



Creating Australia's Future

INDUSTRY SKILLS
COUNCIL FORUM



CREATING
AUSTRALIA'S
FUTURE
... TOGETHER

INTRODUCTION

Much has been said about Australia needing to develop and nurture world class industries if our economy is to remain strong in a global marketplace with an increasingly mobile workforce. Compounded by our nation's static labour supply – which some believe will contract further – bold and collaborative approaches involving all stakeholders are needed to meet the challenge.

Our existing and emerging industries must comprise a truly flexible and increasingly skilled workforce if they're to step up to the challenges of local and international markets. Many would claim it is the single greatest determinant in their ability to compete. Each industry however, has its own drivers and skill needs, consequently no single strategy, stakeholder or organisation can successfully assume this responsibility while still relating well to the diverse stakeholders in the workforce and training system.

The 10 national Industry Skills Councils (ISCs) bridge the divide between our nation's industry and the often complex vocational education and training environment. Collectively as the ISC Forum and individually as Councils,

the ISCs systematically work with those bodies integral to achieving industry's skill needs, providing focus, coherence, independence, extensive networks and real industry leadership.

As the Chairs of the Industry Skills Councils we commend this brief insight into the collaborative work of the ISC Forum.



John Baker – Chair
Agri-Food Industry Skills Council



Peter Carver – Chair
Community Services & Health
Industry Skills Council



Kareena Ballard – Chair
Construction & Property Services
Industry Skills Council



Peter Tighe – Chair
EE-OZ Training Standards



Jan Andrews – Chair
Government Skills Australia



John Vines – Chair
Innovation & Business Skills
Australia



David Hoare – Chair
Manufacturing Skills Australia



Ray Barker – Chair
Resources and Infrastructure
Industry Skills Council



John Sweetman – Chair
Service Skills Australia



Robert Adams – Chair
Transport & Distribution Training
Australia

BACKGROUND

Establishment of 10 Industry Skills Councils (ISCs) by the Commonwealth government is recognised as part of a solid longer-term strategy to ensure future oriented, pro-active advisory bodies to inform the vocational education and training system.

With each Skills Council structured to mirror the key industry groupings in the Australian economy, the Councils represent a significant shift from the silo thinking of the 25+ advisory bodies previously in place. These new arrangements have already succeeded in opening up an unprecedented level of cross-industry cooperation on skills development. For the first time, industry has a set of truly independent, professional, not-for-profit bodies that work with related industries across all jurisdictions to set the skill specifications for the 21st century workforce.

With the final ISC declared in May 2005, the Councils have individually and collectively worked to deliver on their two key roles of:

- assisting industries, enterprises and their workforce to integrate skill development with economic and business goals and supporting accurate industry intelligence on future directions – including provision of advice on industry skills and training needs to industry stakeholders, training providers and government.
- actively supporting the development, implementation and continuous improvement of high quality, nationally recognised training products and services – including enhancing innovation, rationalising materials where there are cross-industry synergies, and improving efficiency.

INDUSTRY SKILLS COUNCILS

AGRI-FOOD

COMMUNITY SERVICES AND HEALTH

CONSTRUCTION AND PROPERTY SERVICES

ELECTROCOMMS AND ENERGY UTILITIES

GOVERNMENT AND COMMUNITY SAFETY

INNOVATION AND BUSINESS

MANUFACTURING SKILLS AUSTRALIA

RESOURCES AND INFRASTRUCTURE

SERVICE SKILLS AUSTRALIA

TRANSPORT AND LOGISTICS



The balance of establishing bodies reflective of their industries whilst supporting cross industry approaches to skills development has been achieved through the July 2005 establishment of the Industry Skills Council Forum. Comprising of the 10 ISCs, the Forum meets on a formal basis every two to three months to tackle key issues on behalf

of Australian industry which impact on skills development.

In funding the ISCs to undertake the two complementary roles, the Department of Education, Science and Training (DEST) set five key performance indicators to measure their success. Each Industry Skills Council independently reports to its industry led board, DEST and its broader stakeholder group on its achievements against these and other performance benchmarks. This report looks at their achievements through another lens and provides an overview of the collective success of the ISC Forum; how as a group of small dynamic bodies they've come together to ensure the quality, efficiency and innovation of Australian industry is enhanced through leading edge skills development.



INDUSTRY SKILLS COUNCIL FORUM

The Forum operates through an agreed charter with a single point of contact on issues relating to its business.

Rotating its meetings around the jurisdictions enables key stakeholders and senior officials of the training system to join the Forum on a regular basis and progress joint activities and further cement productive relationships. During the latter half of 2006, the Forum will convene in Tasmania and South Australia, having already met in Victoria, Western Australia, New South Wales, Queensland and the ACT during the 2005-06 financial year.

