up the Creative Industries in South Australia:

- audio-visual
- media and digital media
- advertising
- craft, visual arts and indigenous arts
- design
- film and television
- music
- publishing
- performing arts
- cultural heritage/institutions.

Creative industries enterprises in South Australia have a turnover of \$2.0billion per annum and contribute almost \$1.0billion towards Gross State Product with estimated direct exports between \$100-\$200million per annum. The enterprises employ 16,500 people (2.5% of State employment) and pay wages of some \$640million per annum.

### Skills Issues

Factors that are directly affecting the ability of companies within the creative industries, particularly those focused on media, to grow include:

- Lack of recognition of South Australia as a centre of digital creative expertise, despite the success of many companies.
- The need for closer advisory arrangements between providers of digital media courses in South Australia and industry.
- Recruitment difficulties in finding and attracting local personnel – leading to companies resorting to finding new employees from interstate or overseas.
- Difficulty in retaining skilled people in Adelaide as creativity skills are highly portable and many practitioners are attracted to the eastern states.
- Lack of the business skills training within creative industries often means companies are unable to create sustained business growth.

### Actions to develop the Creative industries workforce

**Technical skills training** - a program working with South Australian businesses experiencing difficulty in locally recruiting workers with sufficient skills and who plan to undertake, in conjunction with local recruitment activities, structured skills training programs to address this issue.

**Strategic Talent Attraction and Recruitment (STAR) Program** - will provide help to approved South Australian businesses within the creative industries to recruit high-level and specialised staff into the key positions necessary to substantially develop their operations and enable them to increase their export capability.

**A National Strategy for Pathways to Employment in Arts, Cultural and Creative Industries** - established collectively by State, Territory and Commonwealth Ministers responsible for Education, Employment, Training and Youth Affairs in July 2003, the Strategy will establish formal links with the education and tertiary sectors to shape a seamless and embedded pathway for learning and skills for the arts, cultural and creative industries.

**The Helpmann Academy** - the Academy unifies the skills and resources of South Australia's universities and TAFE SA, bringing together courses in music, dance, drama, directing, visual arts, technical theatre production and design, with a global perspective on arts training, forging strong links with overseas arts institutions.

The Helpmann Academy Partners are:

- Adelaide Centre for the ARTS (TAFE SA)
- VizArts, O'Halloran Hill Campus (TAFE SA)
- Drama Centre, (Flinders University)
- Elder School of Music (University of Adelaide)
- SA School of Art (University of South Australia)
- Affiliate Member: Adelaide Central School of Art



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**The South Australian Film Corporation - Skills Development Strategies** - these programs provide support for professional development and career development for film, television, documentary and digital media practitioners. They fund travel to key festivals and interstate award ceremonies where people are being recognised for their work. It also provides funding to allow them to travel to international markets to attract finance for projects to stimulate production in South Australia. In addition, they provide internships and attachments with productions and production companies to enable practitioners to further develop their skills, knowledge and experience.

**Arts, Entertainment and Multimedia Workforce Development Project** - the Adelaide Festival Centre Trust was supported in 2004-05 to develop a highly skilled, quality workforce for employers in the arts and entertainment vocations. Achievements include a best practice performance management system, skill development for existing workers to address issues arising from performance management processes, and workers achieving formal qualifications through recognition of skills gained on the job.

**Arts Think Tank** - in 2005-06, Services Skills SA will convene regular meetings of representatives from each of the creative industries areas to discuss the development needs of their workforce and to develop the actions needed to address these needs.

**Southern Arts Business Training** - unemployed people in the Southern region with artistic talent will be able to undertake business training to assist them to turn a hobby or interest into a profession. New artistic businesses will be linked into the local Business Associations and industry support networks. This will enable these new artistic businesses to contribute to the local tourist economy.

**Volunteer Development** - the creative industries rely greatly on volunteers and amateurs wanting to gain employment in the industry. Services Skills SA will develop strategies, in conjunction with the industry, to improve skills recognition and development opportunities for volunteers.

**Riverland Performing Arts Project** - the Riverland Youth Theatre and Country Arts SA will implement and expand upon an accredited training program to prepare young people for employment in performing arts businesses. There is also potential for future programs to be operated by local young people.

**Review of the Arts Training Packages** - Services Skills SA will work with industry to better align qualifications with industry and workforce needs, including:

- Development of higher level qualifications for Visual Arts Craft and Design.
- Scoping of links between all Arts community Training Packages.
- Reviews of the Music Training Package and the Film, TV, Radio and Multimedia Training Package.
- Update of safety training as part of the review of the Film, TV Radio and Multimedia Training Package.

**Growing Global Companies** - is an initiative that will provide business skills training to younger digital content companies to assist their transition from a group of creative people to sustainable export growth businesses.

