

Skills shortage: compelling reasons to act



By Chris Faulks
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With respect to the skills shortage, there is an increasing urgency to address the skills shortage in Australia and action is, thankfully, gaining momentum.

The National Skills Policy Collaboration recently released a 10 point plan to meet the skills challenge and listed six compelling reasons for the need for urgent action:

1. Australia faces a significant shortfall in the supply of workers with the required vocational qualifications (240,000 by 2016). Currently 87% of available jobs require post-school qualifications, but 50% of the workforce lack these qualifications.
2. A serious shortfall exists in high-level technical vocational and tertiary qualifications, especially science, mathematics with an estimated shortfall of 19,000 scientists and engineers by 2012.
3. Australia is struggling to lift school completion rates and ranks 20th in the OECD in terms of school completion rates among 25-34 year olds.
4. ABS recently estimated that 46% of adults (7 million Australians) had poor or very poor skills across literacy, numeracy, problem solving etc.
5. Australia's total public spending on education at 4.8% of GDP is below the OECD average of 5.4%.
6. More than a decade of sustained economic growth has provided Australia with an opportunity to seriously tackle educational exclusion.

The Australian Government has made "Skilling Australia" a priority for its first term and has recently announced the first 20,000 of 450,000 training places: 275,000 of the places will be for existing workers and 175,000 will be for people who are outside the labour force and who need training to get back into the labour force. Of these 450,000 places some 65,000 will be apprenticeships. The training places will be pitched at those parts of the economy where skills shortages are greatest – mining and construction, health and community services, the motor mechanic area and a number of personal and other service occupations.

The ACT Government is about to release the final report of the ACT Skills Commission with a number of important recommendations.

In all of this activity it will be important for governments to recognise the critical importance of business owners and employers in vocational education and training. Training, apprenticeships and workplace learning can only succeed with the active involvement of industry in partnerships with educational institutions and government.

The Canberra Business Council has made strong representations about the Department of Immigration

and Citizenship's (DIAC) definition of 'regional Australia' which places the Canberra region at a disadvantage in attracting international students and enabling them to stay and work in Canberra at the completion of their courses.

The Canberra Business Council has recommended that the whole of the ACT be included as part of regional Australia for the purpose of the award of points for study in regional Australia.

The Canberra Business Council looks forward to both the ACT Budget and the Federal Budget announce-

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ments and any moves by the Australian Government to assist the ACT in attracting skilled migrants and international students.

At our Federal Budget breakfast on 14 May at Parliament House, jointly hosted by CPA Australia, the Institute of Chartered Accountants in Australia, and the National Institute of Accountants, we'll hear the Hon Lindsay Tanner MP, Minister for Finance and Deregulation and the Hon Peter Dutton MP, Shadow Minister for Finance, Competition Policy and Deregulation provide their commentaries on the 2008-09 Budget initiatives.

We congratulate B2B in Canberra magazine on its 24th and second anniversary edition and for its contribution to the business community. It is an important communication vehicle to inform and raise awareness among local business. We are also pleased that B2B is the major sponsor of Connect – our networking event for members and look forward to seeing you at forthcoming events.



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