



**Australian Government**

**Department of Education, Employment and Workplace Relations**

# *4th National Local Government Workforce Development Forum*



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# Australia's economy is growing. Our economic outlook is strong.

## AUSTRALIA'S REPORT CARD

### Economy

- The Government's timely and targeted stimulus helped Australia avoid recession
- Australia's major trading partners are experiencing their fastest growth in 20 years
- Real GDP is forecast to grow by 3 ¼ per cent in 2010-11 and by 3 ¾ per cent in 2011-12
- Inflation is within the target band of 2 -3 per cent

### Education

- Australian school students perform well in literacy and numeracy compared with other OECD countries, **BUT our performance has declined significantly in recent years**

### Employment

- Over 360,000 jobs have been created in the past year and unemployment has fallen to 5%

### Participation

- Our participation rate is currently at 65.7%

# Australia's 'environmental' context

## *Regional Australia*

- One in three Australians lives in regional Australia.
- There are significant differences in education and employment outcomes for people living in regional Australia compared to those in metropolitan Australia.

## *Ageing population*

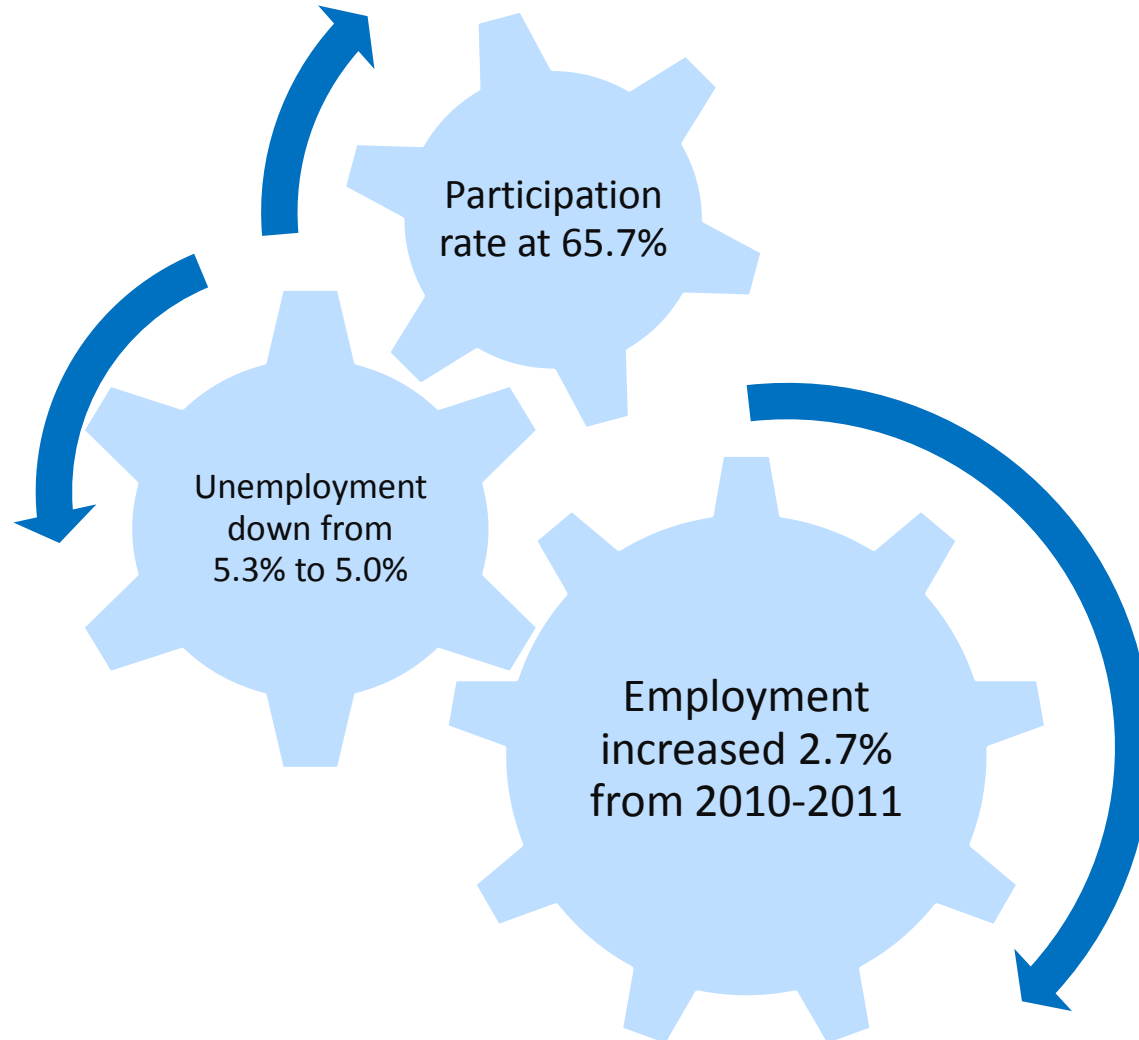
- Australia's population is ageing.
- Proportion of the population aged over 65 is expected to double over the next forty years.