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### Key Partners

Department of Trade and Economic Development  
(including support for Export Council and Economic Development Board initiatives)

Department of Further Education, Employment, Science and Technology

Arts SA

Department of Premier and Cabinet

The University of Adelaide

South Australian Film Corporation

Services Skills SA



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## Food Industry

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### Profile of the Industry

The South Australian food industry employed 141,750 people in 2002-03.

Agriculture and Food Retailing contributed the largest proportions to this employment with 31% and 29% respectively. At 22%, Food Service is the next largest value chain employer with Food Manufacturing (11%) and Food Wholesaling (7%) employing smaller proportions.

Of the 44,000 people employed in agriculture, around 40 percent are in the horticulture industry (including wine grapes) with cereal, sheep and beef farming employing a further 38%. Commercial fishing is the next biggest primary industry employer, with 6% of the total employment in agriculture or primary production.

Of the 16,000 people employed in food manufacturing, beverage (including wine) and malt manufacturing employs around 40%, meat processing employs 18% and cereal and bakery products 15%. Fruit and vegetable processing makes up 10% and dairy processing 3% of total food manufacturing employment.

Of the 10,000 people employed in food wholesaling, 75% are employed in food, drink and tobacco wholesaling with the other 25% employed in farm produce wholesaling.

The 41,000 people employed in food retailing, are divided evenly between supermarkets and specialised retail stores.

The 31,000 people employed in food service are employed predominantly in restaurants, cafes, pubs and clubs.

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### Skills Issues

The following skills issues have been identified by the Premier's Food Council:

- Attraction of people into agriculture and food related industries, commencing at school-level.
- Development of transferable skills across the industry when there are relatively low levels of post-school qualifications within the workforce.
- Ability of industry to provide skill development within regions and sectors.
- Working conditions in some occupations, such as chefs.

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### Actions to develop the food industry's workforce

Under the leadership of the Premier's Food Council, the **State Food Plan 2004-2007** has been developed in consultation with over 200 food industry leaders from throughout the state.

**State Food Plan objectives** – are to develop customised courses and training modules for the food industry along the value chain; to create industry-led collaborative learning opportunities for regional businesses; to create incentives for training current staff and to recognise their skill development; and to develop school-based programs to attract young people into the food industry.

The State Food Plan also addresses **workforce skills** - specific actions include a joint initiative sponsored by the Training and Skills Commission to identify the workforce needs of regional small businesses in order to increase export market potential.

The **State Seafood Plan** - includes the development of training arrangements to link seafood industry research and training.

**Food Workforce Development Project** – jointly funded by Primary Industries and Resources SA and the Department of Further Education, Employment, Science and Technology over three years, this project will develop clusters of food industry businesses to collaboratively address workforce development issues at a regional level. Actions include upskilling the existing workforce, developing retention strategies for existing workers, and attracting new recruits by promoting the food industry as a vocation of choice. To date, 13 "Food Groups" have been convened, and over 300 food industry businesses across the state have been interviewed on the development needs of their workforce and the actions needed to address these needs.

**Farm-Hand Workforce Development Project** – the SA Advisory Board of Agriculture was supported in 2004-05 to establish better mechanisms for across-industry training, peer support and mentoring for farm workers and labourers, and to provide information to employers in areas that relate to employee opportunity, welfare, communication and equity. The mechanisms are currently being trialled and evaluated.

**Horticulture Workforce Development Project** – started because of a decline in employee numbers in the horticulture industry, the Virginia Horticulture Centre was supported in 2004-05 to develop and implement strategies for the retention and transition of existing workers into supervisory roles.

**Growing a Career Program** - this program will work with Riverland growers and training providers to promote the benefits and opportunities within the horticultural industry, while also addressing the low level of qualified people entering the industry. Career possibilities will be identified and promoted, along with the development of local career training pathways, which may lead into tertiary education.

**Riverland Retention and Retraining Project** – this project is aimed at upskilling existing workers in the local food industry to improve workforce retention rates and to assist those seeking employment in the industry to gain the necessary skills. In addition, the project will endeavour to improve the career image of primary production to future employees.

**Mid North and Barossa Cold Supply Chain for Food Industry** - the food industry requires skills in the cold supply chain food area to continue to grow and develop markets interstate. This project will take place in both the Mid-Morth and Barossa Valley to capitalise on the Regional Co-op that already exists. The focus of the project will be to undertake action plans for the small businesses to manage their workforce.

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**Key Partners**

Primary Industries and Resources South Australia

Premier's Food Council

Department of Trade and Economic Development

Department of Further Education, Employment, Science and Technology

Food, Tourism and Hospitality Industry Skills Advisory Council

Primary Industries Skills Council SA Inc.

