



THE EUROPEAN UNION'S DEVELOPMENT COOPERATION INSTRUMENT (DCI) PROGRAMME FOR SOUTH AFRICA

REPORT ON THE SECOND STUDY TOUR MISSION TO AUSTRALIA

July 2017



**higher education
& training**

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA



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1 INTRODUCTION

The Department of Higher Education and Training is charged with the development of a 'credible mechanism for skills planning' in South Africa. The European Delegation in South Africa provides strategic support to the Department through the EU-SA Skills Planning Dialogue, funded via the Dialogue Facility.

The Skills Planning Dialogue provides support for high-level policy engagement and policy learning between South Africa and EU partner countries and agencies, through research, dialogue, and the undertaking of two international study tour missions.

This document reports on the second study tour mission, to Australia, undertaken by the Department over the period 26 – 30 October 2015. The mission was led by the Director General, Mr Gwebinkundla Qonde.

2 MEMBERS OF THE DELEGATION

The eleven-person delegation was made up as follows:

- Mr Gwebinkundla Qonde, Director General
- Mr Feizal Toefey, Chief Director: Performance, Monitoring and Evaluation
- Dr Engela Van Staden, Chief Director: Academic Planning and Management Support
- Ms Gerda Magnus, Chief Director: Programme and Curriculum Innovation
- Mr Maliviwe Lumka, Chief Director, SETA Coordination
- Ms Mamphoku Khuluvhe, Director: Planning, Monitoring and Evaluation Coordination
- Dr Hersheela Narsee, Director: Research Coordination, Monitoring and Evaluation
- Dr Vijay Reddy, Executive Director, Human Sciences Research Council
- Dr Glenda Kruss, Human Sciences Research Council
- Mr Phumzile Kedama, Administrator, CATHSSETA
- Mr Glen Fisher, Research Manager, EU-SA Skills Planning Dialogue

3 ORGANISATIONS VISITED

The following organisations and individuals were visited in the course of the mission:

Sydney

- Professor John Buchanan, University of Sydney, and Dr Damian Oliver
- TAFE Directors Australia
- Institute of TAFE, NSW, Ultimo College
- Manufacturing Skills Australia

Canberra

- Department of Education and Training
- Department of Employment

Adelaide

- National Centre for Vocational Education Research (NCVER)

Appendix A includes the Briefing Notes provided to delegates in advance of the Mission.

Documents and presentations from the study tour visits can be found in the shared DropBox folder, at <https://www.dropbox.com/home/EU-SA%20Study%20Tour%20Missions>

4 DEBRIEFING BY THE DELEGATION

The delegation held a debriefing meeting on the penultimate day of the mission, in Canberra. The overall impression of the programme and meetings was very positive: a broad range of issues had been covered and the study tour had yielded valuable insights and perspectives. The value of first-hand engagement with Australian experts and counterparts was underscored.

Each member of the delegation was asked to reflect, in turn, on two basic questions:

- What has this visit confirmed for you?
- What have you learned?

Amongst the key lessons learned was that planning is as much art as science; it is important not to 'over-think' or over-complicate things. Many of the tools that are used in Australia and elsewhere are relatively simple and straightforward; judgement and interpretation are important as well as timely and reliable data.

In this regard, it was noted, Australia like other countries visited uses a mix of tools and methodologies, both quantitative and qualitative in nature, at the same time placing a good deal of emphasis on the building of trust, engagement, and dialogue with stakeholders, in particular with business.

Also striking was the absence in Australia of a 'planning discourse' – Australian counterparts and experts uniformly declared, in effect, that 'we don't do planning here.' Nonetheless, it was clear, governments at both state and commonwealth levels do intervene, primarily in VET, to 'steer' or guide provision in ways deemed relevant to the needs of industry, and to ensure both responsiveness and quality.

This was achieved in VET primarily through funding, and through the qualifications and quality assurance mechanisms. Higher education, on the other hand, was entirely autonomous, with each institution defining its own mission, role, and strategic positioning.

In both cases – VET and HE – governments, agencies, education and training providers and other role-players drew both on a wide range of statistical and labour market sources and on extensive dialogue and engagement with employers and other stakeholders. The use of data and labour market intelligence took place in a decentralised, 'loosely coupled' rather than centrally planned and coordinated way, however, with the emphasis being placed on the role of the market. There were different views, though, in Australia, as to what was meant by 'the market' in VET – was this based on student demand or demand by employers? In practice, different states and territories had taken different approaches to answering this question.

The delegation was also struck by the importance of the institutional arrangements supporting VET, both at industry and at government level, as well as in terms of the research capacity mobilised through agencies such as the NCVET. The critical importance of advocacy, communication and engagement with employers and other stakeholders was also acknowledged, as was the need for data collection and analysis to be informed by clear and coherent policy goals.