## *Indigenous Australians*

- The Indigenous population of Australia is about 2.5% of the total population.
- There are significant differences in education and employment outcomes for Indigenous Australians.



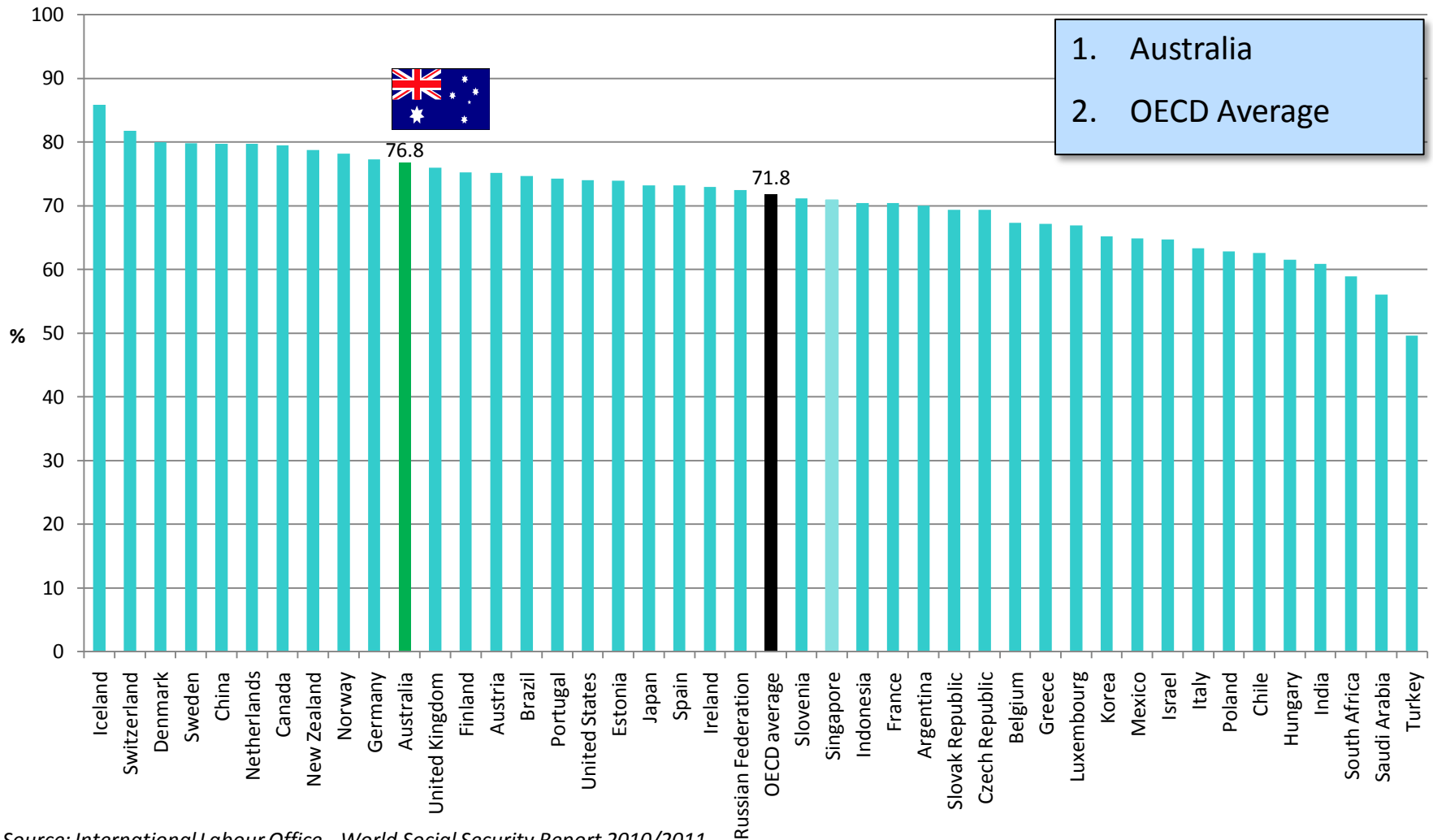
# A snapshot of Australia's Labour Market



