



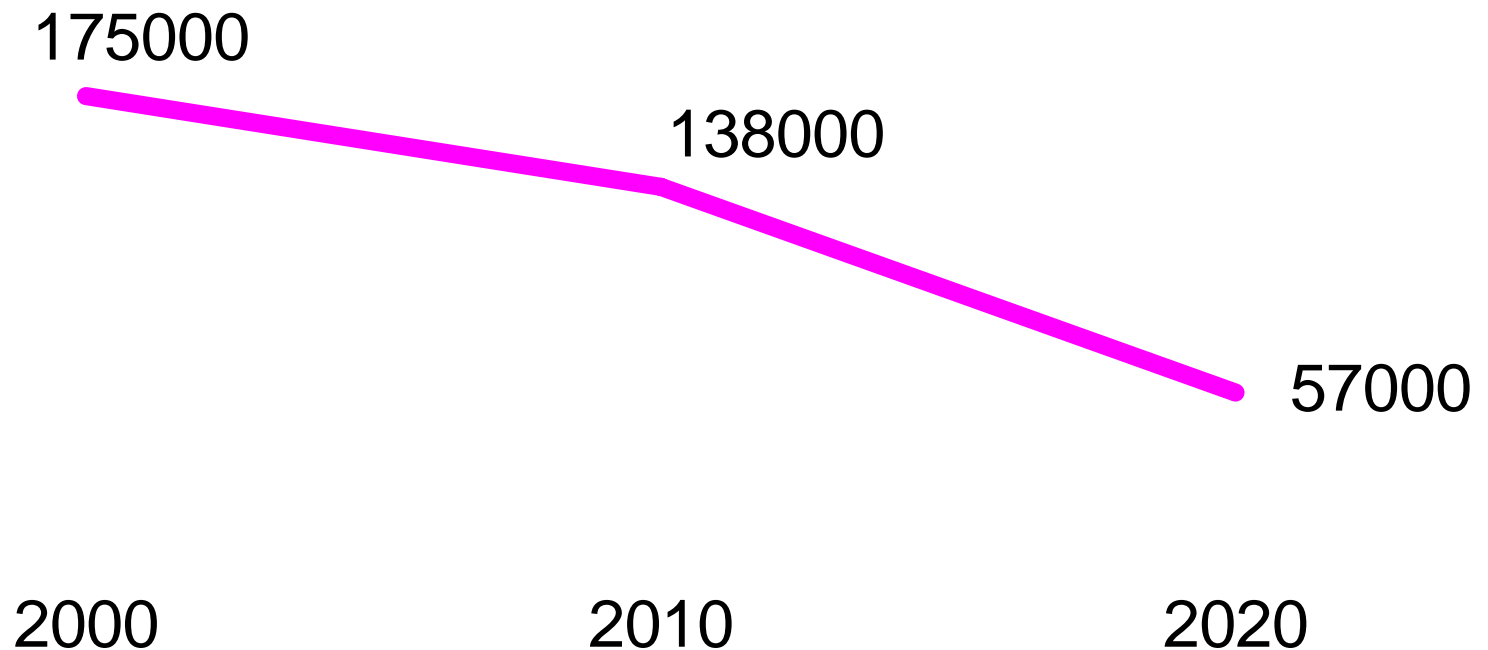
NSW Strategic Plan for VET 2008-2010

Delivering Skills for NSW



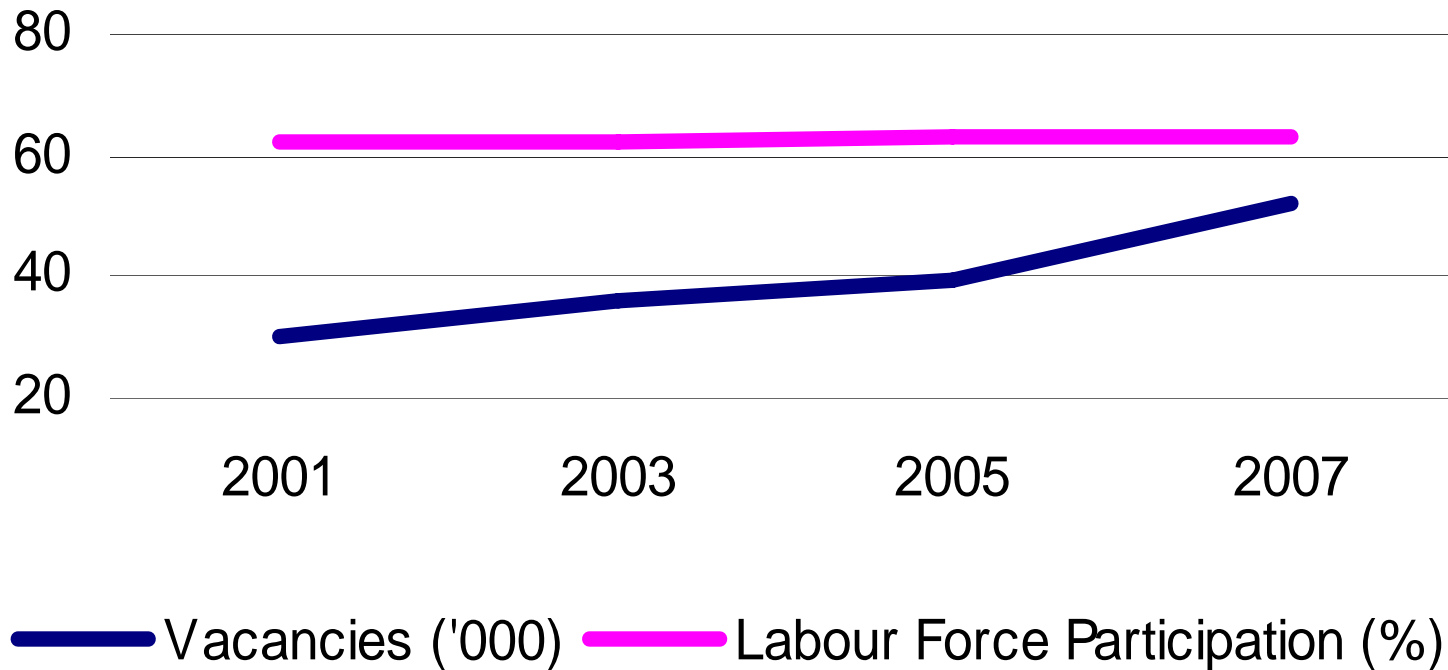
Ageing population - fewer new workers

Annual Increase in Workforce, 2000-2020