Training and Skills Commission



## Wine Industry

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### Profile of *the* Industry

Wine is the largest export by value for South Australia, bringing in \$1.39bn in 2003/04. South Australia has 432 of the total 1,798 wineries in Australia, an increase from 391 in 2003.

South Australia accounts directly for 48.9% of Australian production, but once further processing and packaging of product is taken into consideration, it is estimated that South Australian industry represents 60% of total production.

The wine and grape industry employed 12,000 people in 2001-02 with 6,300 being employed in production and 5,700 in processing.

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### Skills Issues

The wine industry has a much broader need for skills than just the obvious horticultural and vigneron skills. The wine industry also employs coopers, tank manufacturers, printers, research and development people, and people to operate bottling facilities, packaging and transport.

Beringer Blass is planning a \$40m investment creating up to 300 jobs in the next decade.

Potential for significant growth in the wine export market in the near future will create additional jobs across all skill areas in the wine industry.

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### Actions to develop *the* Wine industry's workforce

**The South Australian Wine Sector Export Strategy 2004-2013** - the South Australian Wine Industry Association is a committed participant in the State Government export development processes. It delivers export facilitation services through wine export programs. Specific actions include creating a supportive business climate for major wine companies, and assisting small to medium enterprises to acquire export capability, enter export markets, and achieve sustainable profitability.

**Wine: A Partnership 2005-2010** - is a plan which provides for a partnership between the wine industry and the South Australian Government. It contains a number of objectives and strategies specific to workforce development:

**Workforce skills** (Objective 7) - establish a workforce that has evolved within a lifelong learning and skills development framework that matches the growth requirements and demands of the South Australian wine industry.

**Commitment to undertake an industry skills audit** (Strategy 7.1) - the South Australian Wine Industry Association, the Department of Further Education, Employment Science and Technology (DFEEST) and education providers will undertake an industry skills audit to determine current skills and workforce needs and forecast future learning and skills development requirements.

**Labour market advice and career materials** (Strategy 7.2) - a commitment by the wine industry to provide current labour market advice and relevant career materials that teachers can incorporate into curriculum delivery and young people's transition planning.

**Improved education and training** (Strategy 7.4) - a commitment by the South Australian Wine Industry Association, the Department of Further Education, Employment Science and Technology (DFEEST) and TAFE SA to work together to ensure relevant wine related education and training is provided, to industry standards and requirements. This will be aided by the new TAFE SA Primary and Allied Industries Program.

**Commitment from the Wine Industry Council** (Strategy 7.5) - a commitment by the South Australian Wine Industry Council to work with education providers to ensure industry-relevant education and skills development is available at secondary, vocational and tertiary levels.

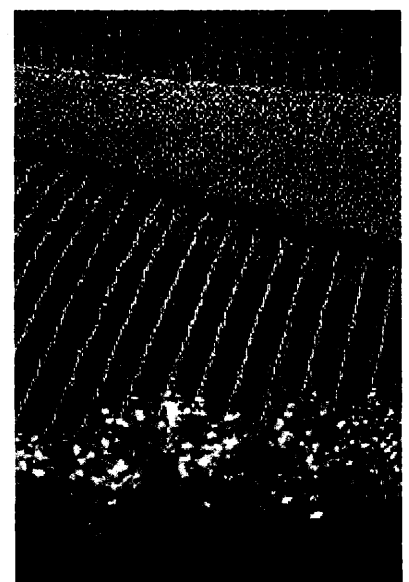
**Career advice** (Strategy 7.6) – making Secondary school students aware of career paths in the wine industry through access to vocational education.

**Consultation with Industry Skills Boards** (Strategy 7.3) - a commitment by the wine industry to work with Industry Skills Boards on issues relating to workforce development. Skill Boards will provide the industry with opportunities to communicate workforce needs and training priorities to government. This will involve the Food, Tourism and Hospitality Industry Skills Advisory Board and the Primary Industries Skills Board.

**Barossa Employment Guide** – the cyclical nature of the wine industry often results in short-term employment throughout the region. This project aims to work with the wine industry and employment agencies to provide a guide that shows the year round training and employment opportunities. Consultation with industry and employment agencies will determine the gap in skill levels.

**Careers in Viticulture** - The focus of this strategy is to link young people (through Clare and Riverton High Schools), New Apprenticeship Centres (Statewide Group Training), and Ackland Vineyard Services (Industry) to provide consistent on going support to young people wanting employment in the viticulture industry of the Mid North. This strategy also aims to keep youth in the region, by providing training and employment locally.

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### **Key Partners**

Department of Trade and Economic Development

Department of Further Education, Employment, Science and Technology

South Australian Wine Industry Council

Food, Tourism and Hospitality Industry Skills Advisory Council

Primary Industries Skills Council SA Inc.