Source: DEEWR data, for the period February 2010 to February 2011 (as at February 2011)

# Labour force participation in Australia

## Labour force to population ratios at ages 15-64 (2010)



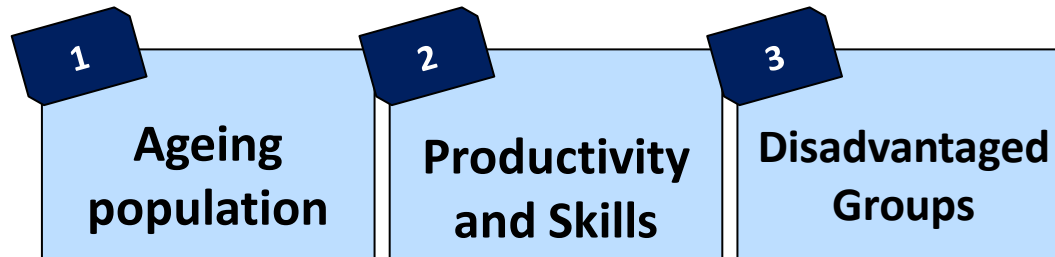
Source: International Labour Office - World Social Security Report 2010/2011

# Our economic outlook is positive

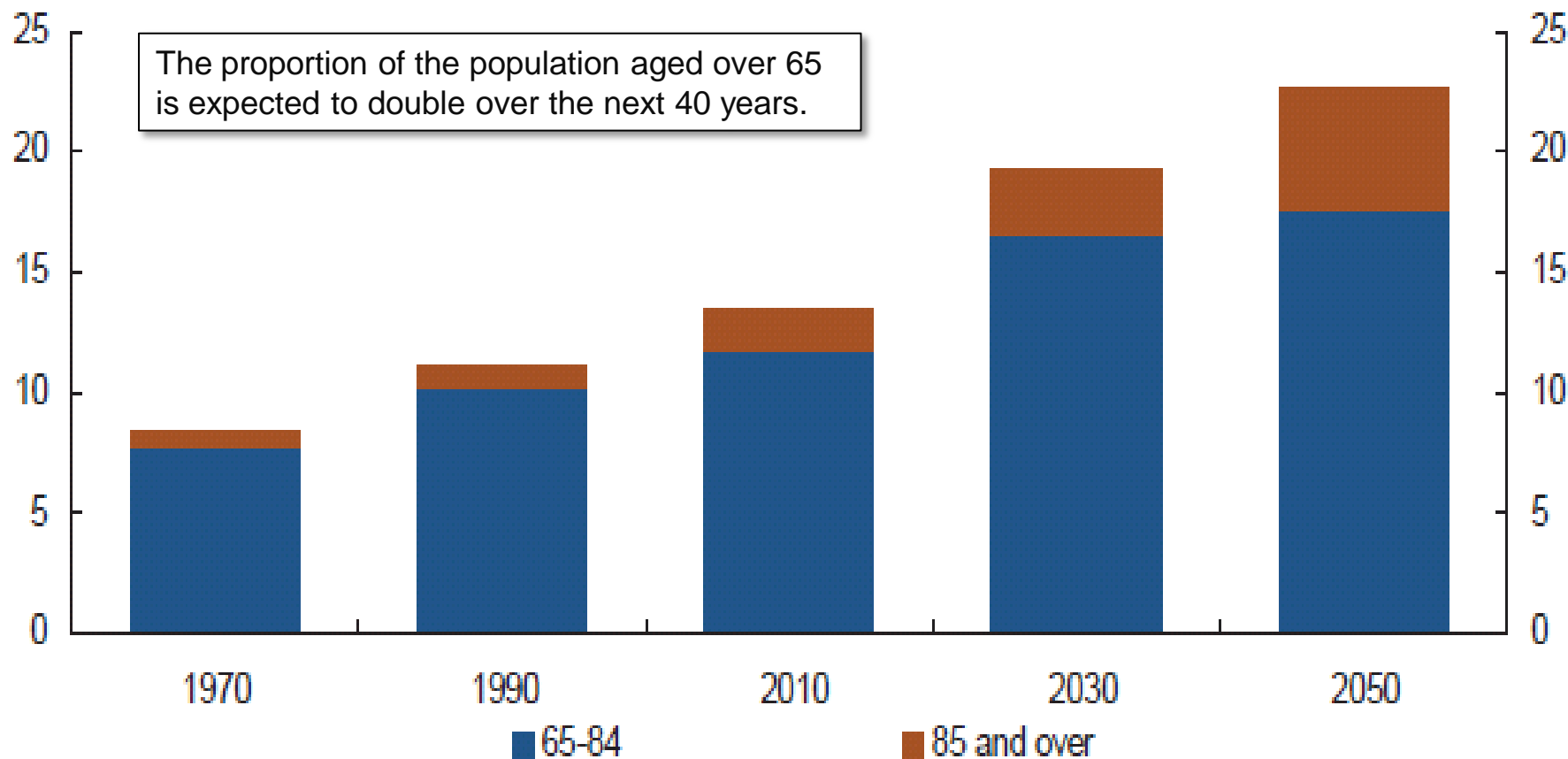