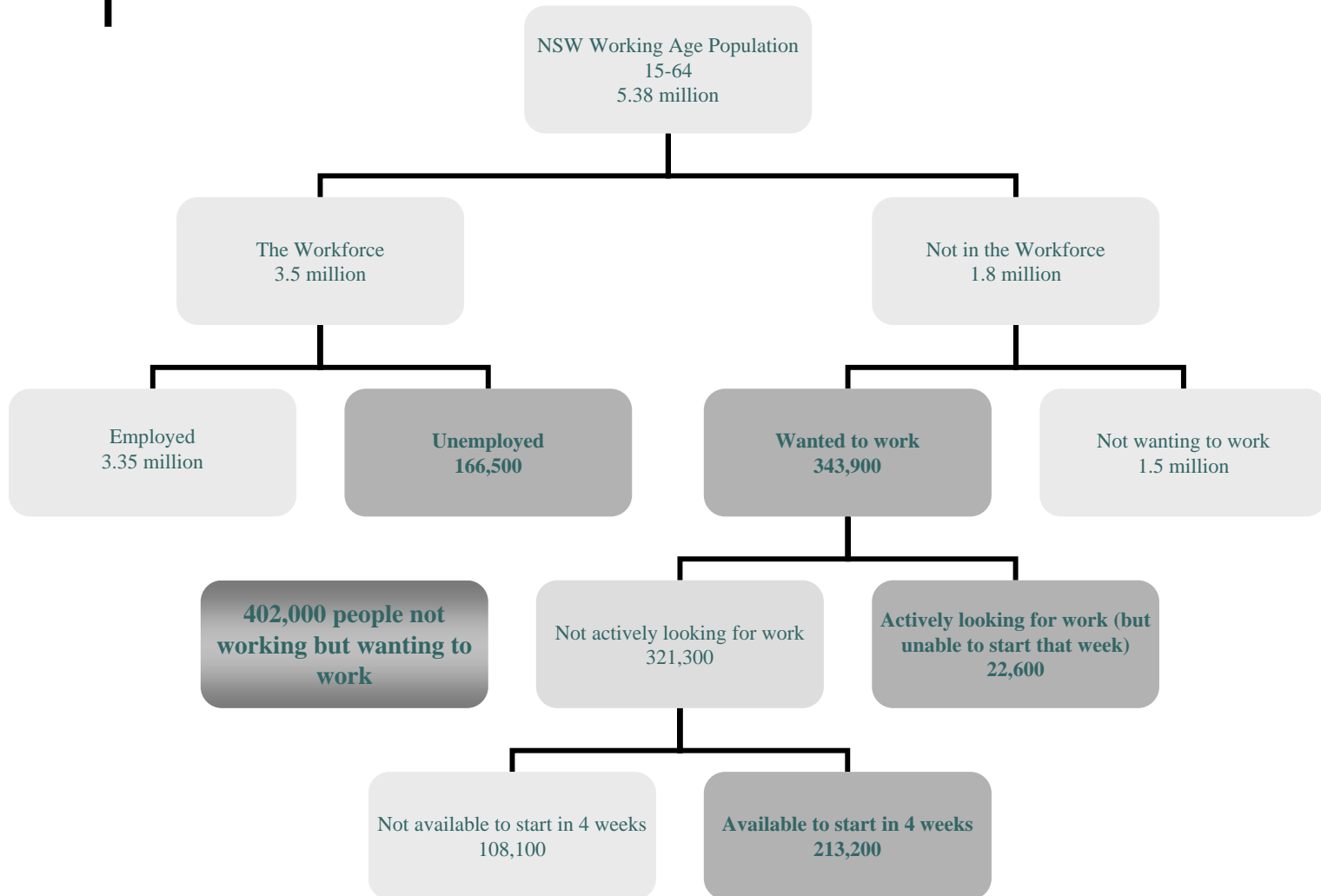
Labour Market Participation – too low

Labour Force Participation and Vacancies in NSW 2001-07



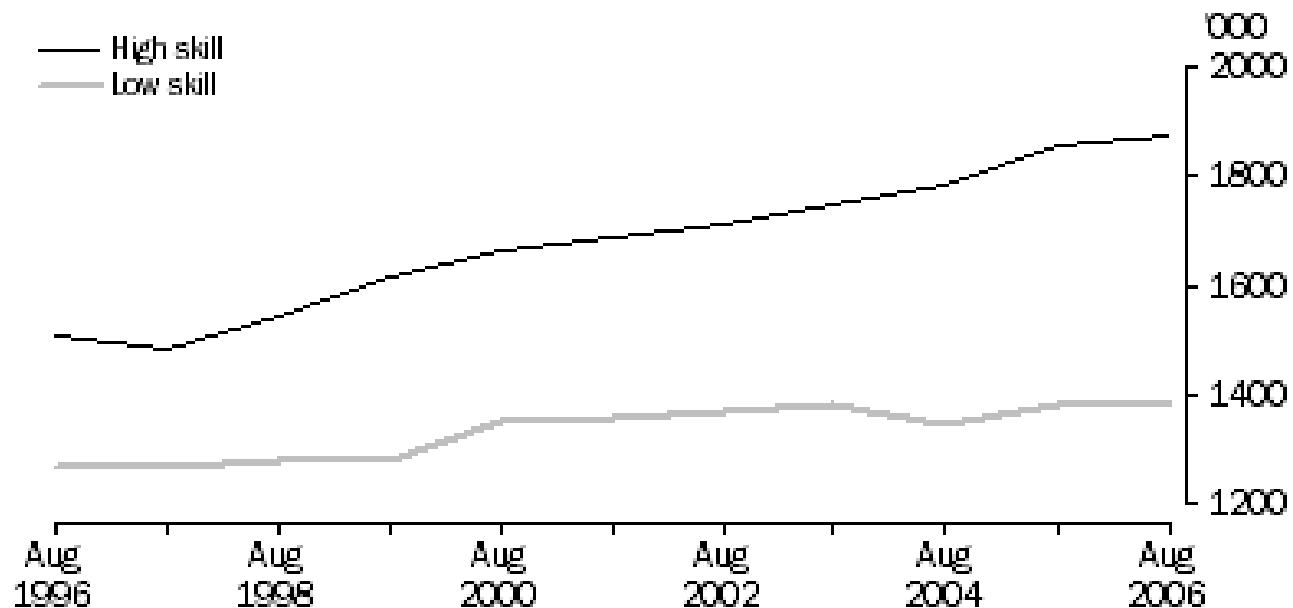
Source: ABS Labour Force Survey, September 2007

400,000 potential workers in NSW?