The context for the 2005-2006 Forum priorities has been *Skilling Australia* which sets out the new directions for Vocational Education and Training in Australia. Specifically, the Forum's activities seek to support the five guiding principles for building the national training system whilst simultaneously delivering on priorities of the National Quality Council and DEST's five key performance indicators for 2005-2006.

THE BIG FIVE

For the purposes of this report, the five KPIs have been used as headings under which the Forum's related activities for the past year are outlined. As they appear in ISC funding agreements the 'big five' are:

- 1 . Progress against the Training Package priority areas, particularly the rationalisation of the number of Training Packages, incorporation of employability skills, and development of cross industry competencies
- 2 . Strong engagement with small, medium and large enterprises and State advisory bodies
- 3 . Formal consultative mechanisms with Training Providers and equity groups, including through ISC membership or other methods of engagement
- 4 . Effective support mechanisms for Registered Training Organisations seeking to deliver and customise Training Packages
- 5 . Strong links with the National Quality Council

OBJECTIVES OF THE ISC FORUM

Under the agreed Charter, Industry Skills Councils participate and contribute to:

- a) Establish shared values and protocols for key stakeholder engagement to ensure coherent and strategic positioning of the ISCs and promotion of their roles
- b) Provide advice to and support for the establishment and effective operation of the national system, particularly its high level reference and operational bodies
- c) Identify and undertake agreed national/ cross ISC industry priorities and research in key areas requiring joint approaches
- d) Provide authoritative industry advice to Australian and State/ Territory government initiatives and inquiries to influence policy and decisions impacting on national skill development priorities
- e) Promote the ISC brand, objectives and outcomes of the Forum to key stakeholders of the national system
- f) Provide mutual support and share good practice and information to support capability building and sound intelligence across the network

FORUM ACTIVITIES

TRAINING PACKAGE PRIORITY AREAS

Arguably the number one KPI for ISCs is the rationalisation of Training Packages, and importantly the qualifications and units of competency which they comprise. The parallel funding and development processes of industry and enterprise Packages over their formative years resulted in some 80 Packages and inevitably included degrees of duplication. With coverage of the workforce now in excess of 85% – and the shift in effort now being

towards refinement and updating of Packages – rationalisation represents a major piece of work for the ISCs and indeed for the delivery system once completed.

Clearly ISCs continue to work at an individual level to rationalise Packages within their coverage, their many achievements being well documented in progress reports to DEST and – as Packages venture through the endorsement process and into the delivery system – the benefits being noticeably felt by industry and providers alike with the number of qualifications and units already being reduced by some 15%+. There are however,

elements of duplication which sit across ISCs and are coming to light as industries mature in their approach to skills development and recognise that skills in say, communication may readily be applied in an unrelated industry with equal effectiveness.

As ISCs continue to work with industry to identify and gain agreement on these cross industry issues, it has become increasingly evident that rationalisation has significant policy implications if the work is to move ahead in a meaningful way.

At the October 2005 Forum, Chairs of the ISCs agreed to jointly commission a major piece of work into the potential for cross industry rationalisation and to identify the key policy needed for this to happen.

Presented by the ISCs to the National Quality Council (NQC) in March 2006, the final report spans both the conceptual and technical issues of rationalisation and unearths a number of far reaching issues. It provides a series of recommendations and support from the ISCs to continue to work with the NQC and DEST on the implications.



STRONG ENGAGEMENT WITH SMALL, MEDIUM AND LARGE ENTERPRISES AND STATE ADVISORY BODIES

This is clearly where ISCs are unique in the national system. They continuously establish, maintain and grow their industry, provider, employer and employee networks. In harnessing the influence of these and other key stakeholders through formal and informal structures, the reach and active participation in activities of the collective ISCs is unparalleled – just one powerful example being the draft Health Training Package downloaded over 15,000 times from the ISC's website.

To pull together a snapshot of activity that represents the significant diversity and 'value-add' of these engagement activities, the Forum has produced the *Industry Skills Councils Best Practice Models* brochure which includes stories on:

AGRI-FOOD INDUSTRY CHAMPIONS NETWORK

– a group of industry ambassadors committed to promoting skills development to their peers

MAGIC – THE MATURE AGED WORKERS GIVING IN CARE PROGRAM – developed by the Community Services & Health ISC which following a successful pilot in 2005 is turning around attitudes to this incredibly valuable sector of the workforce

CONSTRUCTION & PROPERTY ISC NETWORK – a dynamic forum of its State and Territory advisory bodies

EE-OZ'S E-LEARNING NETWORK – working with enterprises to implement e-learning

EUROBODALLA SHIRE COUNCIL and its complete adoption of Training Package qualifications



2020 VISION – THE MANAGER OF THE 21ST CENTURY – Innovation & Business ISC's report on the changing role of Australia's senior managers

MANUFACTURING SKILLS AUSTRALIA'S work with the boards of studies around Australia to introduce a fresh and nationally consistent approach to manufacturing

RESOURCE AND INFRASTRUCTURE ISC'S work across its sectors to develop a common Certificate I for new recruits

SERVICE SKILLS AUSTRALIA'S INNOVATIVE PROVIDER NETWORKS which showcase how training providers can effectively work with the service industries

TRANSPORT AND DISTRIBUTION ISC'S partnership with TNT to nationally implement Training Package qualifications across operational and management levels.