In this regard, delegates were struck by the emphasis in Australia on developing the competencies that the economy needs. A key policy objective of South Africa was to build a manufacturing economy, and skills development and acquisition needed to focus on the competencies required to build and sustain this –the inference being that too large a proportion of South Africa's limited resources is being channelled currently into less productive or relevant areas of education and training. Whereas funding in Australian TVET is driven by identified labour market demand, 'in South Africa we fund anything, in the name of access.'

In conclusion delegates emphasised the urgent need, in South Africa, to move from research and analysis to meaningful action. This included building on the data sets that we already have, and instituting key surveys, such as graduate outcome and employer satisfaction surveys, that could provide important signals for policy and planning. It was important in this regard to distinguish between short term goals – the things we can and should do now – and longer term objectives.

Delegates reiterated the need to keep things simple, and not to fall into the trap of trying to build a 'perfect' model, especially given South Africa's resource and capacity constraints. One benefit of the study tour mission was that it had helped to 'demystify' the question of data collection and analysis – this was not a matter of complex software and arcane tools and expertise, but of relatively simple and practical approaches and methodologies. The important thing was to be realistic and to 'get on with it.'

5 SUMMARY NOTES ON MEETINGS¹

Monday, 26 October: Sydney

Professor John Buchanan, Sydney University, and Dr Damian Oliver, Sydney University of Technology

Professor Buchanan and Dr Oliver provided a broad overview of developments in VET in Australia over the last twenty or more years, highlighting the move towards a competency-based approach to training and the increasing emphasis of successive governments on market- and funding-driven models.

Their own view was strongly critical of the competency-based approach, which they argued was 'very anti-education in its ethos' and treated skills in a narrow, segmented and fragmentary way. This contrasted unfavourably with the more broad-based skills that had distinguished Australian workers in years gone by. The notion of 'capabilities' in their view offered a more appropriate and progressive view of skills than the narrower conception of 'competence' – an argument that had been captured well in the work of Lisa Wheelahan, a colleague of theirs, whose paper 'From Competence to Capability' they recommended. They 'had expected to be clobbered' for taking this view but believed they had received 'surprising support' for their analysis, 'from people who have supported competence standards and training packages in the past.'

If the focus for most workers lay in building up their underlying capabilities, rather than focusing 'on a whole raft of very specific skills and competences', then the arguments for skills 'planning' came into question: if you are planning at all, 'you're planning at a much broader level, and certainly not at the 6 digit or even 4 digit level.' Indeed, the focus in their view should be on 'workforce development' rather than 'planning.'

An emphasis on capability rather than competence did *not*, they stressed, mean a return to an education-centred view of training: such a view was 'too detached from the world of work and the labour market – you can't just leave this to the educators.'

Nor could a shift in emphasis from 'competence' to 'capability' simply be imposed – it would be essential, if South Africa were to explore such a shift, to base this on social dialogue. 'You've got to get the employers in there, you've got to get the unions.'

They were equally critical of the funding-driven approach to VET of Australian governments: 'the problem with VET in Australia is that policy makers know very little about VET and very little about education – it's all based on a neo-liberal focus on funding models.' Nonetheless, the new market-

¹ The Summary Notes identify the main issues raised, that are of relevance to South Africa, and are not intended as a complete record of the discussions and presentations.

driven approach 'diffused very rapidly, because it was linked to wage determinations. What was not thought through was the institutional support required to make all of this work. So quality just crashed.' The Industry Skills Councils had not been very successful; it was important to build 'communities of trust' and the ISCs had fallen down in this area.

They noted in passing how South Africa had been influenced in its policies by the Australian metal workers union, 'who flew into South Africa and who were pushing an agenda which was already under threat in Australia, from the move towards training markets

Asked how Australia steers higher education to meet labour market needs, Prof. Buchanan responded simply, 'we don't.' Universities are autonomous and responsible for their own strategies and positioning. There is no formal differentiation, for instance, between universities and universities of technology – all universities are regarded as formally the same. Given chronic government under-funding of HE, however, 'a big part of universities' planning is focused on international education, where higher education can generate a lot of money' – an approach which they saw as problematic.

In conclusion, Professor Buchanan suggested that South Africa might want to consider the Australian Workforce and Productivity Agency (AWPA) as a possible model – this had been shut down by the Abott government but nonetheless was an excellent example of an independent statutory body which advised the Minister, facilitated stakeholder engagement, and was seen as an important and credible role-player and influencer.

He noted that morale and funding in the TAFE sector have been affected very negatively by the introduction of contestable funding and the move to a market approach – this had been 'a big shock' to the TAFE system.

TAFE Directors Australia and Sydney Institute of TAFE, Ultimo Campus

The delegation met with Martin Riordan, the CEO of TAFE Directors Australia, who provided an overview of the TAFE sector. The 58 TAFE institutes operate over 1000 campuses and enrol 1,8m students, a large number in a population of 24m – as large as higher education. Around 20 of the TAFEs offer a limited number of specialist degrees – a move supported by industry, on the argument that higher education is not very responsive to industry's needs.