More Jobs - Skilled Jobs

92 % of employment growth at higher skill levels (2000-06)

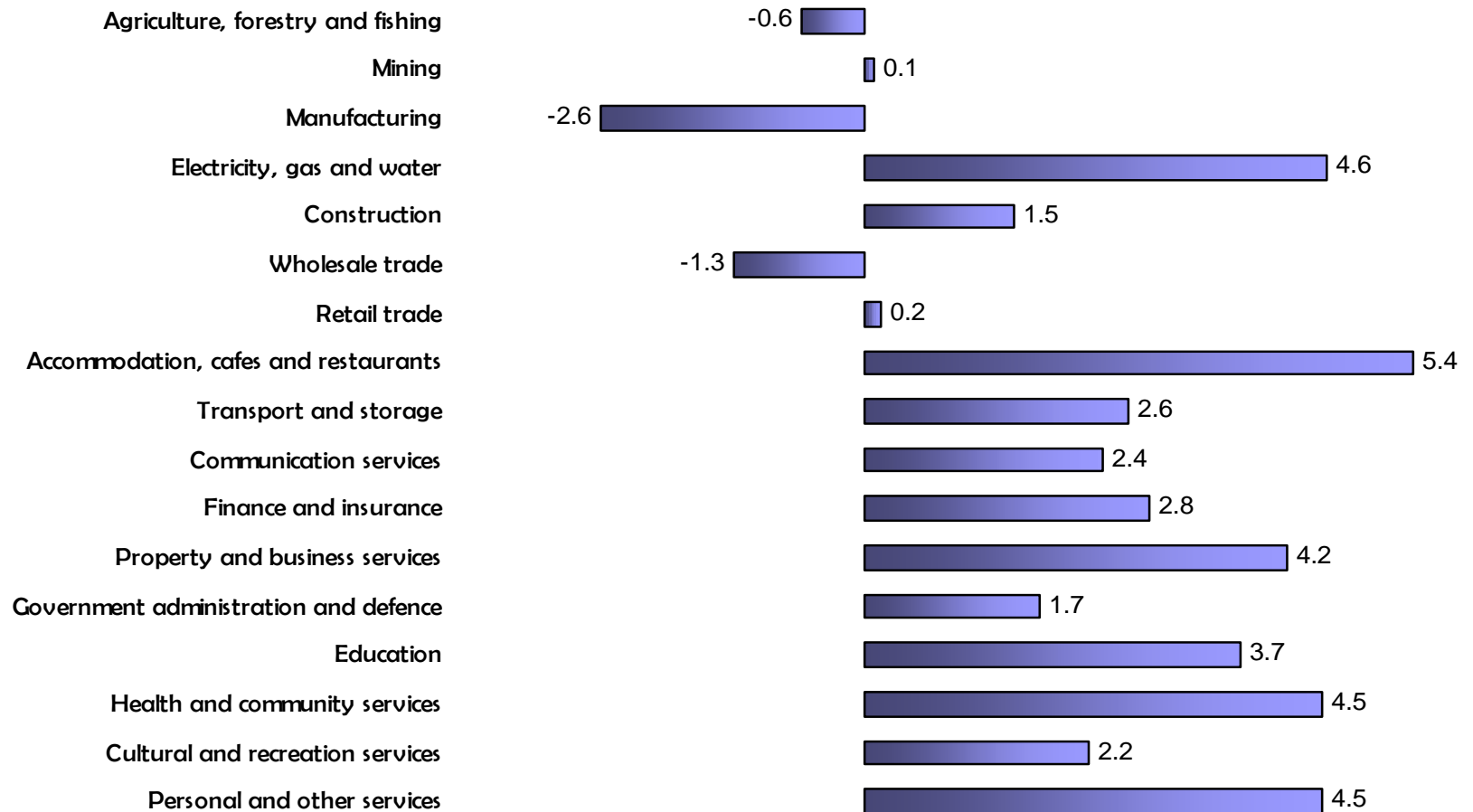


High skill is ASCO Skill Levels 1-3. Low skill is ASCO Skill levels 4-5.

Source: Labour Force, Australia, Detailed, Quarterly (ABS cat. no. 6291.0.55.003).