“... it’s a great move and it’ll help us all to work more strategically on the skilling of the Australian workforce”

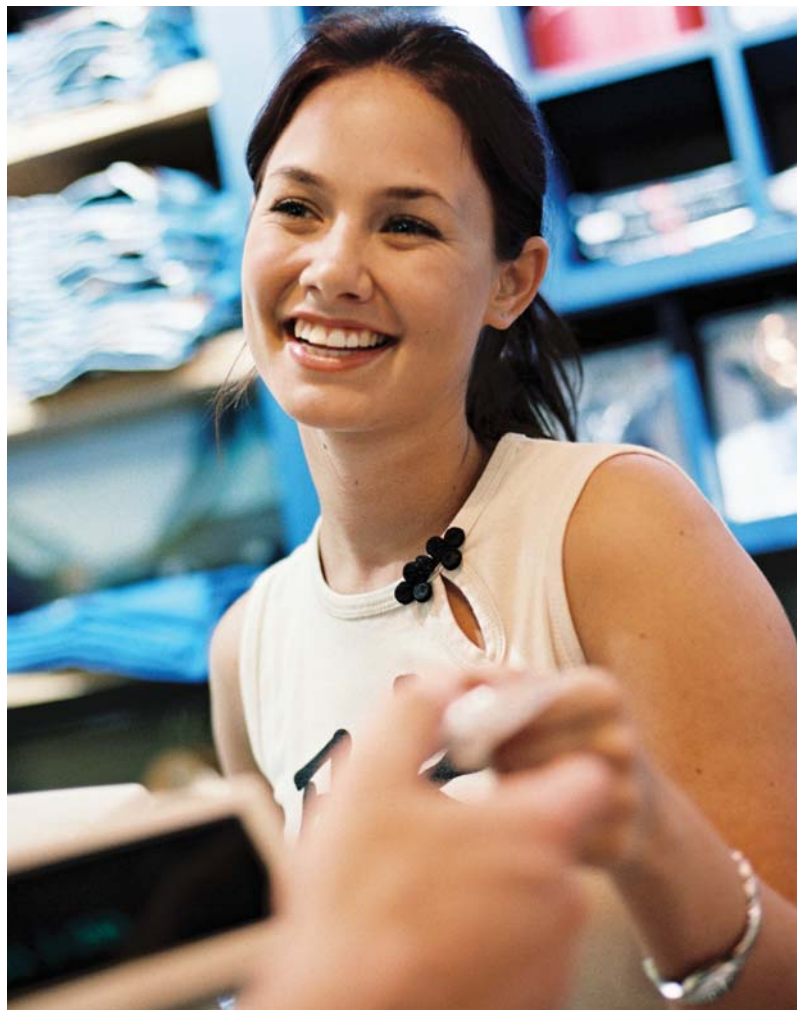
Barry Peddle, *Chair, TDA*

FORMAL CONSULTATIVE MECHANISMS WITH TRAINING PROVIDERS

One of the first achievements of the ISC Forum was to negotiate a historic agreement with the nation’s peak bodies for training providers – TAFE Directors Australia (TDA), the Australian Council for Private Education and Training (ACPET) and the

Enterprise Registered Training Organisation Forum (ERTOF). The agreement formalises the partnership between the peak bodies and ISCs to ensure that delivery and implementation of Training Packages reflect the changing needs of industry.

View the Agreement on the ISC Forum website currently under establishment at www.isc.org.au and access individual ISC websites to see evidence of how these protocols are being implemented.





EFFECTIVE SUPPORT MECHANISMS FOR REGISTERED TRAINING ORGANISATIONS

FORMAL PROTOCOLS FOR ISCS ENGAGING RTOS

As part of the formal move towards the continuous improvement of Training Packages, many ISCs have established RTO Reference Groups in line with their industry coverage, others around new ideas and innovation. During 2005 the Forum established formal protocols with ACPET, TDA and ERTOF to underpin nomination of their representatives to these reference groups and ensure their member's views are fully heard.

