



CICA response to

The Australian Workforce and Productivity Agency - Skills and workforce development needs discussion paper

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CICA Registered Office:
Unit 3, 192B Burwood Rd
Hawthorn VIC 3122

Address correspondence for the President to:
Unit 3, 192B Burwood Rd
Hawthorn VIC 3122.

Contact for this paper:
Peter Tatham
Executive Director
Career Industry Council of Australia
M.0407853196
E.peter.tatham@cica.org.au

CICA response to the Future focus: Australia's skills and workforce development needs discussion paper

Thank you for the opportunity to comment on the issues raised in *Future focus: Australia's skills and workforce development needs discussion paper*.

About the Career Industry Council of Australia

Established in 2003, the Career Industry Council of Australia (CICA) is the national peak body for career practitioner organisations. CICA's vision is to enhance participation and productivity by advocating the individual, social and economic benefits of quality career development for all Australians.

Over the last decade, and with Australian Government support, CICA has worked with member organisations to:

- Develop and implement professional standards and guidelines for career information and services.
- Provide expertise in the development of professional materials such as the Certificate IV in Career Development; frameworks such as the Australian Blueprint for Career Development; information such as *myfuture*; and services such as the telephone help line for adults.
- Endorse courses and training programs.
- Establish processes for benchmarking career development services in the VET and disability support sectors.
- Promote career development, implementing the Australian Government's National Career Development Week initiative, including distribution of resource material and support for participants conducting career awareness events.
- Provide representation on behalf of the career industry.

At the same time, CICA has promoted the development of a national career development strategy in line with OECD recommendations.

Feedback on the Discussion Paper

Introduction

CICA believes that a National Workforce Development Strategy should have, as one of its central components, a strong commitment to building the career management skills of all Australians.

Career development is one factor common to all four scenarios outlined in the paper: it is important for Australia's future in that it helps people develop the skills to manage their own learning and work; thereby improving outcomes for education, training, employment and participation.

A recent DEEWR green paper on developing a national career development strategy recognises that Australians "need the knowledge and skills to manage their careers ... to take full advantage of the opportunities that arise from ongoing changes in the labour market and in education and skill requirements"¹. While advocating the importance of career development across the lifespan, the green paper focuses more narrowly on the transition from school to work thereby missing an opportunity to dovetail with this project.

The issues and challenges raised in *Australia's skills and workforce development needs discussion paper* are comprehensive however CICA believes more attention could be given to the following issues.

- **Transition services to support participation**

The paper notes that:

Action is needed to improve the skills and employment prospects of those on the margins of the labour force, including those most affected by structural adjustment growing the employment prospects of those who would like to work or to work more will benefit everybody but the systems need to be in place to support the accessing of that opportunity.

CICA agrees that quality systems need to be in place to assist people to make transitions throughout their lives, as their circumstances change. We believe that career development services that contribute to enhancing participation in measurable ways are not in place, or have not kept pace with workforce development needs. Often, the quality of career transition services available for unskilled and low skilled workers is poor, or non-existent, compared to services for professional workers. Similarly, career services for older Australians are inadequately marketed and under resourced, and services for individuals with a disability are often delivered by staff without any career development qualifications.

The paper highlights career and transition issues, particularly for young people, and notes the importance of "better matching of demand for skilled people with supply across industry so that growth is not constrained". CICA believes that current transition support systems are inadequate and that this is impacting on the capacity of the economy to have the right skills in the right place at the right time.

¹ DEEWR, (2012), National Career Development strategy Green Paper, DEEWR: Canberra

We believe it is important to articulate the essential nature of career development and transition services required for an effective overall workforce development strategy.

- **Wellbeing and life/work balance**

The paper says that:

Skills utilisation, quality of work and the wellbeing of workers are critical aspects of productivity and reflect the extent to which employees contribute to the workplace, to productivity gains, and to innovation. While Australia has the fourth highest disposable income per capita, number of rooms per person and life expectancy of the OECD countries according to the OECD wellbeing indicators, we also have the fourth highest percentage of employees working more than 50 hours per week and the fifth lowest amount of time devoted to leisure and personal care. Broader considerations of wellbeing help us to put productivity into its proper context—the people who work and the circumstances in which they work.

Greater productivity appears to result in longer working hours and less leisure time. This tension is worth greater attention in a future workforce development strategy.