## Tourism Industry

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### Profile of the Industry

In official statistics, the Accommodation, Cafes and Restaurants industry division is often used as a proxy for the tourism industry. This undercounts the number of people employed in what is thought of as "tourism" in the everyday sense. For example, it will not include the jobs linked with marketing, sales, distribution and event management, to name a few.

As measured in official statistics, the Accommodation, Cafes and Restaurant industry's workforce can be characterised as being:

- Predominantly female
- Generally part-time
- Relatively unqualified
- Highly casualised

Jobs in tourism related industries in South Australia have grown at four times the average for all jobs since 1989-90. (Source: *Productive Approach to SA Tourism Commission Marketing, BDA Marketing Planning, September 2000*).

South Australia's average 6% share of Australia's tourism generates \$3.7billion (2002) in tourism spending and provides an estimated 36,000 full-time equivalent jobs.

The value of training needs to be promoted within the industry so that training and investment in staff are seen as an essential component of increased productivity and investment.

Tourism will provide opportunities for regional development and in particular for rural areas that are undergoing structural change. As a labour intensive industry, tourism will deliver job opportunities, particularly for young people.

Other benefits include opportunities for diversification, new local businesses, improved services and facilities, preservation of heritage and culture, improved environmental management and community development.

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### Skills Issues

Chefs and pastrycooks are in shortage, particularly in regional areas. These occupations are often an essential component of the tourism capacity of a region. A skills shortage is more likely to be due to industrial conditions and market trends rather than training.

Limitations of time and the difficulty encountered in releasing employees for training in an industry consisting mostly of small businesses have affected participation rates in all areas of tourism and hospitality training. This compounded by the need to travel off-site to access training.

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### Key Partners

SA Tourism Commission

Business SA

Food, Tourism and Hospitality Industry Skills Advisory Council

Industry Associations such as Hotels, Motel & Accommodation Association, SA Restaurants Association, Tourism Alliance, Meetings Industry Association, Bus and Coach Association, Caravan Parks Association, and Bed & Breakfast Association.

Regional tourism marketing committees

Regional economic development boards

Local Government

Government agencies such as:

Arts SA, DECS, DFEEST, Department of Environment and Heritage, DOSAA, History Trust, Office of Regional Affairs, Office of Economic Development, PIRSA,

TAFE SA and Universities

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Actions to **develop the Tourism Industry's workforce**

The **South Australian Tourism Plan 2003-2008** is a joint undertaking of the tourism industry and of government that provides:

- The policy framework for sustainable tourism.
- Improved visitor access and tourism infrastructure.
- Regional benefit from tourism growth.
- Improved targeted marketing.
- Strengthened profitability and professionalism of the industry.

The SA Tourism Commission is convening a Working Group to develop a **Workforce Development Plan for the Tourism Industry**. The Working group will seek to align demand and supply needs taking into account:

- forecasting;
- recruitment;
- progression;
- retention;
- responsiveness; and
- tracking of employees.

The Working Group will also undertake an education and training audit to clarify current education pathways and roles and areas of specialisation of education providers.

**Chef Retention Workforce Development Project** – this innovative project is a joint initiative by the Food, Tourism and Hospitality Industry Skills Advisory Council and TAFE SA Regency, that will *change* the way in which South Australia trains and retains its cooking staff. To date the project has developed customised software that will enable apprenticeship training to be tailored for each student and has instigated case managers that will visit businesses to discuss their workforce development needs.

**Tourism and Hospitality Workforce Development Project** – the Food, Tourism and Hospitality Industry Skills Advisory Council was supported in 2004-05 to research the reasons for high staff turnover in the industry and to develop a range of retention strategies. A survey of all key tourism and hospitality businesses and over 100 employees has informed the development of a self-assessment checklist to improve the internal management of staff retention.

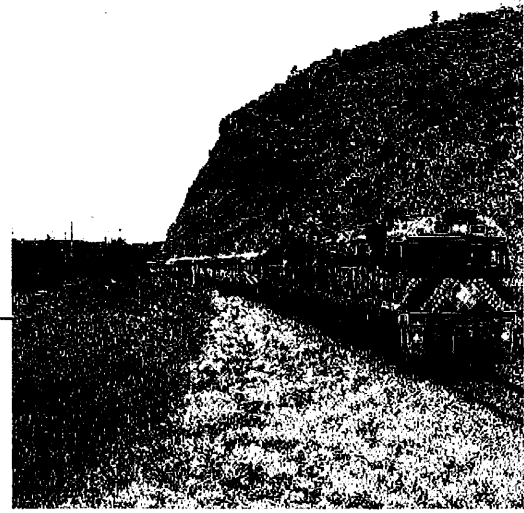
**Chefs of the Murray** - this project aims to enhance the skill level within the Riverland hospitality industry, while engaging unemployed and underemployed persons. An intensive training course will be provided, including the opportunity to work with a celebrity chef.