TAFE is a state responsibility, but the federal government plays an increasing role, contributing almost half the funding for student placements. The federal government sees TAFE as a 'shared responsibility,' and the new Minister, Simon Birmingham, 'has a big agenda' to bring TAFE under Canberra's control.

In the new, market-based approach, TAFEs now compete as Registered Training Organisations (RTOs) with around 4000 other RTOs, including community based and private, for profit providers. However the TAFEs, along with about 40 other institutions, do 80% of the training. 'Private providers have attacked the top and the bottom of the VET market.'

Referring the delegation to the Australia Government policy publication, 'Industry Innovation and Competitiveness Agenda,' Martin highlighted four main areas of reform:

- The National Partnership Agreement
- Changes to apprenticeship policy
- Student loans
- Higher Education in TVET

The overall effect of these reforms, in his view, was that 'prices have gone up, student numbers have gone up, and quality has gone down.'

In closing he noted that TAFE Directors Australia facilitates staff and student exchanges internationally – something that South Africa might want to follow up.

Martin's presentation was followed by a presentation on Sydney TAFE, and focused largely on the development and delivery of 'training packages.' These are developed by industry, not by the training provider, and are updated every two years. The college's role is to decide how to deliver the training – meaning that colleges design and deliver the curriculum through which students will attain the outcomes defined in the training package. Most TAFE courses give university credit, which facilitates student transfer. However the presenter acknowledged that there are different views as to how successful the training packages system is.

Most programmes are based on a blended delivery model, including both online and face to face. About 80% of TAFE educators are part time – working in industry during the day and teaching in the evening. This model works well, according to the presenter, as staff is all current with industry. All staff is required to complete a Certificate 4 in Training and Assessment, a specialist qualification for teachers of vocational skills – this is a four week programme which the TAFEs offer themselves.

A 'massive' change in funding was being implemented this year – colleges now have to compete on the open market for funding, and get paid for completion, not enrolments (though there is some base funding). The new arrangements will have 'a huge impact' on institutions.

Tuesday 27 October: Sydney

Manufacturing Skills Australia

The delegation met with Mr Bob Paton, the CEO of Manufacturing Skills Australia – one of 12 ISCs which are on the verge of being replaced by new Skills Service Organisations. The current changes were the latest in a long series of reorganisations in VET over the past decade.

The ISCs had been intended to play a more strategic role than the old ITABs, including gathering labour market intelligence. ISCs are funded by government, and supported by industry – in the case of MSA, there was no financial contribution from industry, though some ISCs did administer their own levy. Participation by industry was entirely voluntary, and many firms were not represented or did not participate.

The ISCs provide government with industry intelligence, 'to inform the development of policies and programmes aimed at workforce development.' In the case of MSA, there are a number of Board committees which focus on different industry sub-sectors; these are chaired by members of the Board who provide strategic direction. MSA and its committees consult widely with stakeholders (see MSA presentation for stakeholder map).

All ISCs are required to produce an Environment Scan, according to a government specification. The primary purpose of this is to inform the development of training packages, although it also has wider relevance. The focus of the Environment Scan is primarily on the perspectives of industry, although government plans might also be taken into account where relevant.

Training Packages determine the competencies required, but each Registered Training Organisation (RTO) develops its own curriculum to meet these. There is no national or state-level curriculum. Interestingly, the MSA list of Occupations in Demand is at the 6 digit level, although not all ISCs list occupations in demand at 6 digits.

According to Bob Paton, 'our environment scan is not rich in data – we're not equipped for that – what we do is talk and listen. If there is a need for data we commission someone to do this. Projections based on past data are never accurate – all kinds of variables come into play, including market events which affect the timing of projects, which in turn affects the demand for skills.'

Bob outlined in his presentation the new arrangements, which would replace the ISCs: under the new regime, overall direction will be provided by a new Australian Industry and Skills Council (AISC), a peak body funded by government, with government providing the secretariat (in Bob's view, this was

very much part of a Conservative agenda). Organisations have been invited by government to tender to provide services as Skills Service Organisations (SSOs) – these do not have to be industry bodies, and any service provider will be able to tender. There will be fewer SSOs than the current 12 ISCs. Responding to a comment from the delegation, he emphasised the importance of using multiple sources of information, the need to talk to people, and not to take the data too literally. What was needed was ‘intelligent interpretation and use of data, based on knowledge and experience. You’ll never get it “right”.’

Wednesday 28 October: Canberra

Department of Education and Training

A series of presentations was made by representatives of the federal Department of Education and Training in Canberra.

Ms Peta Furnell, Group Manager, Skills Market Group

Ms Furnell officially welcomed the delegation to the Department, noting that ‘I’m not sure we do VET “planning,” but we’ll talk about how we meet the needs of industry.’

Dr Melissa McEwen, Branch Manager, Governance and Engagement

Dr McEwen provided an overview of the VET system in Australia, including current reforms (see www.vetreform.gov.au) and outlined the international aspects of the Department’s work.