**however ...**

Australia still faces a number of major challenges in seeking to ensure the long-term economic and social wellbeing of the community.

**including ...**



# Five working-aged people for every person aged 65 and over



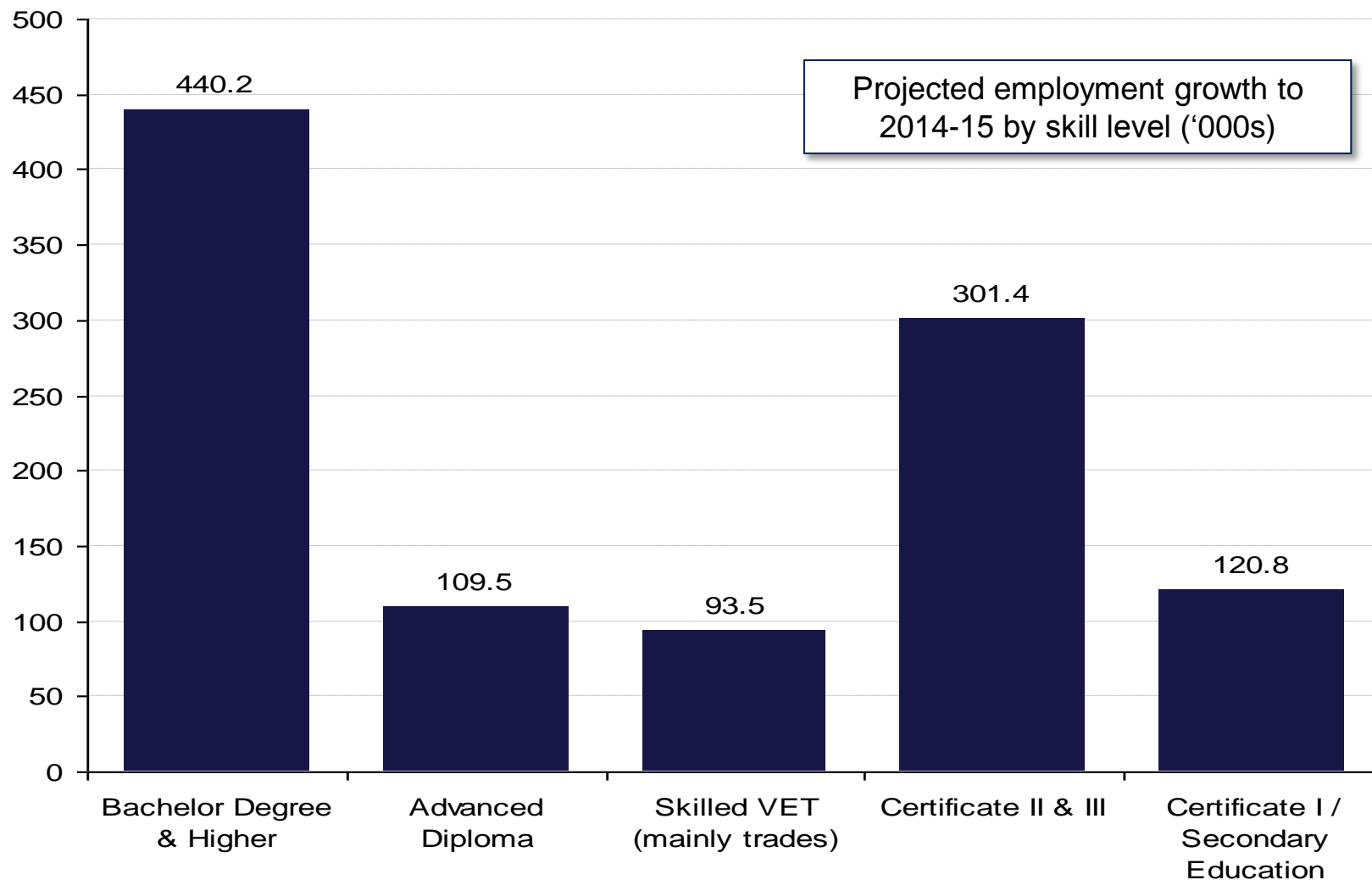
## Growth in skills essential to success