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## Transport and Logistics industry

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### Profile of the Industry

In official statistics, the Transport and Storage industry division is usually used as a proxy for Transport and Logistics. This industry division has seven industry sub-divisions:

- Road Transport
- Rail Transport
- Water Transport
- Air and Space Transport
- Other Transport (pipeline transport, cable cars, chair lifts and monorails)
- Services to Transport
- Storage

Over the year to February 2005, the Transport and Storage industry division employed approximately 30,800 people, or 4.3% of the state's workforce. By far the largest proportion of this workforce (59.9% of the division's total) was employed in Road Transport.

In South Australia in 2004, Transport and Storage generated \$2.25billion (4.8%) of the State's Gross State Product. Despite slow growth in output terms over the past decade it is a critical enabler and supplier to other strategic industries such as wine, food and automotive.

The Transport and Storage Industry's workforce is predominantly male, mainly full-time, relatively unqualified and with relatively low rates of casualisation.

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### Skills Issues

The industry faces a number of issues.

Employees have a low level of post-school educational qualifications. However, recent changes to the industry will require employees to gain new skills, particularly in relation to new technologies, safety and fatigue regulations, and security legislation requirements.

The industry has difficulty in attracting and retaining staff, particularly in road transport and in part because of the cyclical nature of employment. In addition, there is significant difficulty in recruiting young people, as the high risk nature of the industry has impeded work experience placements, making it difficult to counteract negative community perceptions of the industry.

Road Transport has low levels of English literacy and numeracy, due to the high numbers of newly arrived migrants employed as contractors in the industry.

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### Key Partners

Department of Further Education, Employment, Science and Technology

Department of Trade and Economic Development

Transport and Distribution Training SA Inc.

Maritime Union of Australia

Institute of Applied Logistics

Transport Workers Union

SA Road Transport Association

SA Freight Council

University of SA

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**Actions to develop the transport and logistics industry's workforce**

In 2004-05 the Industry Skills Board for this sector, Transport and Distribution Training SA, managed two industry-wide projects aimed at addressing some of the significant skill and labour shortages within the industry:

**Logistics and Supply Chain Management Workforce Development Project** – in order to attract new entrants into logistics and supply chain management vocations, this project has mapped the career pathways in the industry, promoted the sector to school students as a valid career pathway, upskilled existing workers into higher-skilled positions, and assisted workers in other industries into logistics and supply chain management vocations.

**Road Transport Workforce Development Project** - resulting from the introduction of new technology the road transport industry, this project has identified new skills sets for the major road transport occupations and has provided materials for employers to use to improve their recruitment practices.

**Waterfront Workforce Development Project** – the Maritime Union of Australia (SA Branch) was supported to identify and address skill gaps and retention issues amongst stevedores, and consolidation of work practices in the major companies to allow casual underemployed workers to gain work in more than one company. Achievements include collaboration between the major companies, improved induction, OHS and maritime safety legislative compliance and implementation of a performance management system.

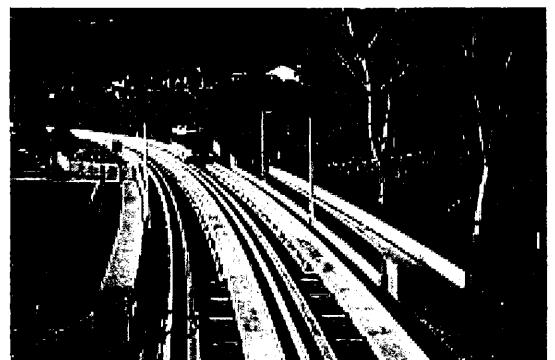
**SHIFT Program - SHaping Individual Futures in Transport** aims to assist high school students, early school leavers and the young unemployed to find careers in the industry by providing local training and employment in identified skill shortage areas. The program has been successfully delivered in the Adelaide Hills, Murraylands, Fleurieu Peninsula and Kangaroo Island regions, and in 2005-06 will also expand into the Barossa, Lower North, Riverland and Southern Adelaide regions.

**Mid North Transport Forum** – the Employment and Skills Formation Regional Network will coordinate a forum in 2005-06 for local employers in the transport industries, training providers and Barossa Lower North Futures to discuss workforce development issues and the strategies required to address them.

**Indigenous Employment Project** - in 2005-06 Transport and Distribution Training SA intends to develop a project that will assist indigenous people into the many employment opportunities in the Transport industry throughout the metropolitan and regional areas.