The Australian system placed a strong emphasis on industry engagement, aimed at ensuring that qualifications are ‘industry relevant.’ ‘We don’t think that it’s the role of bureaucrats to develop qualifications, and we don’t have the expertise. The development of qualifications is up to industry, but government provides guidance and frameworks.’ Although the states control VET, qualifications are national. The Department determines standards for qualifications but not curriculum or delivery.

Government also seeks industry feedback on training policy and priorities, system governance, and feedback to regulators. ‘Industry engagement is central to a productive VET system.’

Confidence is also essential to the system; this is based on ‘three pillars,’ namely quality assurance, via the Australian Skills Quality Authority (ASQA) and state-level regulators, the qualifications framework, and national standards.

There was currently a debate as to whether control of TAFE should transfer to the Commonwealth – some states however were opposed to this.

‘Global skills collaboration’ was becoming increasingly important for industry and for VET providers, especially in the ASEAN area, to ensure globally skilled labour, and the Department was seeking to benchmark skills across the Asia-Pacific region, in order to improve the supply of skilled labour across the region and enhance both government to government and industry to industry collaboration. The Department maintained a watching brief on South Africa, and suggested that South Africa might be interested in a current initiative to develop transnational skills in three port areas in the Indian Ocean Rim.

David Turvey, Branch Manager, Skills Outcome and Financing

According to David Turvey, twenty years ago TAFE was essentially a 'public' system, funded by government, but the trajectory since then has been more and more towards a market system, in which people buy training and sell training.

TAFE today comprises only 55² out of some 4500 training institutions. Nonetheless, TAFE accounts for between 50% and 70% of provision across the states. In David's view, the TAFE institutions are less efficient and responsive than they should be. He acknowledged, however, TAFE does more of the more costly programming and more socially-useful programming.

Less than half of all training is funded by government. Most funding of VET goes out via the state governments, so in a sense Australia has eight VET systems. This is seen by the Commonwealth and employers as problematic, and the Department has been tasked 'to figure out how we would run it if we were to run it.'

Given that government can't afford to fund all training, it is the role of the states to decide which students to subsidise, what skills priorities they will fund, and how they will allocate their funding. Government's job, essentially, is 'to regulate the product' through standards & regulation, including the regulation of providers. The aim is to reduce the cost of training for consumers, and purchase training where this is needed. Part of government's role is to improve information about the training market, given consumers' imperfect understanding, in order to address market failures.

States base their funding allocations on extensive industry consultation: this has much wider relevance and importance in their decision making than economic projections. Economic projections are just guesswork really.

In principle, states purchase training based on a decision about which qualifications they will fund, and on the establishment of a benchmark price for each of these. Funding regimes vary significantly across states – it is important to understand these differences and not make simplistic generalisations. Some jurisdictions focus their funding on the attainment of full qualifications; others take the view that consumers might only want part of a qualification and that funding should therefore not be tied to full qualifications. This is an area of debate currently.

The Department does do some analysis of skills needs nationally – the states however are not necessarily interested in this, and undertake their own consultations which inform their priorities. The Department nonetheless is 'trying to develop a consistent framework for understanding the demand for jobs and skills' at a national level.

The Department provides advice to Ministers on the Skilled Occupations list, used to inform priorities for immigration. The most advanced analysis of labour market demand in Australia relates to the production of this list; David acknowledged however that 'these are pretty blunt tools.'

The further out you go, and the more detailed your decomposition, the less information we have. The macro-economic level of analysis can't give us the granularity that we need, so we have to think about what other tools we can use.

For the most part, the Skilled Occupations list doesn't change all that much from one year to another, which makes it easier for the Department to focus its consultations with industry on those areas which have seen significant changes.

Dr Mary-Ann McQuestin, Director, Industry Engagement Policy

² Note: 58, according to TAFE Directors Australia

There are currently 1700 VET qualifications in Australia and 17,000 units of competence across these: the new policy aims to simplify this, to place greater emphasis on industry engagement, and to reduce duplication and improve efficiency.

Dr McQuestin outlined the new structures and arrangements, starting with the Australian Industry and Skills Council (AISC) which had replaced the former industry standards body. The intention was to move from a supply-driven to a 'demand-driven and managed approach,' which would be more strategic and less silo-based, in contrast with the approach which had characterised the system under the outgoing Industry Skills Councils.

Under the umbrella of the AISC, new Industry Reference Committees will be established. These will be given a strong role in *driving* the change, as opposed to simply being consulted.

Skills Service Organisations will provide a suite of services to support the Industry Reference Committees. The SSOs are being established on a contestable basis, and Industry Reference Committees will be able to choose which SSOs are best able to provide the services they need.

Asked what problem these changes were trying to solve, Dr McQuestin suggested they were driven by a perceived need to strengthen industry engagement, to strengthen decision-making by people who are affected, to give voice to players who felt the current system did not adequately allow their voices to be heard, and to afford an opportunity for a more systemic and strategic view of areas of duplication. There was also a new government in place, which wanted to do things differently. In her view, though, these changes should be seen as an evolution of the system not fundamental reform.