It should be noted that a lifelong perspective on career development, that has career self-management skills at its heart, is now widely accepted in OECD countries as a necessary foundation for labour market flexibility and lifelong learning². When considering the earnings variations between OECD countries, the OECD points out that educational qualifications and measurable skills account for less than half of the variation. Most of the remaining variation can be explained by the importance of people's ability to manage and build their skills: the ability to learn, to identify learning needs, to manage learning, and to understand how to best use skills through career planning, job search and career management skills³. This places career development at the heart of our economic and social strategies.

- **Our place in the region**

The paper focuses on the economic benefits of Australians being more Asia-literate. This is important: there are currently more than 150,000 Australians working in Asia, an increase of over 50% in the past decade², and more than 1.2 million Asian born people living in Australia.

Also important is our place in the broader Asia-Pacific region. The government introduced the Seasonal Worker Program on 1 July 2012, building on the Pacific Seasonal Worker Pilot Scheme. The scheme contributes to the economic development of participating countries, while offering Australian employers in the horticulture industry access to workers from eight Pacific island nations and East Timor when they cannot find enough local labour to satisfy seasonal demand.

In addition, a future workplace development strategy should consider new opportunities for leveraging off the international education industry which is Australia's third largest export industry generating \$18 billion in exports in 2009. It is 50% larger than tourism-related travel, and has grown by 94% since 2004⁴. An opportunity exists to provide international students with higher quality careers advice in the context of a regional labour market and greater access to experience in

² OECD (2004) *Career Guidance and Public Policy: Bridging the Gap*, Paris; OECD and European Commission (2004) *Career Guidance: A Handbook for Policy Makers*, Paris.

³ OECD (2002) "Rethinking human capital", *Education Policy Analysis*, Paris.

⁴ Phillimore, J. Koshy, P., (2010), *The Economic Implications of Fewer Higher Education Students in Australia*, John Curtin Institute of Public Policy: WA

Australian workplaces.

Australia's national workforce development strategy should recognise the general benefits of stronger relationships with our Asia-Pacific neighbours, as well as the economic benefits that flow to our economy from ties with Asia.

- **Lifelong approach**

The discussion paper makes a strong case for a workforce development strategy, including the impact of new technologies; structural adjustments; changing demographics; increasing globalisation; climate change; and the demand for higher level skills. It looks at factors impacting on skill development including: reduced opportunities for workplace-based learning for new entrants to the workforce; recognition of generic skills; access to training for part-time workers; decision making in a demand-led system, and, particularly for older workers, a reluctance to continue learning.

The paper recognises that, increasingly, individuals will be responsible for their own skill development and job flexibility because a 'job for life' is largely a thing of the past. It asks:

So in a future world of work with fewer certainties, how do we assist people to navigate the workplaces of the future? How is the education and training sector placed to respond to these shifts in employment? And do we have the right institutions in place for people's career choices? The tertiary sector of the future needs to ensure that it is preparing students and employees for the challenges of rapidly changing workplaces, so that they can contribute to a firm's productivity, make good use of their skills and manage their own ongoing learning, including use of information and communication technologies.

CICA believes that there is an opportunity to address these challenges through a lifelong approach that focuses on providing individuals with the skills, information and support they need to make decisions about their lives, learning and work. Such an approach would reduce the fractures that exist in current services, which are institution or entitlement based and which may have vested interests. It seems inconceivable that more than \$92 billion can be spent on the restructuring of Australian industry and very little on assisting Australians to deal with the restructuring of work through the implementation of career services that develop individual career management skills.

Current and future policy

The case for doing things differently is compelling and well made in the discussion paper. It would be stronger if it included a different approach to career development services.

Currently, there are a number of career development programs that are under marketed, restrictive in terms of eligibility, and which are not well understood by the public. Policy responsibility for career development is spread across governments and across agencies yet there is no unifying strategy or approach, resulting in ad hoc and uncoordinated career development services that often receive short term funding.

Several countries are taking quite different approaches to dealing with changing economic circumstances of their citizens.

Good examples of national all-ages career services can be found internationally, including in New Zealand, Scotland, Wales and most recently in England. Each of these services:

- Has brand awareness of services that the public understands.

- Is broadly integrated with national education, training, participation and labour market priorities.
- Focuses on quality of services and career development practitioner standards.
- Has multiple access points for service delivery.
- Has up to date labour market information.
- Has strong links between the government, career industry and employers.

