



AUSTRALIAN INDUSTRY  
GROUP

*Response to*

*Stronger futures for all young Victorians*

Discussion Paper on the youth transitions system

June 2010

## How can we continue to improve the current youth transitions system?

### *Strengthening literacy and numeracy in the post-compulsory years*

1. What form should the proposed literacy and numeracy standards take?
2. In what other ways can the acquisition of literacy and numeracy skills be strengthened in the post-compulsory years?

Australian Industry Group has become increasingly concerned by low levels of literacy and numeracy in the workforce. A recent report in relation to our National Workforce Literacy Project highlighted that 75% of surveyed employers indicated that their business was affected by low levels of literacy and numeracy.<sup>1</sup> This report also indicated that literacy and numeracy levels are an issue for all levels in the workplace, including new entrants such as apprentices, trainees and school leavers. Employers recognise that many parties have a role in literacy and numeracy skills improvement but two thirds of employers nominated education authorities as the largest role.<sup>2</sup> Accordingly, it is timely for the Departments of Education and Early Childhood Development and Innovation, Industry and Regional Development to address this issue.

It is also interesting to note that Skills Australia has addressed this issue in a recent publication<sup>3</sup> and called for the establishment of a national adult language, literacy and numeracy strategy. This pronouncement indicated the need to “review and build on the extensive work underway through schooling.”<sup>4</sup>

Any proposed introduction of literacy and numeracy standards into senior secondary education certificates needs to involve consultation with employers. Employers are very well acquainted with the deficiencies of young people in this regard entering the workforce including in apprenticeship and traineeship modes. Many employers have developed or adopted literacy and numeracy testing methods they apply to new workforce applicants. It would be useful to develop a sense of these as one indication at least of what employers require in the workforce.

In addition, it would be sensible to take advantage of the Australian Core Skills Framework (ACSF) derived from the National Reporting System.<sup>5</sup> The ACSF provides “a consistent national approach to the identification of the core skill requirements in diverse personal, community, work and training contexts.”<sup>6</sup> This tool is capable of being used in school contexts by Language, Literacy and Numeracy (LLN) practitioners and should be considered in the development of any literacy and numeracy standards for senior secondary qualifications.

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<sup>1</sup> National Workforce Literacy Project, Employer views on workplace literacy and numeracy skills, May 2010, Australian Industry Group.

<sup>2</sup> Australian Industry Group, page 11.

<sup>3</sup> Australian Workforce Futures, Skills Australia, Commonwealth of Australia, 2010, page 41.

<sup>4</sup> Ibid.

<sup>5</sup> Australian Core Skills Framework, Commonwealth of Australia, 2008

<sup>6</sup> Australian Core Skills Framework (A Summary), Commonwealth of Australia, 2008, page 1.

It would also be useful to consider the Adult Literacy and Lifeskills Survey (2006)<sup>7</sup> mechanism in the consideration of standards. Similar to the ACSF this survey also uses five levels and indicates that level three is “the minimum required for individuals to meet the complex demands of everyday life and work in the emerging knowledge based economy.”<sup>8</sup> In this sense employers and the workforce require new entrants to be able to achieve level 3 in ALLS.

It is important to note that the introduction of explicit literacy and numeracy standards would require a greater range of interventions. This would have major implications for resourcing as well as professional capability.

A further means of strengthening literacy and numeracy in the post-compulsory years is to increase the LLN capability of the teaching workforce. This includes making more LLN specialists available and improving access to targeted remedial programs. Students and their parents need to be made aware of LLN issues and the implementation measures being used.

There are clear connections between literacy and numeracy skills and the employability skills. The ACSF for example relates core skills in oral communication, writing, reading, numeracy and learning to the facets of all eight employability skills.<sup>9</sup> Within workplaces there are clear connections between effective verbal communication skills and workplace communication. Given this close association it is appropriate for school systems to implement measures to deliver employability skills in tandem with efforts to improve literacy and numeracy.

### *Support for making informed education and training choices*

3. Will a career plan strengthen young people’s engagement with education and their capacity to make informed study and career choices both during schooling and in subsequent education, training and employment settings?
4. What other actions should be taken to ensure that sound career development services are available to all young Victorians?
5. How can business/industry be more involved in assisting students’ career choices?

The most effective overall approach is to keep this area of career education as broad as possible so that young people can develop an appreciation of their strengths and interests and be flexible enough to recognise and act upon opportunities. Too much emphasis on the development of career plans needs to be treated with some caution. The possession of a career plan of itself is no guarantee of informed career decisions. It is also important to remember the claim that 7 – 8 different careers during a lifetime is now the norm. The issue is how to prepare young people for this.