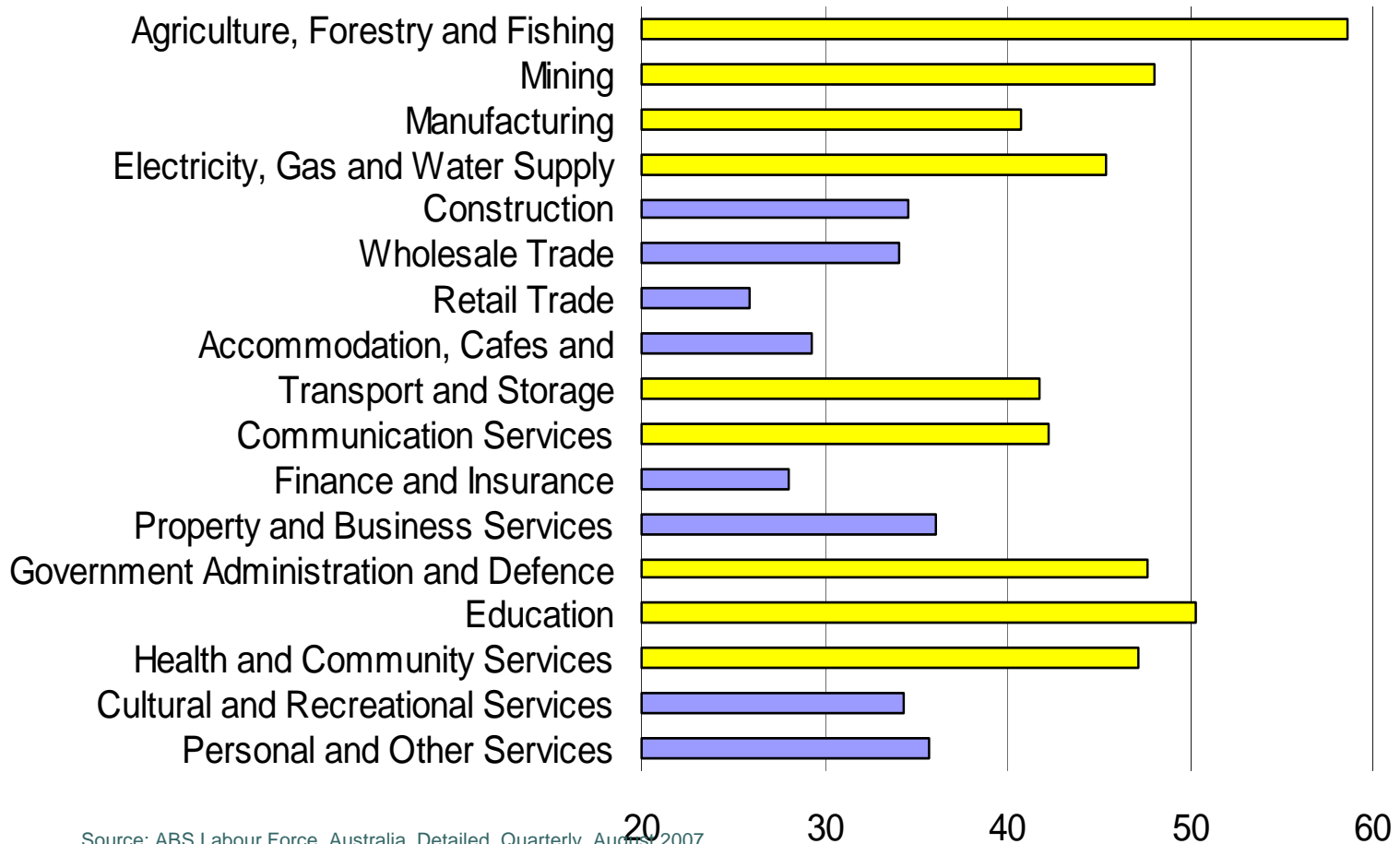
Changing industry employment demand

Average Employment Growth Rates, NSW, 2006-10



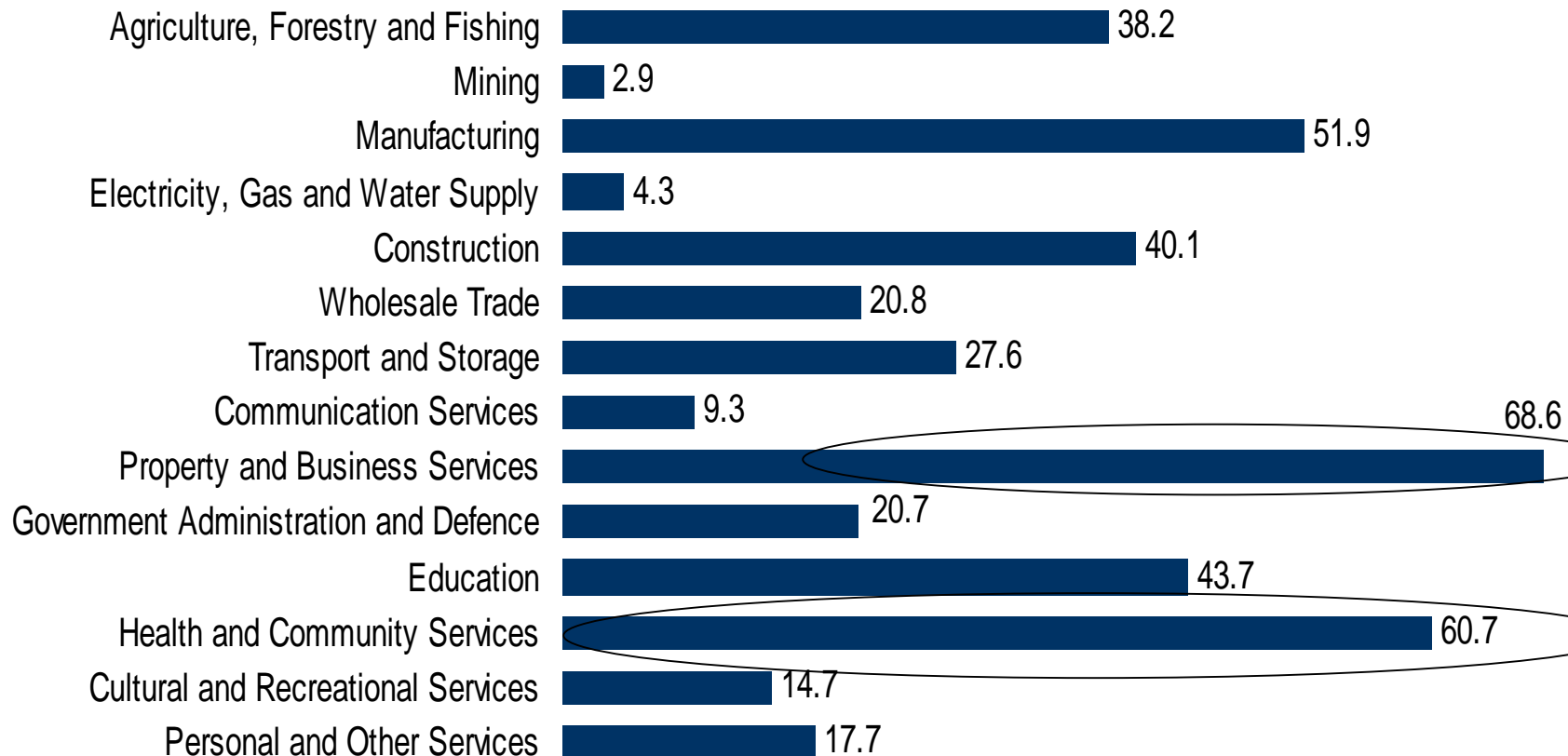
High % of ageing workers

Employed persons over 45, NSW, 2007, percent



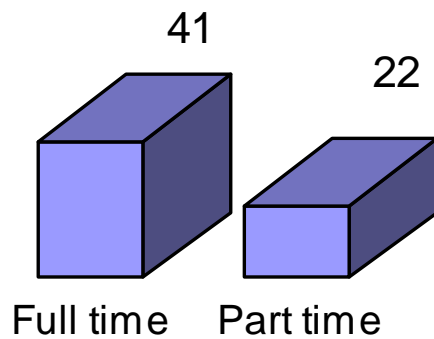
Industries with high numbers of older workers

Employed persons over 55, NSW, 2007, (000s)

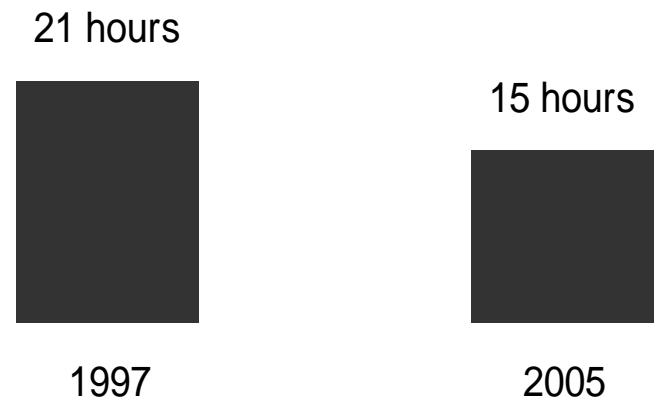


Training by employers?

Training Participation by workforce status, 2005, (%)