**Enterprise and Career Education program** – Training and Distribution Training SA will be working with the Australian Network of Practice Firms (ANPF) to establish virtual transport freight companies that operate within a virtual economy and interact with a network of other virtual companies. Students manage and operate these virtual companies as part of their learning programs and are mentored by a real training provider to follow "real world" business practices. It allows students to learn about the business world, decision making, information technology, administration, customer relations, and other skills that will make them readily employable.

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## Mineral Resources Industry



### Profile of the Industry

At the last census, 12,750 people in South Australia stated that they worked in the mining industry. Of these, only 7,640 gave their occupation. Most people are in "ordinary" occupations, not in specialist mining occupations. They may work in an atypical environment but by and large they are transport workers, plant operators, office workers, electricians, etc. There are smaller numbers in identifiably mining specialist occupations.

### Skills Issues

Identified skills issues include:

- The inability to attract geoscientists and highly skilled trades people, especially to remote areas.
- The need to attract, encourage and support young people to move into the sciences, including the geosciences.
- The need for Government and industry to work collaboratively for the delivery of education, training and development of Aboriginal people (whom the industry has identified as an excellent source of employees).
- Key challenges in pursuing market opportunities include; access to finance, land/regulatory requirements, skilled labour and infrastructure.

The expansion of the Olympic Dam Mining site is likely to create more than 10,300 jobs in SA during the three-year expansion phase, planned to begin in 2008, and leave an additional 8,400 permanent jobs on completion.

The *Plan for Accelerating Exploration* (PACE) - aims to achieve \$100million in annual mineral exploration expenditure in South Australia by 2007 which will in turn increase demands for skilled labour.

Actions to develop the Mineral Resources industry's workforce

**Expansion of Olympic Dam** - a *Minerals and Resources Workforce Planning Study*, commissioned by the South Australian Government, will be conducted by the South Australian Centre for Economic Studies. It will determine the workforce needs of the mining/exploration/processing firms undergoing expansion, assess the level of current and potential skills/labour imbalance and examine the required education and training response.

This study will be informed by joint Government, University and industry initiatives regarding higher education for the mineral and resources sector. This includes government support for the Australian Minerals Science Research Institute (AMSRI) at the Ian Wark Centre, the Chair for 'Exploration through Cover' at Adelaide University and the development of undergraduate and postgraduate training for mining engineers at the University of Adelaide and the University of South Australia.

**Pre-vocational training program** - the Roxby Downs campus of the Regional TAFE Institute continues to work closely with BHP Billiton (formerly Western Mining Corporation) in the development and implementation of its Pre-Vocational Training Program. The program, now in its fourth year in Roxby Downs, offers local youth interested in a trade career a 12-month training program to prepare them for an apprenticeship.

**Job Readiness program** - BHP Billiton in conjunction with the Regional Institute of TAFE runs this program for trainees who graduate with a Certificate 1 in Job Readiness, credit toward a certificate 2 in Metalliferous Mining, senior first aid certificate, loader licence and forklift licence.

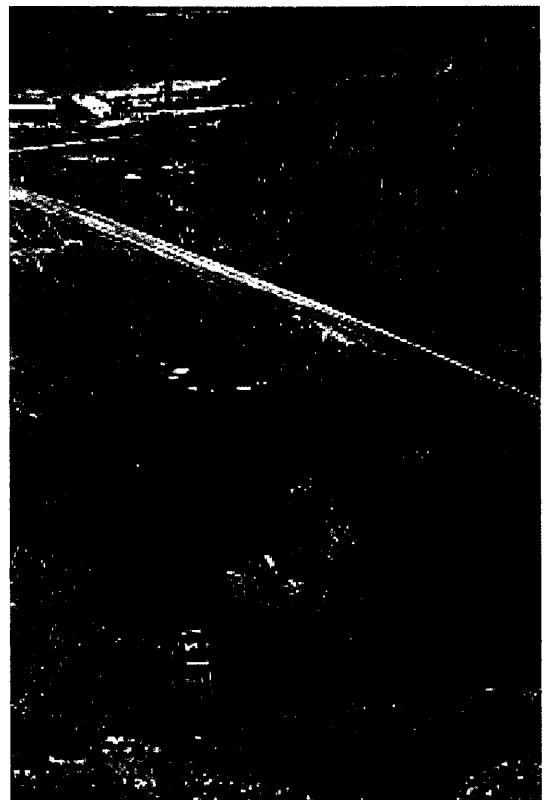
**Indigenous employment strategy** - Primary Industries and Resources SA and the South Australian Chamber of Mines and Energy are investigating indigenous employment in the resources sector which will link with Government activities, such as the Aboriginal Economic Committee and DFEEST aboriginal employment and skills formation strategies.