<sup>7</sup> Adult Literacy and Lifeskills Survey at <http://www.abs.gov.au/ausstats/abs>

<sup>8</sup> Adult Literacy and Lifeskills Survey, op cit

<sup>9</sup> Australian Core Skills Framework (A Summary), op cit, page 6.

The notion of developing career education into a discrete subject and moving it further down the school should be resisted. There is a case to be made that students in the years of upper primary and lower secondary education are more rightfully preoccupied with other matters than career planning.

Industry is able to assist through the provision of information and experiences for young people. Work experience programs have been a part of this landscape for decades and while limited in scope have their purpose in terms of providing a broad introduction to workplace culture.

Over the past two years AiGroup has implemented the 'Building a Bridge to Engineering' work placement pilot for the Manufacturing Skills Taskforce. Through this pilot young people in Years 10 and 11 are given the opportunity to spend up to three one-week blocks in a range of different engineering environments. Initiatives such as this are resource intensive, but they yield strong results with a number of the students opting to pursue engineering at both a VET and tertiary level with a very clear idea of the work of engineers. This pilot was established in response to calls from industry for more engineers and clearly is not an affordable or suitable solution across all industry sectors.

Structured Workplace Learning, associated with VET in Schools and VCAL programs, and School-based Apprenticeships are much more effective means by which young people can learn about workplaces and the work within them. These programs should be expanded as relatively small numbers of students participate in these activities. Data within the Discussion Paper suggests 26% of VCE and VCAL students undertake accredited VET as part of the senior secondary certificate.<sup>10</sup> This is somewhat less than the national figure reported by NCVET of 41% in 2008.<sup>11</sup> The same report indicates that there only 7,200 school-based apprentices in Victoria.<sup>12</sup>

There is a need to reform the manner in which VET in Schools programs are funded. The costs of some programs, especially those trade-related, remain high and act as a barrier to participation. Some of the students who would most benefit from these programs have great difficulty in accessing them.

A further means of preparing young people for the workforce is through part-time employment. Australia is one of few OECD countries where relatively high levels of students combine school and work this way. The most recent data from the ABS indicates that 37% of school students are employed for more than one hour per week.<sup>13</sup> Part-time employment, provided it is not an unreasonable number of hours, has many positive benefits for students including the development of career awareness and skills and attitudes that are useful for future employment. While there is some recognition of part-time employment through VCAL it would be useful to establish recognition into other areas of the senior curriculum.

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<sup>10</sup> Stronger futures for all young Victorians, Discussion Paper, Victorian Government, 2010, page 22.

<sup>11</sup> 2008 VET in Schools, Australian vocational education and training statistics, NCVET, Commonwealth of Australia, 2010.

<sup>12</sup> Op cit, page 5.

<sup>13</sup> Cited in Adolescent overload?, Report of the inquiry into combining school and work, House of Representatives Standing Committee on Education and Training, October 2009, page 10.

Industry can assist in less programmatic ways. Industry tours and industry speakers have increased in frequency in recent years and provide opportunities for young people to learn more about workplaces without committing to a program. Industry based career advice and guidance should be paid more attention as well as the value derived from school-industry partnerships. It would be beneficial if the Government adopted a more overt and explicit approach to this.

There is also a need to improve the provision of labour market information to better guide schools, career teachers and the coordination of VET provision on a regional basis.

### *Arrangements that support and encourage young people to complete qualifications*

6. What would further strengthen the delivery partnerships between government and non-government schools and between schools and VET providers?
7. What additional actions should government take to support young people to complete initial qualifications in the VET sector?
8. Would greater levels of institutional specialization in curriculum and qualification delivery result in improved quality of provision and support increased student attainment of Year 12 or an equivalent vocational qualification?
9. How should schools, VET providers and system authorities use the new transparency and accountability arrangements in Victorian school and the Victorian Student Number to improve the completion rate of Year 12 or equivalent qualifications?
10. What other strategies could be introduced to lift qualification completion rates for young people in the schools and VET sectors?
11. How can business and industry be involved in increasing completion rates – especially for apprenticeships?