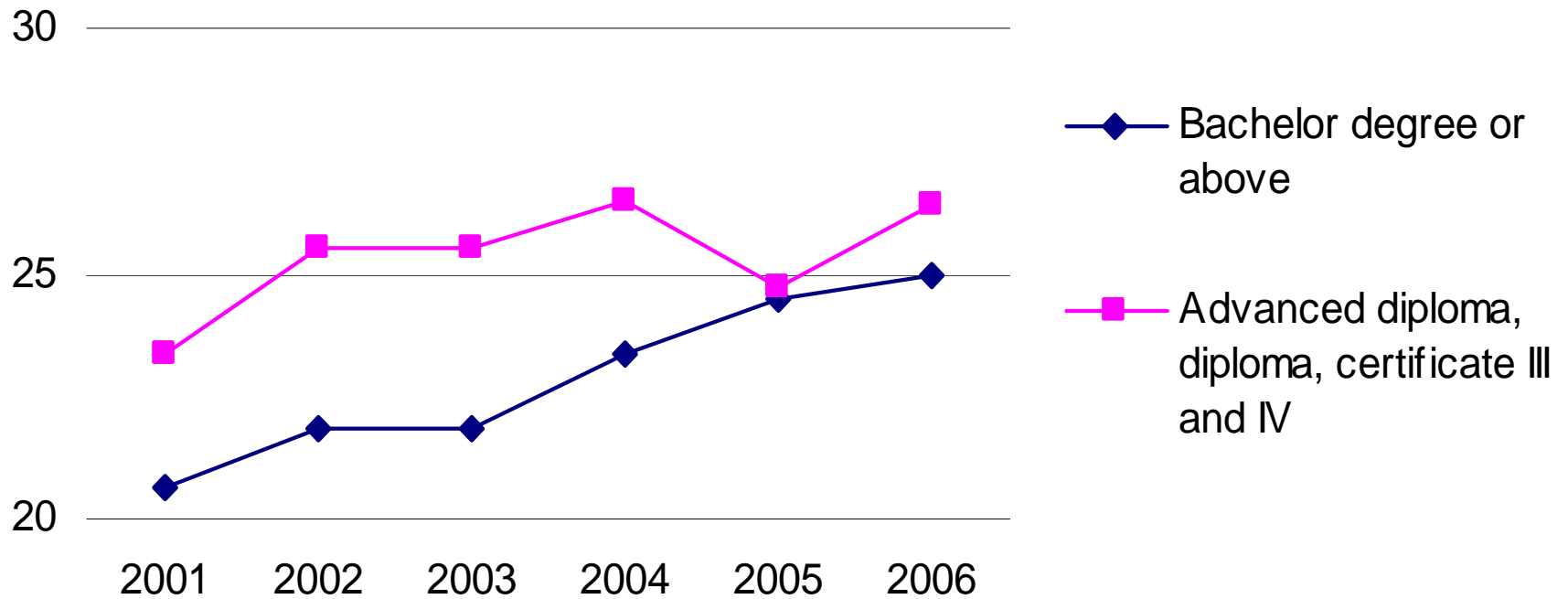


Average duration of Employer supported training course



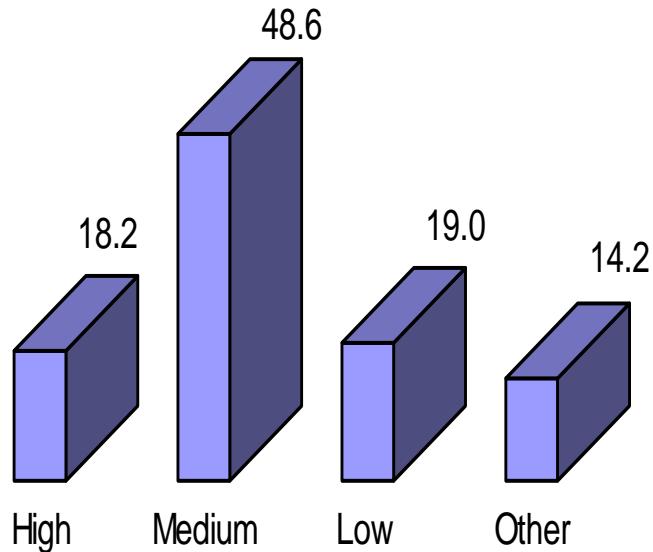
More people getting qualified

Non-school qualifications, 25-64 year olds, NSW, percent

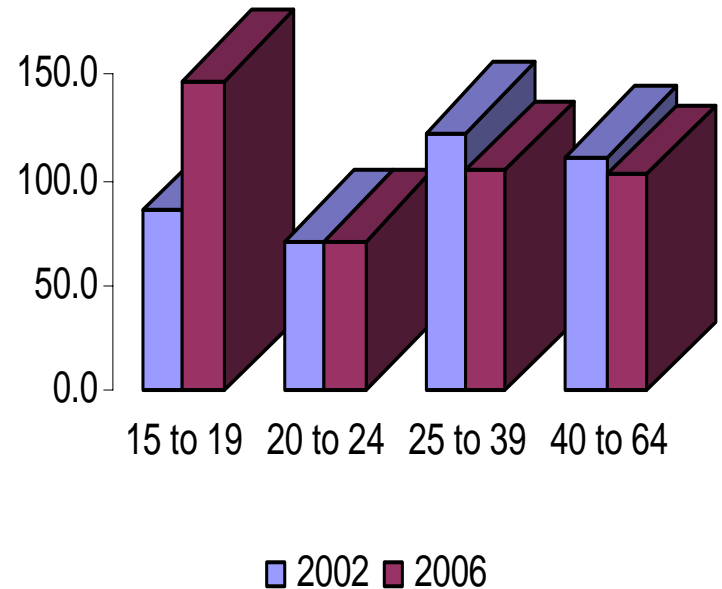


Higher level training supported, but what about the over 25s?