AISC, it was noted, is still in the process of developing a methodology and set of tools to determine which qualifications should be given priority. Most qualifications, however, do not require constant review, so the focus is on identifying those qualifications, in IT for instance, which need more urgent or more frequent updating to meet the needs of industry.

The role of the Department is to support the AISC by taking the information and analyses from the Industry Reference Committees and providing a more qualitative and strategic analysis and overview of what this means for VET provision.

Dr Andrew Taylor, Branch Manager, Economic and Market Analysis

Dr Taylor's presentation focused on higher education, and he began by noting that the role of government in higher education planning is non-existent:

In terms of skills planning, we don't do any. It's completely market driven.

Skills planning in HE in Australia does not exist. Whenever I look at VET I think ooh, that sounds over-managed to me.

Institutions are autonomous, undertake their own planning and consultations, and make their own decisions.

Funding for HE is demand-driven, and uncapped. The demand-driven approach had seen a huge increase in enrolments initially, which had caused equally dramatic budget problems, but the situation seemed to have stabilised now, as demand has been mopped up.

The Department conducts three main surveys, on graduate employment rates, employer satisfaction, and a suite of studies on learning outcomes. The data shows that graduate employment has dropped significantly, at the same time as demand and enrolment have gone up. However the graduate unemployment rate remains at roughly half the general rate of unemployment, tracking the general economy. Until this changes, the Department saw no need to change the current 'hands off' approach.

As an interesting aside, and contrary to received wisdom, Dr Taylor noted that the graduate employment trend has been most sharply down in the areas of science, engineering, and management, rather than in Arts.

Department of Employment

James Jordan, Director

James Jordan of the Department of Employment provided an overview of the use of Labour Market Information in Australia. His presentation focused on the following

Labour market overview

- Projections
- Vacancies
- Skills shortages
- Websites – the Labour Market Information Portal (LMIP) & Job Outlook

He noted, by way of introduction, that some countries are more prescriptive in their approach than Australia and the UK and are puzzled about how Australia does its planning:

The answer is that we don't do that. We are much more demand driven. We provide the information to help people make choices, and it all happens in quite a decentralised way.

The LMI Branch is responsible for research, analysis, publications, and promotion – the head of the Branch 'spends half his time doing presentations' and there is significant emphasis on outreach and engagement. The Branch makes use in its work of, *inter alia*:

- External data sources – for instance the Australian Bureau of Statistics undertakes a large-scale labour force survey, covering 30,000 households, *every month*: this is a key data source
- Data compiled internally, including employment projections, an Internet Vacancy Index
- Employer surveys conducted in house (skill shortages, recruitment experiences)

In line with what the delegation had heard in its meetings with the Department of Education, it was noted that there had been a 17% *decline* in bachelor degree graduates who had found employment within four months, over the period 2008-14. This meant that graduates 'are pushing down into lower-skilled jobs'.

The Department's employment projections are just that: not projections of demand, but forecasts of *employment*. These are produced by industry, occupation, skill level & region, every year for the next 5 years.

Analysis of skills shortages (see www.employment.gov.au/skill-shortages) makes use of both quantitative and qualitative information, and includes extensive consultation with key industry and professional groups to verify findings and provide perspective. The Department also undertakes regional analyses of recruitment.

A simple, three-level rating is used to characterise skill shortages:

- No shortage
- Recruitment difficulty
- Shortage

The research does not quantify or predict shortages, or identify shortages for industries for industries that have not been assessed.

There is no formal link feeding Department of Employment data and analysis into the Department of Education and Training – Education and Training access and make use of this information at their discretion.

The Department of Immigration, and careers advisers in schools, are the two main areas where there are structured links to ensure that information is shared and used. Beyond this, use is mostly on a

voluntary or *ad hoc* basis. It was suggested that South Africa should consider a 'halfway house' approach, meaning that we should be quite structured and systematic about 'pushing the information out' to specific users, without *requiring* them to use it, or telling them *how* to use it.

The Australian experience is that while it might seem to make sense to try to understand shortages and try to plan and manage this, in practice it doesn't work; and while the Australian approach seems to be a recipe for chaos, in practice it isn't. Our experience is that what works best is to put the information out there, plan a little but not too much, and let the actors figure things out for themselves. This tends to work better when the economy is doing well, and less well when the economy is doing poorly, but this is because the over-arching issue is the economy, not planning.

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Friday, 30 October: Adelaide

National Centre for Vocational Education Research (NCVER)

The delegation's last stop was the National Centre for Vocational Education Research (NCVER) in Adelaide, where the programme for the day included a range of presentations which provided comprehensive and detailed coverage of areas under the NCVER's remit.

Dr Craig Fowler, Managing Director

The delegation was welcomed by the NCVER's Managing Director, Dr Craig Fowler, who provided a comprehensive overview of the NCVER's work and remit.

The NCVER, established in 1981, is a non-profit *company*, not formally part of any government agency. This gives the agency a degree of independence and freedom. The company's *shareholders* are the Ministers for Training from all the states and territories. NCVER gets 'subscription funding' from each of the states and territories, as well as contract funding for other research.