Our continued economic success relies on the right balance between participation and productivity.

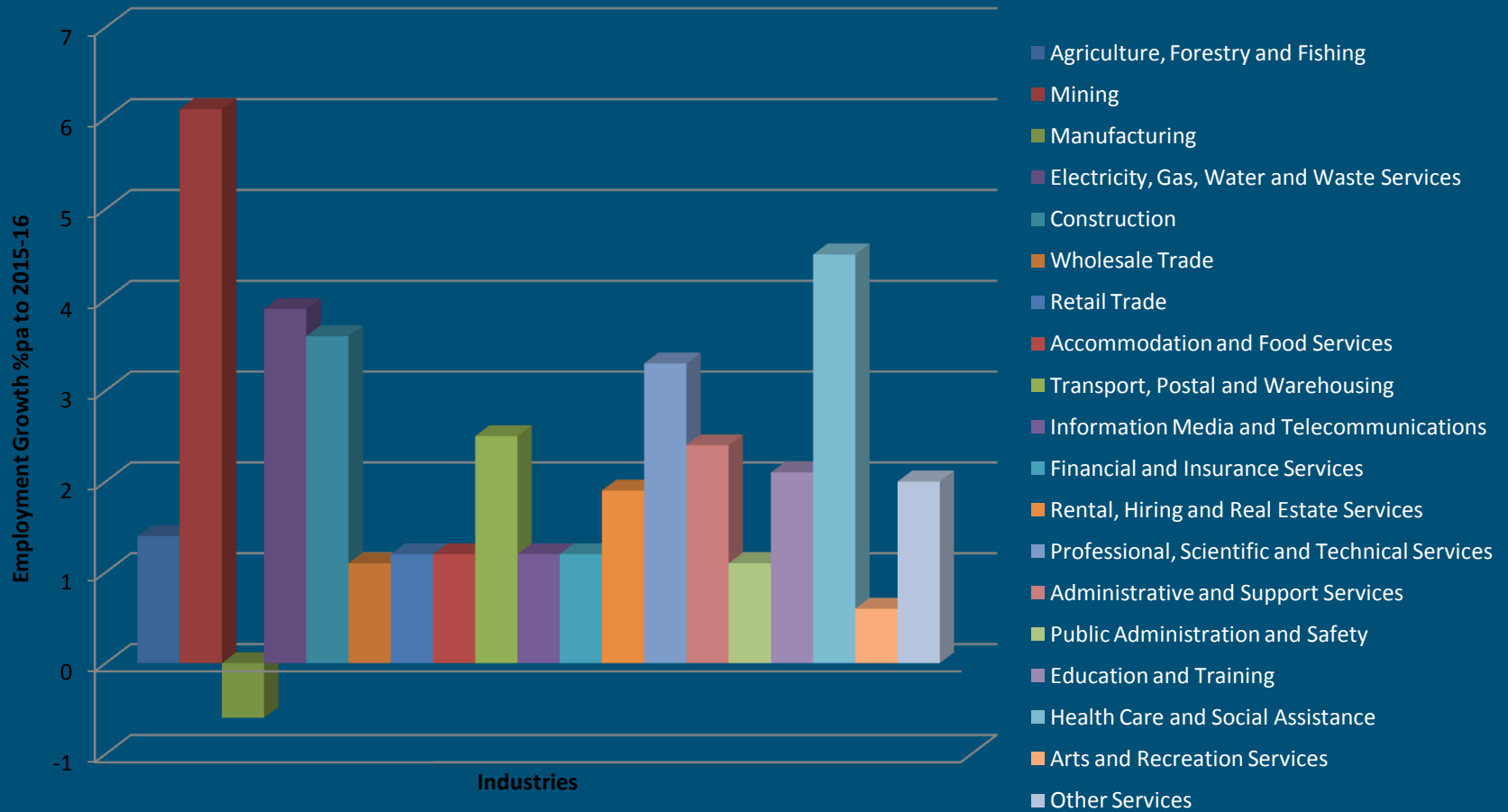
Critical to this is our ability to maximise education and employment outcomes and to focus strategically on those people, industries and sectors to address gaps.