**Career information** - the South Australian Chamber of Mines and Energy (SACOME) has an education program which provides information to secondary students and their parents regarding career pathways into the Resources Industry.

**Workforce survey** – BHP Billiton (formerly Western Mining Corporation) completed its own study of workforce demand. This information will enable matching against projected supply to establish potential areas of skills demand. In addition, a comprehensive survey of the workforce needs of 10 major companies is about to commence.

**Indigenous Land Use Agreements** - provide opportunities to improve indigenous employment through education, training and skill development.

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**Key Partners**

- Primary Industries and Resources South Australia
- Department of Trade and Economic Development
- Department of Further Education, Employment, Science and Technology
- BHP Billiton
- UniSA
- University of Adelaide
- South Australian Chamber of Mines and Energy Inc.

## Construction Industry

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### Profile of the Industry

The Construction Industry consists of two industry sub-divisions: General Construction (including building and non-building construction) and Construction Trade Services (including site preparation, building structure, installation trade, and building completion services).

The Construction Industry's workforce is predominantly male, predominantly full time, relatively qualified (54.1% of the industry's workers have a non-school qualification, compared with the state's all-industry average of 46.7%), and is quite casualised.

Over the year to February 2005, the Construction industry employed around 50,900 people in South Australia, or 7% of the state's workforce. Of these, 38,700 persons (76.1% of the workforce) were in Construction Trade Services, and 11,400 (22.3%) were in General Construction. A small proportion (1.6%) did not provide enough information for them to be categorised.

The Construction industry is affected by economic and demographic trends such as population growth and household formation rates, interest rates and government regulations and policies.

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### Skills Issues

With the recent high level of construction activity, the workforce has grown to record levels. Many occupations in the industry are entered via an apprenticeship. Despite apprentice numbers being at a 20 year high, there are still shortages of construction workers of almost all types.

These shortages are difficult to deal with in the short term from additional training alone, given the time lags between labour demand and training supply. Other strategies are required such as boosting pre-apprenticeship training and increasing skilled migration.

A number of businesses are currently exploring new and more specialised ways of working that are likely to be at odds with traditional qualification requirements. There is a challenge to ensure that the training system will still be able to enable workers to develop skills throughout their working life.

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### Actions to develop the Construction industry's workforce

**Construction Industry Training Fund** - The South Australian Government has established a statutory Construction Industry Training Fund. The Fund operates by way of a training levy set at the rate of 0.25% of value of most building and construction work carried out in South Australia in excess of \$15,000.

The Fund, administered by the Construction Industry Training Board, provides a significant source of funding for training in the Construction industry. In most years, expenditure from the fund is approximately equally split between existing workers and new entrants to the industry.

The **Construction Industry Training Board** - under the Construction Industry Training Fund Act the Board provides an annual training plan to guide expenditure from the Fund. The Board has also taken on a role as the Industry Skills Board and will be providing workforce information & an industry plan.

**Doorways 2 Construction** - this program allows students to start their construction career while they are still at school. The program has 3 components: Certificate 1 in Construction, work experience, and career advice. Doorways 2 Construction also counts towards the South Australian Certificate of Education and towards an apprenticeship. The course leads to 19 different career areas, and a significant number of graduates have successfully gained jobs in the industry.

**Pre-employment Training in Construction Trades** - the Murraylands, Mid-North, and Eyre Employment and Skills Formation Regional Networks will support pre-employment training for young people, particularly those that are disadvantaged in the labour market, to better enable them to access apprenticeships in construction trade areas.

**Whyalla Building and Trades Training Program** - a broad based skills training program developed in consultation with industry and implemented via a very 'hands-on' delivery approach/curriculum. The skills taught will include, but not be limited to, many of the basic building trades, which are in short supply in Whyalla and the surrounding region (e.g roofing, brick-laying, steel-frame erection, tiling, carpentry and plumbing).

**Career Guidance Project** - the Eastern Adelaide Employment and Skills Formation Regional Network will support a program aimed at providing career guidance to those students best suited to trade vocations and to promote the range of career pathways.

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### Key Partners

Department of Trade and Economic Development

Department of Further Education, Employment, Science and Technology

Construction Industry Training Board

Department of Administrative and Information Services

## Health and Community Services Industry

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### Profile of the Industry

Health and Community Services comprises two sub-divisions, Health Services (Hospitals, Nursing Homes, Medical and Dental Services, Mental Health and Veterinary Services), and Community Services (including Child Care Services, Community Care Services and Disability Services).

Over the year to February 2005, Health and Community Services employed 86,200 people in South Australia or 11.9% of the state's workforce. 64,900 persons were employed in Health Services, and 20,800 persons were employed in Community Services.