The agency gathers analytics and statistical data on VET across Australia, and also undertakes research & evaluation. There are 130 staff currently (the staff complement is usually around 85, but there are additional staff currently, brought in for a large research project).

A major recent development in VET is the introduction of a unique student identifier for every student, which will allow detailed analyses to be made of how people are accessing and using the system.

The last 10-15 years in Australia have been a period of significant change with respect to the country's understanding where to get the most impact and value in terms of training. Australia has been 'pushed and pulled' between market approaches to training, on the one hand, based on the development of a competitive market for training providers, and the interests of employers, who do not like to see students enrolling in programmes for which there is limited demand, on the other.

These issues are still not settled, and are still in tension, in divergent ways across the states and territories and between the states and territories and the Commonwealth. Schools and VET are constitutionally a state/territory responsibility and VET, especially, is a contested terrain between the states and the Commonwealth.

Despite these tensions Australia still has a very good VET system; although many new providers have come in, in the main quality remains very good. The data & research provided by NCVER have been key in enabling government and others to keep tabs on what is going on – it has provided context and information which has been very useful to NCVER's shareholders, in terms of their policy purposes. Other stakeholders including unions, peak industry bodies etc. also make use of the NCVER's research and data.

NCVER's over-arching concern is with 'relevance and impact;' its role is 'to inform and influence,' and to 'provide thought leadership', including through its wider international connections, especially in the Asia-Pacific region.

Introduction of SA delegation – Director General and delegates

Introducing the South African delegation, the DG highlighted South Africa's concern with the problem of the NEETs (youth not in employment, education or training): the question was how to meet their needs, and to provide the artisans, technicians and so on that the country needed. The separation of the former Department of Education in 2009 into two departments, Basic Education and the Department of Higher Education and Training, had been aimed at enabling government to better address the different challenges of schooling and post-secondary education and training. In this regard, the DG highlighted the lack of, and the need for, an institutional mechanism for skills planning: the visit to Australia was aimed at 'seeing how you have set yourselves up, institutionally.'

In response, Dr Fowler noted that Australia had seen many changes with respect to approaches to, and arrangements for, 'planning to better manage supply & demand.' State jurisdictions typically had their own state training bodies and their own consultative mechanisms for engaging with business and labour:

It would be wrong to say that Australia has a consistent, coherent, ongoing mechanism for understanding skills supply & demand.

There are different voices and approaches to these issues, some emphasising student choice, and others the role of the market. Still other approaches emphasise industry needs and the needs of employers, arguing that these rather than student choice should drive the prioritisation of funding and qualifications.

There was also contestation also around how the skills shortage list was generated, and a lot of push-back in the form of, 'how did *that* get on the list.'

It was important to understand, too, that people need to be adaptable. Often they have to find jobs in areas that don't align specifically with their qualifications, and so there is a big debate over whether qualifications are too specific, and whether skills forecasts and analyses of demand and supply are also not trying to be too detailed and specific. Finally, it was important to see the returns to education and training not only in terms of jobs and income but in terms of social returns – a dimension which would be particularly important in a country like South Africa.

The rest of the programme focused on technical presentations, copies of which are available in the shared DropBox folder:

- i. Presentation on the national statistical services program, including reporting to support the national transparency agenda and policy and practice in Australia's VET system: Dr Mette Creaser, National Manager, Statistics and Analytics
- ii. Overview of NCVER data collection, associated infrastructure and the importance of a national data standard – Alison Anlezark, Katherine McGregor, Carole Peters:
 - a. National data standard – AVETMISS
 - b. Supporting the data collection process
 - c. New developments – Unique Student Identifier

- iii. Data collection, processing and quality across the VET provider, VET in schools, finance, and apprentice and trainee collections. Also, how the collections are used across government departments: Toni Cavallaro, Paul Foley
- iv. Role and functions of the three major surveys conducted by NCVET – Rebecca Sherman, Ronnie Semo, Davinia Blomberg
 - d. Student Outcomes Survey
 - e. Employers Use [of VET] and Views
 - f. Longitudinal Survey of Australian Youth

Appendix A: Briefing Notes

EU- SA Skills Planning Dialogue
Australia Study Tour Mission, 26 – 30 October 2015

1. Briefing Notes

a. Purpose of Visit

Following on from the earlier study tour mission to the EU, in July 2015, this study tour mission to Australia is designed to assess international approaches to skills planning and their relevance for South Africa.

DHET is charged with the responsibility to develop **a credible mechanism for skills planning**. The EU Delegation in South Africa is assisting DHET to this end through a Skills Planning Dialogue, aimed at promoting policy sharing and learning between South Africa and its European and international partners. The study tours to the EU and Australia are a key part of that process.

