

*The Future at Work – A Strategic Framework for
Workforce Development in Southern Adelaide*

MAIN REPORT

prepared for

Southern Metropolitan Employment and Skills Formation Network

by

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KEY MESSAGES

- ◇ Workforce development is a multi-faceted concept that requires us to pay attention to a number of policy domains including workplace organisation and management; education and training; industrial relations; work-life balance; childcare and elder care; and retirement incomes.
- ◇ It is important to conceptualise workforce development in terms of its direct relationship with economic development, and the bridge between both that is provided by education and training. It is important to develop a common agenda between workforce and economic development programs.
- ◇ In the next decade, employment will grow more quickly in skilled occupations. There is a significant undersupply of workers with VET qualifications, especially at the Diploma level.
- ◇ Regional Skill Alliances/Networks play a critical role in coordinating the delivery of education and training to supply skilled workers to industry.
- ◇ Workforce development opportunities should be made available across the life course (ie from young people to those nearing retirement), and as part of a broader lifelong learning strategy. In order to meet projected skill shortages, such opportunities should target employed as well as under-employed groups (eg parents wanting to return to work, people with a disability, under-skilled people). A life course approach to workforce development requires partnerships across different sectors and involving government, industry, community and training providers.
- ◇ Ideally, workforce development opportunities should be designed to meet the needs of employers and employees simultaneously. This is particularly pertinent in preventing the sudden and complete withdrawal from paid work of older employees.
- ◇ Although workforce development is typically focused at the enterprise, industry or even State level, and few examples exist at the regional level, existing research indicates that this can be achieved by organising economic and workforce development initiatives around specific occupations, industry sectors or clusters of firms with common characteristics.
- ◇ It is important that regional workforce development is based on governance structures and processes that enable an integrated and coordinated approach that works across programs and sectors. Such processes need to meaningfully engage employers who would otherwise compete for the same labour pool, who often lack the resources to pursue workforce development but could benefit from the economies of scale and coordinated input of a regional workforce development strategy.
- ◇ There is significant scope to implement regional level workforce development through identified Regional Workforce Intermediaries who provide expert guidance and support while generating innovative approaches to the needs of employers and employees.

- ◇ **The *Strategic Framework for Workforce Development in Southern Adelaide* incorporates these key findings, while building on existing workforce development and networks in the Region.**

1 Introduction

1.1 Purpose of the project

This report, and its three accompanying reports, present a *Strategic Framework for Workforce Development in Southern Adelaide* prepared by the Australian Institute for Social Research (AISR) for the Southern Metropolitan Employment and Skills Formation Network (SMESFN). The Framework is focused on four targeted industry sectors –

- o Food, Wine and Tourism
- o Education and Health
- o Advanced Manufacturing
- o Environmental Industries.

In the Southern Region, there is a need to develop a more sustainable industry structure while taking advantage of the projected population growth (exceeding the State average) that is expected for the region. In order to ensure that opportunities can be realised and challenges managed, a planned approach to industry development is critical. One aspect of this development revolves around the region's workforce. This has been the major driving force for the Workforce Development Framework for the Region.

While workforce development is attracting significant policy interest world-wide, it is usually undertaken at a State-wide or industry-wide or enterprise level. Examples of regional workforce development initiatives are much rarer (certainly in Australia). To this end, those commissioning this Project - the Southern Metropolitan Employment and Skill Formation Network (which comprises the funding partners of the Department of Further Education, Employment, Science and Technology (DFEEST) and the Cities of Onkaparinga and Marion) should be acknowledged for their leadership in this area.

In order to realise its long term economic potential, the Cities of Onkaparinga and Marion have developed a vision for the future – *Southern Adelaide: A new Economic Future* launched in April 2007. The report has been developed in the context of a number of State and local Government initiatives and is based on extensive consultation with key stakeholders. It has built on the strong collaborative tradition and networks in the Southern Region. One of the key actions from the *Southern Adelaide: A new Economic Future* initiative is the preparation of a Workforce Development Strategy for the Southern Region (Cities of Onkaparinga and Marion: 2007).

It is evident that a significant amount of work has already been undertaken within the region to identify workforce development directions in several of the target industries. This Project has built on this foundation in the preparation of the *Southern Region Workforce Development Strategic Framework*.