NSW training investment by level (funded hrs, 2006)



Numbers enrolled, 2002 and 2006





Skills needed for growth

- State Plan – lift participation rate from 11.7 in 2005 → 16% in 2016
- Greater share of increase needed at higher levels of qualification

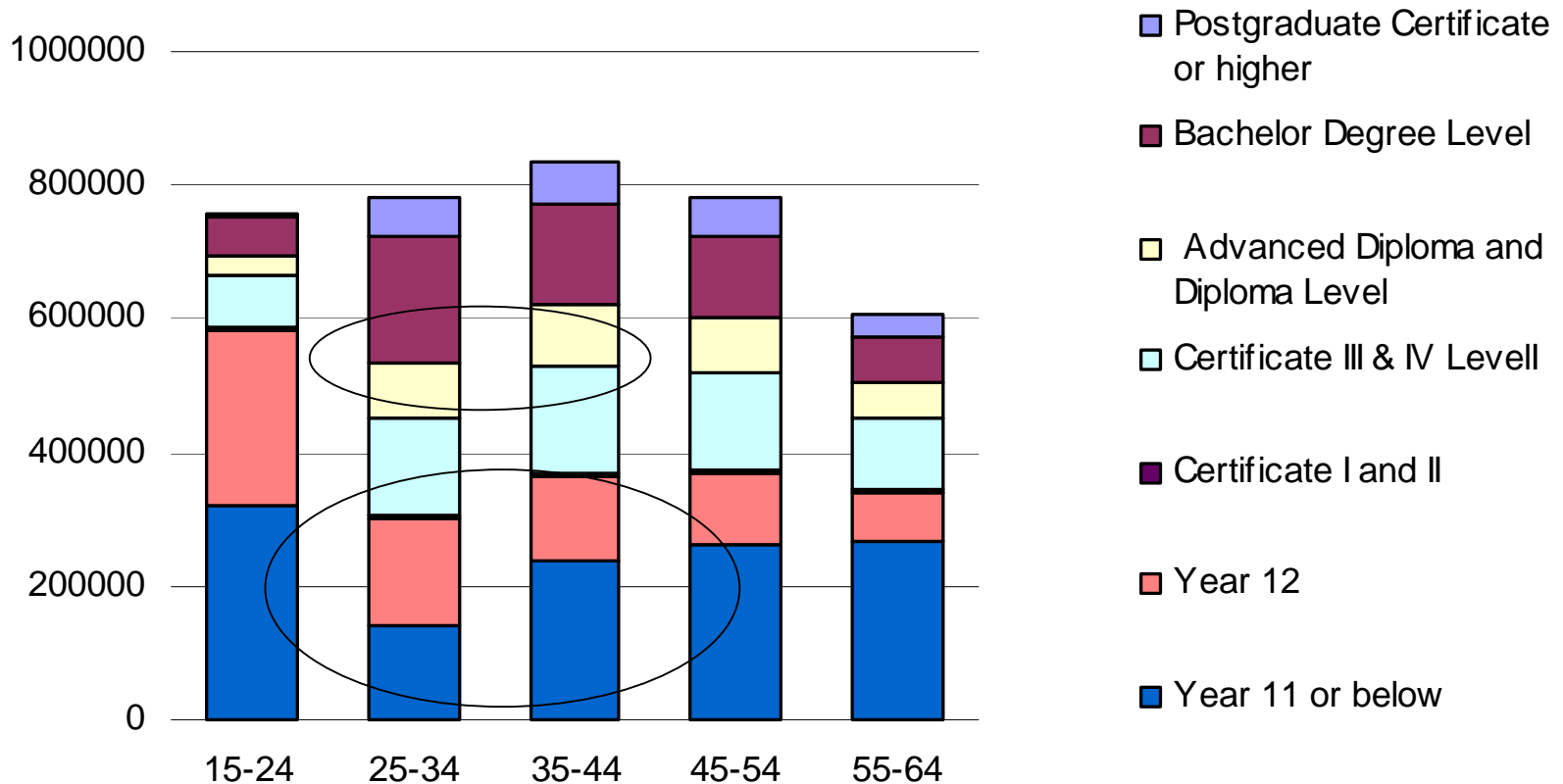


Increasing participation?