The study tour provides a unique **opportunity to engage in peer learning**. It provides the chance to have first-hand experience of meeting, speaking directly and discussing key issues. It enables orientation, informal dialogue and the exchange of information and views in person. It also facilitates future personal contacts and network development.

b. Key Questions for the Study Visit

We are interested in drawing insights and perspectives from those we visit on the following topics:

- The nature, scope and focus of skills planning in states/institutions visited.
- **How information on skills needs, shortages and imbalances are obtained, analysed and then utilised** by the education and training system, as well as by other stakeholders, to inform skills planning.
- The **kinds of information, indicators and analysis** that are used to understand and tackle skills needs, shortages and other imbalances.
- The **institutional arrangements and capacities** that are required to support effective labour market intelligence and its utilisation for planning purposes.
- **What works well** and the conditions required for this to occur.
- What is less successful and why.
- Any other insights relevant to the development of an effective skills planning mechanism in South Africa.

2. Briefing Notes for Study Tour Meetings

Monday, 26 October, Sydney

Professor John Buchanan – Research Impact Business School, University of Sydney

Professor Buchanan is Chair of Discipline, Business Analytics and Principal Advisor, Research Impact Business School at the University of Sydney.

He is an expert on skills development and related issues, and has written and consulted widely in this area.

From his official university biography (<http://sydney.edu.au/business/staff/johnb>)

Between 1988 and 1991 he was part of the team that undertook the first Australian Workplace Industrial Relations Survey (AWIRS). He joined the Workplace Research Centre (formerly acirrt) in 1991 and has been its Director since 2005. Until recently his major research interest has been the demise of the classical wage earner model of employment and the role of the state in nurturing new forms of multi-employer co-ordination to promote both efficiency and fairness in the labour market. Building on this research, he is now devoting special attention to the evolution of working life transition, the dynamics of workforce development and the connection between work, health and wellbeing. Professor Buchanan is currently Network Leader for the University of Sydney's Health and Work Research Network - a consortium involving experts from the Business School, Medical, Health Sciences and four other faculties.

He was one of the authors of *Australia at work: just managing?* (1999) of *Fragmented Futures: New Challenges in Working Life* published by Federation Press in 2003. These texts provide an overview of the restructuring of work in Australia since the 1970s. He most recently co-edited a book called *Inclusive Growth in Australia: Social policy as economic investment*, published by Allen & Unwin in 2013.

Three of his papers have been forwarded to us, and are attached by way of background. Their titles will give some sense of his work and interests:

- Getting to a better place: from VET to Vocational Development (2013; with Leesa Wheelahan & Serena Yu)
- Linking Qualifications and the Labour Market through Capabilities and Vocational Streams (2015; with Leesa Wheelahan & Serena Yu)
- Skill Ecosystems in Context (forthcoming; with Chris Warhurst, Ken Mayhew and David Finegold)

TAFE Directors Australia – Mr. Martin Riordan, CEO

From the TDA Website (<http://www.tda.edu.au>)

TAFE Directors Australia (TDA) is the peak national body incorporated to represent Australia's 58 government owned Technical and Further Education (TAFE) institutes and university TAFE divisions, and the Australia-Pacific Technical College (APTC).

Australia's TAFE Institute network is the largest and most diverse tertiary education sector in Australia with more than 1000 campuses located across Central Business Districts (CBD), suburban, regional and remote locations, with many institutes offering further services throughout the Asia-Pacific and other offshore regions.

The core business of TDA is supporting our member institutes, leading the advocacy for quality skills in Australia, and managing a range of international education and training projects in cooperation with our institutes.

TAFE Directors Australia was established by TAFE directors in 1998.

The biography of the Chief Executive, Martin Riordan, can be found at:
http://www.tda.edu.au/cb_pages/martin_riordan.php

Tour of Sydney Institute: Ultimo Campus

Ultimo College is part of the Sydney Institute of TAFE, one of the oldest and largest TAFE Institutes in Australia. Further information can be found on their website, here: <http://sydneytafe.edu.au/future-students/ultimo-college/ultimo-college>

Tuesday, 27 October, Sydney

Manufacturing Skills Australia (to be confirmed)

Industry Skills Councils (ISCs) undertake a range of activities pertaining to their industry sectors, including environmental scans, impact analysis of the ISCs' workforce development activities, and analysis of changes impacting on Training Packages and areas for improvement. The ISCs can be accessed here: <http://www.isc.org.au>

We hope to confirm a meeting with the Manufacturing Skills ISC, which can be accessed here: <http://www.mskills.org.au>

Wednesday 28 October, Canberra

Department of Education and Training

The Department's website states that it is 'responsible for national policies and programmes that help Australians access quality and affordable early child care and childhood education, school education, higher education, vocational education and training, international education and research.'

The Department has a new Minister, under the Turnbull administration, Senator the Hon Simon Birmingham, and a new Minister for Vocational Education and Skills, the Hon Luke Hartsuyker.

The Australian Industry and Skills Committee was established in May 2015, by the then-Assistant Minister for Education and Training, Senator Simon Birmingham, now the Minister, with a mandate to 'streamline governance arrangements and put industry at the centre of the vocational education and training (VET) system.