The principal focus of the RTO Reference Groups will be the ongoing maintenance and continuous improvement of a Training Package, such as the need for effective design and new resource materials. However, it is also intended that Reference Groups provide broader advice, such as:

- Information to the ISC on emerging training system capacity and quality issues

- Piloting innovations to a Package as part of the development & evaluation process
- Establishing communities of practice to share resource materials built on the Package specifications
- Promoting good practice in delivery and assessment to a wider range of RTOs
- Engaging local industry stakeholders for broader input to Package improvement.

STRONG LINKS WITH THE NATIONAL QUALITY COUNCIL

The National Quality Council is responsible for overseeing quality assurance and ensuring national consistency of the Australian Quality Training Framework standards for the audit and registration of training providers. In carrying out its functions the NQC is required to formally engage with ISCs, mirroring the ISCs' KPI to have strong links with the Council. Since its inception the Forum has worked with the NQC and its secretariat to provide:

- **Presentations to the NQC** – A program of presentations to Council members is

already underway. Four skills Councils have presented to date with topics ranging from the industry specific priorities of their respective industries to the challenges of licensing and cross industry rationalisation. The program of presentations will continue throughout 2006.

- **Forum meetings with individual NQC members** – Holding the ISC Forum meetings in different jurisdictions has provided the opportunity to meet with individual NQC members in their home State or Territory. To date the Forum has met with members Chris Robinson, Patricia Neden, Robert Player, David Collins and representatives of ACPET and TDA. These conversations enable the Forum to find out first hand issues that members would appreciate hearing about from ISCs at the presentations and suggestions for further strengthening the ISCs relationship with their relevant stakeholder group.
- **ISC Chairs' meeting with Stella Axarlis, Chair of the Quality Council** – November 2005 marked the first meeting of the ISC Chairs, CEOs and the Chair of the National Quality Council.



KEY PIECES OF WORK

Although the Forum meets face to face on a regular basis, it continues to work out of session on a range of issues relevant to cross industry priorities.

WORKING WITH STATES AND TERRITORIES

Following release of the Queensland Green Paper on proposed initiatives for the State's training system, the Forum provided a joint response. Subsequent to the launch of the White Paper, the Forum visited Queensland to meet with Chris Robinson, Deputy Director General and undertake a site visit to view key initiatives. The Forum is providing ongoing support to the strategies outlined in the paper and again met with DET senior management in May 2006 to further discuss how the ISCs can work with local advisory arrangements on the skills formation strategies central to the Queensland Skills Plan.

WORKING WITH KEY STAKEHOLDERS

Clearly, there are many stakeholders which operate within the same environment as Industry Skills Councils (ISCs). Some are formally positioned as an essential part of the

continuum of establishing and maintaining a national industry driven system. Others are equally influential in the broader industry environment and critical to ISCs capacity to successfully fulfil their roles.

The establishment of the new national system has seen the creation of a number of additional high level bodies with which ISCs are required to formally engage including the National Industry Skills Committee and the National Quality Council. In this climate, the need for strong effective stakeholder management by the ISCs at both a collective and individual level is unprecedented.

At its October 2005 meeting, the ISC Chairs agreed to jointly fund development of a Stakeholder Engagement Strategy for the Forum with the purpose of defining its collective relationship with each of its stakeholders; establishing the intended outcome of each relationship as agreed by both parties and developing an agreed strategy for engagement. The consultation process has been extremely valuable with some State and Territory Training Authorities keen to look at more systematic engagement with the Forum through a Memorandum of Understanding. The strategy – agreed to at the May 2006 Forum – now forms a key planning tool for individual and

collective engagement with key stakeholders of the national system.

WORKING WITH DEST

With the transfer of the Australian National Training Authority's functions to DEST, the Forum is running a series of information sessions for the VTE Quality Branch as a 'get to know' the various industries, their skill needs and how these translate into priorities and activities for the Councils. The sessions include:

- Strategic & business planning
- Governance and decision making
- Reporting & compliance
- Stakeholder & RTO engagement
- Industry intelligence
- State & Territory advisory networks
- Training Packages and rationalisation

DEST is also invited to each of the Forum meetings to give an update on the Department's priorities, progress on the national system and input to activities of the Forum, the May 2006 meeting providing a timely opportunity for the Chairs and CEOs of the Councils to meet with DEST senior management and discuss the pending evaluation of the ISCs' performance.

THE WAY FORWARD

ISCs are the embodiment of their industries, each driven by industry stakeholders committed to skilling Australia. Established in accordance with the Corporations Act and its governance provisions, their approaches to business are markedly different each being very much reflective of the industries they represent. They

do however, all acknowledge that in coming together on a professional basis their resources and strength to achieve common goals is unparalleled.

The Forum will convene again in August and November 2006 with guests from Standards Australia, Department of Employment and Workplace Relations and the South Australian and Tasmanian State Training Authorities already planned.



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