It is important to stress that young people need to achieve an initial qualification. The available data strongly suggests, and has for some time, that successful transitions and employment are highly correlated with qualification completion.<sup>14</sup> What is less clear are the appropriate settings or locations where this occurs. While completion of a senior secondary certificate at a comprehensive secondary school is by far the most common scenario, it is refreshing to note that the Discussion Paper acknowledges other possibilities. Raising the school leaving age is only part of the answer as a broader definition of retention is required – retention in the education and the vocational education and training sectors is what is needed. There is still work to be done in the school sector to address the narrow goal of school retention. Processes and

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<sup>14</sup> For example, It's Crunch Time: Raising Youth Engagement and Attainment – A Discussion paper, August 2007, Australian Industry Group and Dusseldorp Skills Forum.

structures need to be established so that early school leaving to further education and training or meaningful employment is not considered to be a failure.

The Discussion Paper focuses on two main methods of strengthening qualifications completions – more choice, especially of vocational programs, and a more adult environment. The issues of school size and the choices of curriculum they can provide are problematic. The question of greater levels of institutional specialization in areas such as vocational education has the disadvantage of not providing for all. The original National Goals of Schooling, rather than the recently revised version, included references about the right of access for all students to vocational education. Increased specialisation would have the effect of requiring students to move schools in order to secure this access. To counteract this there needs to be a systemic regional approach to ensure that the full range of options is available to all students on a geographic basis.

Specialisation can also be applied to initial qualifications. The senior secondary certificate options include the VCE, VCAL and the International Baccalaureate – admittedly only undertaken by relatively few students. In addition to these Year 12 qualifications there are also VET qualifications which can either act as an alternative or supplement to the senior secondary qualification. VET qualifications can be undertaken in a variety of settings. In addition to schools VET qualifications can be undertaken through TAFE or private providers or through the ACE sector. There has been a growth of young people 15 – 24 in the VET system<sup>15</sup> which may be due in part to the unattractiveness of schools. VET sector locations have the added benefit of providing a more adult environment than most secondary schools.

This is particularly the case for the small number of relatively new TECs which operate for young people within TAFE Institutes. This initiative provides the VCAL together with a range of VET qualifications including pre-apprenticeships which are more difficult to implement within a school setting. Some of them also have a significant set of industry partners. It is perhaps too early to determine the success of this model in terms of encouraging young people to complete qualifications and whether they can be replicated in other parts of the State. The TEC within the University of Ballarat does claim that over 22% of its enrolled students gained either a full-time Australian Apprenticeship or an Australian School-based Apprenticeship.<sup>16</sup> Ai Group has long called for an expansion of the range and depth of pre-vocational and pre-apprenticeship courses.<sup>17</sup>

While the provision of these alternatives is a positive move it remains important to make the VCE more responsive to a broad range of students. There may well have been a narrowing of instructional approaches in the VCE which needs to be addressed. It is important for students to be provided with the option of applied learning as pedagogy to reflect the reality that not all young people learn the same way. There needs to be some leverage on VCE teachers to provide a more diverse range of instruction perhaps through professional development initiatives.

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<sup>15</sup> Victoria's Vocational Education and Training Statistics, A Pocket Guide, 2009 Edition, indicates that there has been a 44% since 1999.

<sup>16</sup> [www.ballarat.edu.au/ubtec/about.html](http://www.ballarat.edu.au/ubtec/about.html)

<sup>17</sup> It's Crunch Time, op. cit,

The danger that presents is that the VCE occupies mainstream schooling and other alternative approaches, including the provision of VET, assume a lower status option. This is not necessarily what industry wants. It is important to recall that industry want the benefits that flow from a generalist education including employability and foundation skills and a positive attitude to work. The more technical skills are generally considered to be of secondary importance. There is a need to guard against repeating the errors of the past that flowed from a binary system.

It is anticipated that the introduction of the Victorian Student Number (VSN) will improve information and data related to student transition. It should aid the tracking of students as they move between schools and VET providers and it would be useful if this information is proactively used to improve transition patterns. It is too early to make any assessments of the use of the VSN and it is unfortunate that students attending universities are excluded from the system as this diminishes the overall picture of transition to age 24.

### *Systems that assist students to move effectively between courses, institutions and sectors*

12. How can student transition to the VET sector, higher education and full-time employment be improved?
13. What other steps are required to assist schools' connection to the world of work?
14. What other initiatives would improve school to tertiary education articulation and support young people to take advantage of the expansion of these sectors?

A key factor in the consideration of articulation between sectors is the nature of the differing bases of qualifications within the Australian Qualifications Framework. Since its inception the framework has consisted of qualifications within three separate and distinct sectors that are not especially integrated with each other. Articulation has been difficult especially on a national level and where it does exist is characterised by institution-to-institution arrangements. Reform of the framework is long overdue and the new AFC Council has undertaken the task. A series of consultation papers have been released which propose a revised and integrated framework of levels and criteria.<sup>18</sup> Reform of the AQF along these lines has the potential to increase opportunities for more effective articulation between these differently cast qualifications.