The Department of Education and Training announced the establishment of the committee as follows (<https://education.gov.au/news/australian-industry-and-skills-committee-established>):

The establishment of the Committee delivers on the commitment made by Commonwealth and state and territory skills ministers last year to streamline governance arrangements and put industry at the centre of the vocational education and training (VET) system. The new Committee will provide advice to governments on VET policy and give industry a stronger voice in the vocational education and training system, to help ensure it is efficient and effective in delivering the job-ready workers that industry needs. It will take on some of the work of the dissolved National Skills Standards Council.

The Minister has appointed Mr John Pollaers to chair the new Committee. Mr Pollaers is currently the chair of the Australian Advanced Manufacturing Council and has previously held the position of Chief Executive Officer of Pacific Brands Limited and Foster's Group Limited.

Committee members are industry leaders who have been nominated by Commonwealth and state and territory ministers. There is also a peak body representative position that will rotate annually between the Australian Chamber of Commerce and Industry, the Business Council of Australia and the Australian Industry Group. Two ex-officio members, who are senior government officials, will support the industry Committee members.

Details as to our programme of meetings will follow. The Department's website can be accessed at <https://www.education.gov.au>

Department of Employment

We will be meeting with people from the Skill Shortages Section, Employment Planning and Projections, and the Labour Market Information Portal.

- The Department of Employment publishes extensive analyses of skills shortages at state, territory and national levels. Skills shortage information is also available by occupation. Reports can be accessed here: <https://employment.gov.au/national-state-and-territory-skill-shortage-information>
- The Department also publishes, each year, employment projections for the following five-year period, by industry, occupation, skill level, and region. The Department states that 'These employment projections are designed to provide a guide to the future direction of the labour market, however, like all such exercises, they are subject to an inherent degree of uncertainty.' The 2015 Employment Projections can be accessed here: <http://lmip.gov.au/default.aspx?LMIP/EmploymentProjections>
- The Department's Labour Market Information Portal is an online entry point for accessing labour market information; it is available here: <http://lmip.gov.au>

Thursday 29 October, Canberra

Industry Skills Councils

Industry Skills Councils (ISCs) undertake a range of activities pertaining to their industry sectors, including environmental scans, impact analysis of the ISCs' workforce development activities, and analysis of changes impacting on Training Packages and areas for improvement. The ISCs can be accessed here: <http://www.isc.org.au>

We will be meeting with the Construction and Property Services ISC, which can be accessed at <http://www.cpsisc.com.au>; a meeting with the Energy ISC is still being explored. The Energy ISC can be accessed at <http://www.e-oz.com.au>.

Friday 30 October, Adelaide

National Centre for Vocational Education Research

The National Centre for Vocational Education Research www.ncver.edu.au describes itself as follows: The National Centre for Vocational Education Research (NCVER) is a not-for-profit company owned by the Commonwealth and state and territory ministers responsible for vocational education and training.

It is a professional and independent body responsible for collecting, managing, analysing, evaluating and communicating research and statistics about vocational education and training (VET) nationally.

NCVER's vision is to inform and influence vocational education and training in Australia through credible, reliable and responsive research and statistical services.

Its mission is to be Australia's authoritative source of high-quality independent information on vocational education and training.

A board of nine directors, with experience across state, territory, and Commonwealth governments, industry, unions, and training authorities, manage NCVER.

NCVER's areas of activity:

- Undertaking a strategic program of education and training research, including the management of national competitive grants programs and the analytical program of the Longitudinal Surveys of Australian Youth (LSAY), and collect and analyse national VET statistics and survey data.
- Collecting and publishing research findings on VET and higher education from across the world through the VOCEDplus research database.
- Disseminating the results of research and data analysis.
- Building links with similar international organisations to foster comparative analysis and collaborate on issues of mutual interest.
- Undertaking commercial consultancies.

NCVER provides research and statistical information to a wide range of stakeholders, including:

- Ministers
- Commonwealth and state and territory education and training authorities
- Registered training organisations
- VET practitioners and providers
- Educational institutions
- Australian businesses
- Researchers
- International agencies
- Industry skills councils
- Employer- and employee-based associations or organisations
- Community organisations.

NCVER's success is measured by:

- the use, relevance and overall impact of its research and statistics
- accessibility of its information
- responsiveness to governments, the VET sector, industry and the community.

The following principles of practice guide NCVER's work:

- Analysis will be transparent and replicable.
- Methodology will follow sound statistical practice and be open to scrutiny.
- Statistical and research results (excluding commercial consultancies) will be published provided that quality standards are met.
- Release dates of publications will be available, and any embargo conditions will be clear.
- Statistical and research results will be descriptive or test research questions and will avoid advocating a particular position.
- NCVER data and library resources will be available to all groups and individuals equally, under the conditions spelled out in NCVER's policy for the provision of VET information.
- Research and statistical data are archived to ensure their availability for future researchers, policy-makers and practitioners.
- NCVER data will be secured and protected by current leading practice, with multiple layers of protection and encryption where necessary.