- Young people – 1 in 5 not in full time work or study
- Women – while participation increasing, still low by OECD standards.
- Men – labour force participation only increasing now after 13 point drop over 20 years

Potential skills upgrading

Highest Qualification by Age, NSW 2006



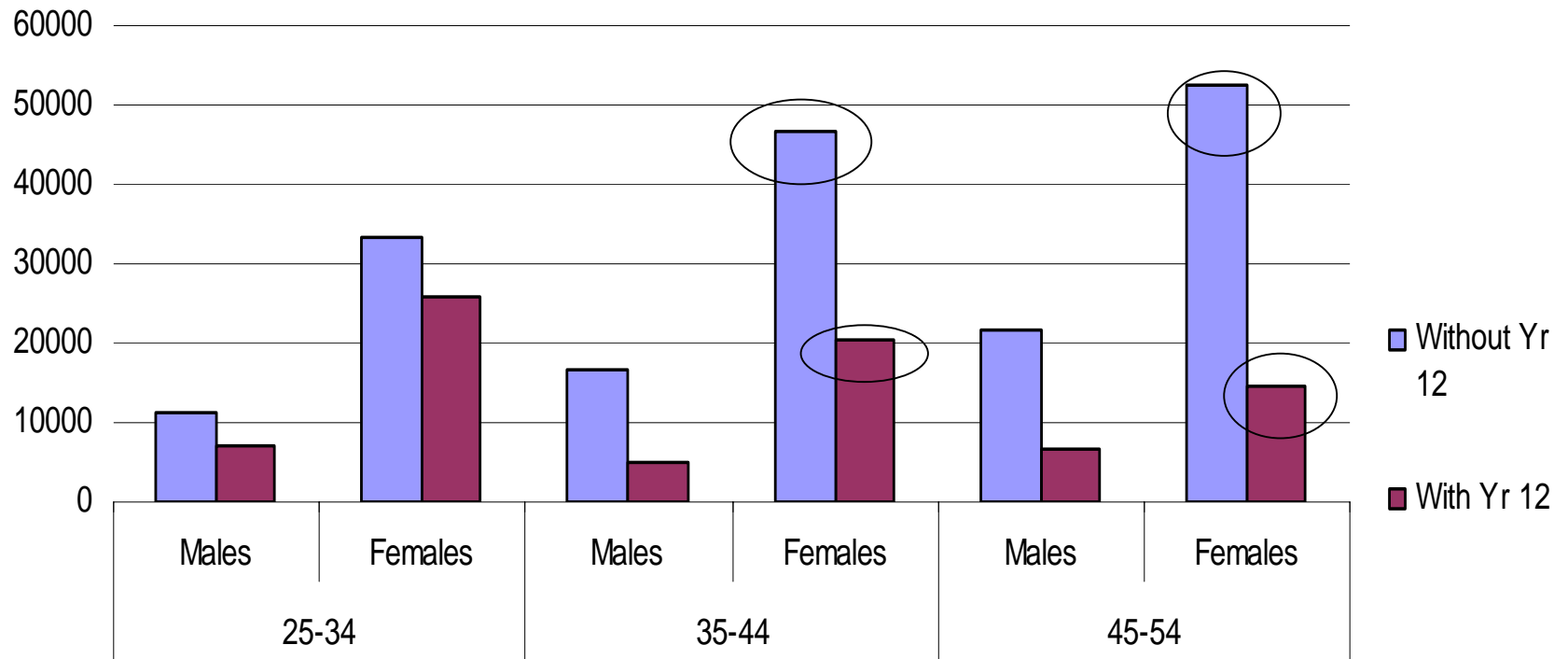
Example target group

Labour force status of 25-34 yr olds without school qualification, NSW 2006, (000s)



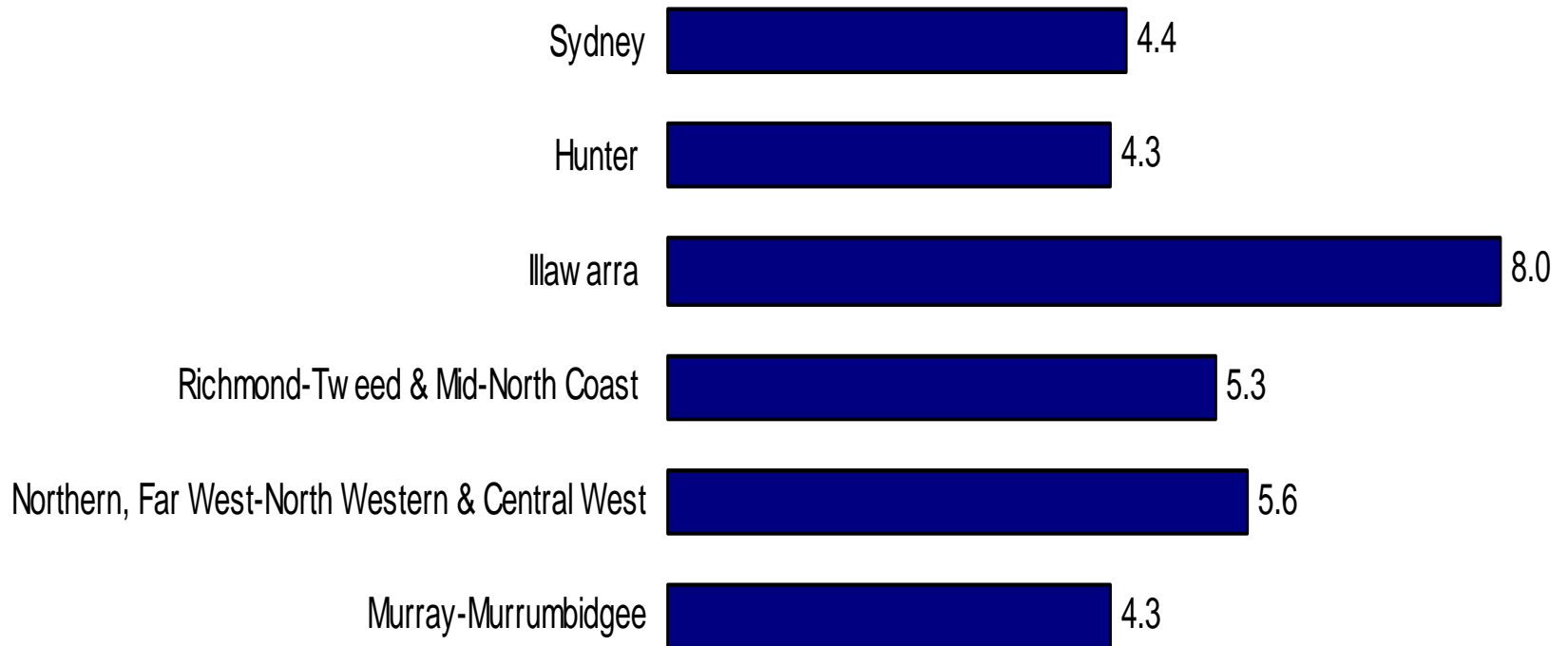
No qualification – an unemployment trap the economy can't afford