Recognition that the economy is changing was an important reason for moving toward an all-ages career development service in England⁵. Over the next year, National Career Service England will handle up to one million telephone advice sessions; 20 million online sessions; and provide information and advice for approximately 370,000 young people through the use of the helpline and website. In addition, it will offer face-to-face advice to 700,000 adults each year in a range of locations in local communities and implement quality assurance mechanisms. Over 80% of adults receiving guidance say that it influences their decision to learn or move on in employment.

Over the next three years the focus in New Zealand is to support outcomes resulting in a more highly skilled workforce, maximising the contribution of education and the career system to economic growth, better matching supply and demand in the labour market and ensuring that the New Zealand careers system is high quality, cohesive and learner/user centred.

In Scotland the focus is on accessible, high quality, personalised and impartial service with opportunities and experiences that help people to develop the skills they need to manage their own careers; more intensive, face-to-face support – including specialist help – for those whose career development needs are greatest; ongoing feedback from users to improve service delivery; and state-of-the-art, online resources backed up with professional advice.

It is clear that many of the building blocks to a comprehensive service are already in place in Australia. Key areas of focus for a national career service would be:

- **Create a single brand (eg Careers Australia) for career development services** funded by government and through partnerships. There are dozens of career development initiatives that are underutilised and under marketed because they are not part of an overarching National Strategy. Members of the public simply cannot work through which service might serve them best and a cohesive integrated approach is needed. This would be more cost effective because it could utilise existing state and territory structures.
- **Access for all** – focus on universal service provision available throughout life. In essence, Careers Australia would join up the range of services available for different age groups; extend the age range for services where possible; and highlight specific targeted services. Clients of all ages would have access to service delivery that is independent of the interests of particular institutions or enterprises. Socially inclusive, supportive of equality of opportunities, and targeting specialty services to disadvantaged groups, it would also improve delivery of services to regional and remote communities.
- **High quality, personalised and impartial career services**, with opportunities and experiences that help people to develop the skills they need to manage their own careers. Quality assurance, to drive improvements in performance and provision, could be managed through the implementation of CICA frameworks, central registration by CICA of career

⁵BIS, (2012) National Career service: The Right Advice at the Right Time: New Challenges, New Chances: Further Education and Skills System Reform Plan. BIS: London

development practitioners and implementation of an evidence based research agenda. Stronger links to DES and JSA would strengthen the quality of career services in these areas.

- **Labour market and course information** through state-of-the-art, online, real time resources backed up with professional advice, building on the national *myfuture.edu.au* website.

Assisting individuals to make informed learning and work choices is becoming more complex and of greater economic necessity for Australia. This country is investing significantly in upskilling of individuals but the investment in quality career services is not keeping pace with what is required of them.

CICA has proposed that the Government establish:

A national career service - Careers Australia – that could bring together the plethora of government programs, thereby improving services, creating efficiencies, and improving public access. Under a single brand, it would help skill people to make educational, training and occupational choices, and to manage their careers.

A national career strategy that would inspire action, link policies and articulate a clear vision. It would apply to all ages, and people at all stages in their lives and promote whole of government(s) approaches. It would be developed in consultation with a broad range of stakeholders, including the Australian Workforce and Productivity Agency.

A leadership body, or taskforce, with broad representation including CICA, that would help create the national strategy; inform research to quantify benefits of particular actions; advise on coordinating websites and programs to create capacity to extend services and improve public access; help improve the quality of services; and improve industry input to labour market information.

There is more to be done in relation to involving industry: providing access to real time labour market information; mandating a national career management skill curriculum; delivering better career services to regional and remote communities; improving accountability in schools; and in establishing stronger links to the Asia Pacific region.

Good progress was been made in the past but progress has stalled over the last few years as career development funding was subsumed into the National Partnership on Youth Attainment and Transitions and its focus narrowed as a result. An opportunity has been missed to broaden the role of career development to deal with a range of complex impacts on individual management of work and learning choices, and to create a whole of life approach.

We see real opportunities to address these challenges through the establishment of a national all-ages career service and the creation of a career strategy that informs and takes into account the proposed national workforce development strategy.

CICA would be pleased to elaborate on the comments in this paper, should you find it helpful.