# High-skill occupations dominate employment growth



# DEEWR Industry Growth Projections growth % to 2015-16



# Productivity, Participation and Population

The Australian Government has articulated a three-pronged policy to address key challenges to economic and social wellbeing.

## **Participation**

Reducing the barriers for people to enter and remain in employment through their life-cycle (including young people, women and mature age people)

## **Productivity**

Enhancing Australia's skills base by investing in people from an early age through to their working life (life-cycle approach to policies)

## **Population**

Assist in designing migration policies that attract skilled workers from overseas to Australia. (Migrants tend to be younger on average than the resident population).

## Key aims and elements of the Australian Government's Productivity Agenda:

- Investment in critical nation-building infrastructure
- Investment in skills and human capital
- Supporting innovation
- Economic reform, including reducing business costs from regulation and tax reform

# The DEEWR factor

As the lead government agency providing national leadership in education and workplace training, transition to work, conditions and values in the workplace, DEEWR as a key role in the Government's efforts to improve Australia's productivity and enhance the economic and social wellbeing of all Australians.

## **Early Childhood**

- National Quality Framework for Early Childhood Education and Care
- Universal Access to Early Childhood Education
- Indigenous Early Childhood Development National Partnership

## **Schools**

- National Education Agreement
- Smarter Schools NPs
- National Partnership on Youth Attainment and Transitions
- Digital Education Revolution
- Building the Education Revolution
- Development of a National Curriculum

## **Tertiary education and Skills**

- VET Reform
- Australian Apprenticeships Initiatives
- Skills for Sustainable Growth strategy
- Transforming Australia's Higher Education System

**Employment**

**&**

**Participation**

# VET reform

- COAG Reform Agenda
- National VET Regulator
- Skills Australia



# National and sectoral approach

## **Skills Australia: Major Reports**

- Foundations for the Future - Proposals for Future Governance, Architecture and Market Design of the National Training System
- Workforce Futures—a National Workforce Development Strategy for Australia.
- Creating a future direction for Australian vocational education and training - A discussion paper on the future of the VET system

## **National Resources Sector Employment Taskforce**





# National Resources Sector Employment Taskforce

## Seven key areas of Workforce Development

- promote workforce planning and sharing of information
- increase the number of trade professionals
- graduate more engineers and geoscientists
- meet temporary skills shortages with temporary migration
- strengthen workforce participation
- forge stronger ties between industry and education and
- address the need for affordable housing and community infrastructure

# Skills for Sustainable Growth

## 2010-11 Budget

- Critical Skills Investment Fund
- Foundation Skills Package



# Critical Skills Investment Fund

- The Critical Skills Investment Fund (CSIF) provides Australian Government co-funding for industry partnerships
- These partnerships will undertake projects that provide training and employment opportunities in critical industry sectors



# Foundation skills – Language Literacy and Numeracy

- ISC Report – No More Excuses -highlights the challenges with workplace numeracy and literacy
- The report argues that the move away from low-skilled work to greater knowledge-based work in a technology-rich environment has made LLN skills more important
- 2010-11 Budget: Foundation Skills Package which will invest \$120 million over the next four years to tackle gaps in adult foundation skills.



**Australian Government**