Health and Community Services is the third largest industry in the state, generating output worth \$3605m or 7.7% of South Australia's Gross State Product.

The majority of the workforce is female. There are high levels of part-time work, it is relatively qualified (65.1% of the industry's workers has a non-school qualification compared with the all-industry average of 46.7%), and reasonably casualised.

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### Skills Issues

Factors affecting the Health industry include demographic changes in the population and the health workforce, a shortage of qualified health workers, including both university and VET level graduates; changes in workforce skill requirements for both existing workforce groups and the new entry workforce.

A collaborative approach between education providers and health agencies is needed to help ensure that training and education aligns with the health service reform agenda.

Worker retention is an important strategy, but with an already aged workforce (compared to the South Australian workforce as a whole) undertaking physically demanding work, attention to workforce replacement through sufficient graduate supply is a high priority.

Re-design of work roles in the health sector in order to provide services and care into the future will require training and education for new skill sets and re-skilling.

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### Actions to develop the Health and Community Services Workforce

- Negotiating with the Australian Government about the number of university student places needed to meet workforce requirements.
- Increasing training and employment through facilitating the take up of more apprenticeships and traineeships.
- Being prepared to consider the implementation of recommendations relating to health workforce supply and preparation of the Productivity Commission Report on the Health Workforce, due December 2005.

**Enrolled Nursing Training** - the South Australian Government has provided a major increase in training hours in recent years to enrolled nurse programs at TAFE SA and cadetship programs in regional areas.

**Disability Services Workforce Development Project** - Orana Incorporated, a lead agency in the disability employment sector, is currently managing a Workforce Development Fund project to improve recruitment, capability and retention of staff employed by the major disability service providers. Products being developed and trialled include a values-based recruitment model, a competency-based job analysis system, job & person specification templates, a professional development needs assessment tool, an employee support model, and a performance management model.

**Community Services Workforce Development Project** - in 2004-05, Anglicare SA managed a project to design a model for developing recruitment and retention strategies and developing the skills of the community services workforce. Anglicare SA trialled the model and the results are currently being documented. Achievements include an action learning leadership program and a range of self development programs for individuals including effective communication, team building, presentation skills and conflict resolution.

**Recreation Workforce Development Project** - a cluster of recreation centres under the leadership of Casa Inc was supported in 2004-05 to develop a workforce development model for the recreation industry, including the transition of casual workers to permanent status. Achievements include human resources planning and policy development, the introduction of performance management and reward strategies, and the development of a leadership program.

**Whyalla Aged Care Pathways Program** - provides an Aged Care education, training and job placement program for unemployed mature age persons to meet the current and future aged care industry needs in Whyalla.

**The Childcare Strategy** - announced by the Government in June 2005, the strategy is designed to address the current shortage of qualified staff in child care centres in South Australia and to ensure the ongoing supply of qualified child care workers in the future. The strategy includes the following initiatives:

- DFEEST will fund 70 existing child care workers and 27 job seekers to undertake child care qualifications under traineeships, as part of a pilot program supported by DEWR, DECS and child care sector employers.
- As a short term strategy, 70 existing workers will be upskilled to the Diploma of Children's Services to meet the immediate need for qualified staff in the sector. In addition, a further 27 trainees will be funded to obtain both a Certificate 3 and a Diploma of Children's Services. This is the first time that traineeships in SA will be funded at the Diploma level.
- The estimated cost of these initiatives will be \$450,000 over three years.
- DFEEST will also provide up to an additional 50 child care places in the Diploma of Children's Services in 2006 through TAFE SA. The net cost of 50 additional places based on 2005 funding rates is \$288,350.

**Whyalla Child Care Pathways Program** - This project has been developed collaboratively by Edward John Eyre High School, TAFE SA Regional, and industry partners to provide pre-vocational training to gain employment in child care in Whyalla.

**Southern Childcare Project** - the Department of Education and Children's Services, supported by the Social Inclusion Unit are undertaking a program to recruit and train Family Day Care providers in the Southern suburbs to provide home based childcare for shift-workers and to link parents to other community services that support family and child health and wellbeing.

**Barossa Light Child Care strategies** - the Barossa Light Employment and Skills Formation Regional Network is developing the following initiatives to address child care staffing issues:

- Establishing a cross regional child care reference group to highlight child care sector workforce opportunities.
- Running a pre-employment training program which includes work placement with participating child care centres.
- Providing training on-site to up skill current staff and to provide a qualification training program for new staff.

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### Key Partners

Department of Trade and Economic Development

Department of Further Education, Employment, Science and Technology

DECS

Department of Family and Community Services

Department of Health

SA Health and Community Services Skills Board