Unattached to the Workforce with Low Qualifications



Target regional variations

Unemployment Rate, NSW regions



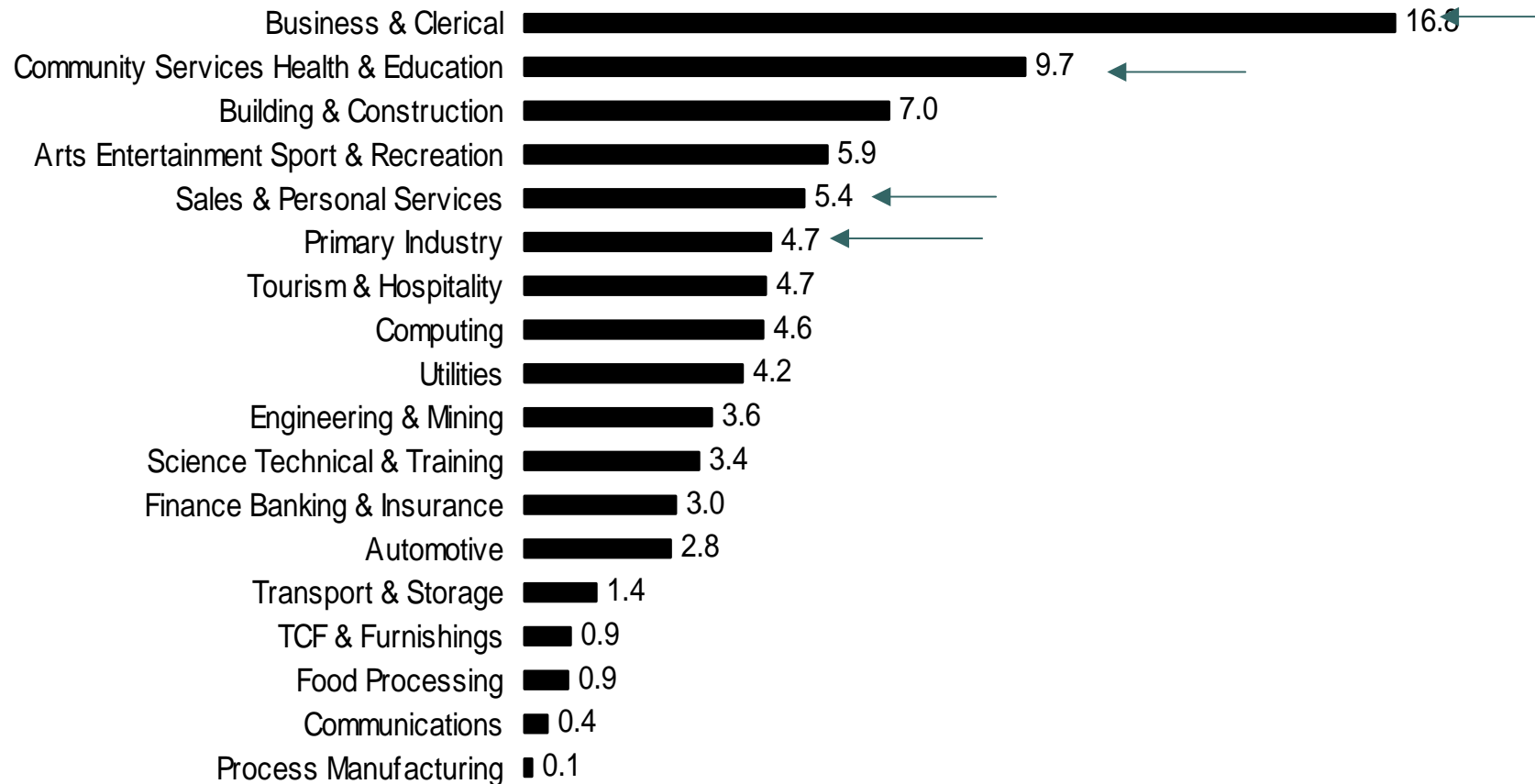
Target segments within regions

Youth Unemployment Rates, selected NSW regions, 2007



Government Training Investment

Training Hours by Industry, percentage, NSW 2006





Priority Industries

- Industries or sectors of strategic importance
- High growth and emerging industries
- Industries facing change
- Industries facing intense competition and structural adjustment
- Regional growth industries



Training underpins economic development

- Training supports business investment, business strategy
- Training not cost-effective if skills not applied
- Training system needs more effective intelligence on business investment and growth patterns



Strategic Principles

- Public investment must be highly targeted to areas of greatest need and impact -- industries, population groups and sub-regions
- Industry and individual investment must be built up through partnerships
- New models must deliver the right skills to the right people at the right time.



Goals for Vocational Training

Goal 1 To increase training participation

Goal 2 To improve training
responsiveness and relevance

Goal 3 To achieve effective training
management



Goal 1: Increase Training Participation

- Increase training in priority industries for state and regional development
- Promote early engagement with training
- Build higher level skills
- Increase flexibility in training entry and training options



Goal 2: Improve Training Responsiveness & Relevance

- Greater engagement with industry by training sector
- Increase skill development in priority areas
- Encourage better skill utilisation by industry and employers



Goal 3: Achieve Effective Training Management

- Embed skill development into NSW economic growth strategy
- Management of training through results
- Promote growth of the training sector



Challenges ahead

- situating training within overall economic and business development strategies
- building sufficient industry demand for skills upgrading
- securing the resources to provide additional and higher level training
- building capacity within the training workforce to engage with industry