### *Articulation from school to VET and higher education*

The Discussion Paper cites examples of partnerships between schools and universities and while this is a positive step in itself articulation arrangements should not be dependent on locally negotiated partnerships. As indicated what is needed is a systemic approach to school to higher education transitions.

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<sup>18</sup> In particular *Strengthening the AQF: An Architecture for Australia's Qualifications, Consultation Paper, September 2009*.

The issue of school-VET articulation is essentially one of quality. The circumstance of non-recognition of school VET by other Registered Training Organisations has been a vexed issue for some time. It is clearly important for school VET students to receive the recognition and credit for what they have achieved. The situation would be improved by the introduction of quality benchmarks for such circumstances. A key component of quality school VET is the demonstration of student acquired competencies in the workplace. The provision of Structured Workplace Learning is a key ingredient in a quality program. The implementation of the recent Workplace Learning Coordinators initiative should assist in this process.

### Articulation within the VET sector and from VET to higher education

15. Should efforts to improve VET to higher education articulation and credit arrangements focus on particular occupational pathways and skill priority areas, for example in engineering and nursing?
16. How can government ensure that reforms to the VET and higher education sector address both skill needs and student demand for particular qualifications?
17. How can governments improve provision and articulation arrangements to better support young people, especially in regional and rural areas, to access tertiary qualifications without needing to re-locate?
18. What other actions should be contemplated by institutions and government?

Increased articulation between VET and higher education is to be encouraged. It must be remembered that there is a two-way flow of learners between the sectors rather than a single direction flow. Qualifications in the VET sector are important in their own right and not merely for articulation to higher education courses. VET sector qualifications continue to make a major contribution to the skilling of the workforce.

In the first instance it is logical for articulation and credit arrangements to focus on well-known occupational pathways. It also makes sense to focus on skills shortage areas. There is a need to moderate student demand in terms of industry skill requirements. Where individuals make choices about skilling pathways it is important that they make informed choices consistent with the requirements of the economy. It is important for industry to play an advisory role in this process.



## *Opportunities for young people to re-engage with education and training*

19. How can Youth Connections be implemented in Victoria to most effectively re-engage young people with education and training?
20. What services should Youth Connection service providers use to establish effective referral and working arrangements?
21. Should LLENs be provided some flexibility to facilitate and broker service provision to young people 20 and over, in line with the flexibility in Youth Connections service provision?
22. Is the range of qualifications on offer to re-engage young people adequate (VCAL, adult VCE, General Certificate of Adult Education and Diploma of Further Education)?

Re-engagement of young people into education and training has been a persistent issue. Ai Group contributed to research that established that 13.8% of teenagers were not in full-time learning or work and that this pattern has been in operation since that early 1990's.<sup>19</sup> The same research noted that 22% of young adults were not fully engaged. The situation further deteriorated by 2009 when research noted that 16% of teenagers are not fully engaged in work or study, unemployment increased to 18.5% of this group and a quarter of 20 – 24 years are not engaged in full-time work or employment.<sup>20</sup>

Consequently it is important to put in place a range of measures including those referred to in the Discussion Paper. The recently established Youth Connections network will be able to assist in this process. It is encouraging to see that they share service boundaries with Local Learning and Employment Networks (LLENs) and should work collaboratively with them for the benefit of young people within their areas. From this year the role of the LLENs has been enhanced to deliver the School Business Community Partnership Brokers program in concert with the Commonwealth Government. LLENs have a particular focus on assisting transition and have an extension of the age range from 15-19 years to 10-19 years. There is a focus on assisting the disadvantaged and those at risk of making poor transitions. There are instances of joint membership across LLENs and Youth Connections providers which have the potential to provide a more integrated service for young people. The LLENs are also a useful instrument for participation by employers at a local level and there are several good practice case studies of this collaboration with schools.<sup>21</sup>

Some of the activities to be undertaken by Youth Connections providers involve the provision of placement in industry. Accordingly, it is important that approaches to industry are coordinated across these providers and LLENs so that industry contributions can be rationalised and effectively managed.

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<sup>19</sup> It's Crunch Time: raising Youth Engagement and Attainment – A Discussion paper, August 2007, Australian Industry group and Dusseldorp Skills Forum.

<sup>20</sup> How Young People are Faring 09, Foundation for Young Australians, 2009.

<sup>21</sup> [www.llen.vic.gov.au](http://www.llen.vic.gov.au)

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