1.2 Project methodology

The methodology is based on four main components:

1) Contextual Scan

This phase of the project provided critical information to inform the primary data collection and to draw together the evidence base for workforce development in the Southern Region. Specifically, it involved:

- o Reviewing and analysing existing workforce plans relevant to the four targeted industry sectors, to enterprises and to the Southern Region.
- o A comprehensive literature review of workforce development and industry development approaches at the regional level.
- o Review and analysis of relevant supply side data (patterns of employment, demographic profile, and so on) from a number of recognised sources.
- o Overview of data regarding existing skill levels and gaps – including NCVER completions data for the Region and Industry Skill Boards' data.
- o Review of the impact on employment in the Region of Structural Adjustment Fund projects.
- o Review of relevant demographic data.
- o Review of ABS data that identify skill flows within the Southern Region (that is, provided by residents) and coming into the Region (from non-residents).

2) Review and analysis of occupational and industry forecasting data

An overview was made of available occupational and industry forecasting data, with specific input from these sources -

- ⇒ the *Monash University Centre of Policy Studies* forecasting data. DFEEST has provided the AISR with the Monash forecasting data. *The AISR wishes to acknowledge the support DFEEST has provided to this project.*
- ⇒ The Department of Trade and Economic Development (DTED) has prepared for the AISR forecasts of the workforce implications of major projects in South Australia using the EconSearch RISE economic model. *The AISR wishes to acknowledge the support DTED has provided to this project.*
- ⇒ *Monash University's Centre for the Economics of Education and Training (CEET)* has undertaken a significant amount of research involving labour demand and supply forecasts over the coming decade. For this Project, the AISR has reviewed relevant vocational education and training (VET) supply data and demand for skills data.

3) **Primary Data Collection – Southern Region Workforce Development Survey**

Workforce development specialist Julie Sloan Management Pty Ltd undertook an on-line survey of employers across all industry sectors in the Southern Region. One of the outcomes of this was a *Workforce Development Survey Template* tailored to each of the targeted sectors, with common questions to allow comparability across them and with specific questions that address distinctive features of each. The template provides a consistent approach to workforce development surveying that allows for comparative and over time analysis.

4) **Primary Data Collection – Qualitative research**

This Phase of the Project collected qualitative data that complemented the quantitative information obtained for the project and involved –

- o Structured interviews with key stakeholders
- o Regional workshop.

Structured interviews were undertaken with key informants in order to identify key demand issues and other workforce development challenges, as well as examples of good practice in attracting and retaining employees, and in responding to changing patterns of demand. Interviews also identified local level supply data regarding the workforce in the targeted industries.

Local level information was sought about the following –

- ⇒ current strategies in place to build a workforce to support viable development in the region
- ⇒ gaps in those strategies
- ⇒ areas where improved coordination could make individual effort more effective
- ⇒ governance arrangements
- ⇒ barriers to training and skill development and incentives that are being, and could be applied to attracting and retaining an appropriately skilled workforce.

This was undertaken in collaboration with Des Masters, Managing Director of Trimast Pty Ltd and Julie Sloan, Julie Sloan Management Pty Ltd.

Our consultation separated key informants at the national and State level from those at the Southern Region level. The former provided information about policy and overarching approaches to workforce development and broader economic growth while the latter focused on local knowledge, strategies and networks. Both sets of consultation explored demand and supply side issues.

A workshop facilitated by Julie Sloan, and hosted by the Triple Executive of the Local Community Partnerships (LCP) for Southern Adelaide, focused on young people and workforce planning for the three Southern Adelaide regions¹

¹ These regions are Southern Adelaide, Fleurieu Peninsula and Kangaroo Island.

The information from all of these components enabled the AISR to develop an over-arching *Workforce Development Strategic Plan for the Southern Region*, based on accurate forecasting data and informed consultation. This will guide more specific workforce planning within and across industry sectors.

1.3 Project team

The project team consisted of:

- o Associate Professor John Spoehr, Dr Kate Barnett and Mr Eric Parnis from the Australian Institute for Social Research based at the University of Adelaide;
- o Ms Julie Sloan from Julie Sloan Management Pty Ltd (who designed and undertook the regional workforce development survey and contributed to the key stakeholder consultations); and
- o Mr Des Masters from Trimast Pty Ltd, who undertook a series of in-depth interviews with key workforce development stakeholders in Southern Adelaide.

The Project has been supported by a Steering Committee comprising:

- o Mr Glenn Hickling - City of Onkaparinga (Project Manager)
- o Ms Penny Crocker - Office of the South
- o Mr Brian Hales - City of Onkaparinga
- o Mr Brett Mayne - DFEEST
- o Mr Neil McNish - City of Marion
- o Ms Bridget Ransome - City of Marion
- o Megan Clarke - Regional Industry Career Adviser.

2 Workforce development

2.1 Workforce development - the concept

The severe "skill gaps" that appeared in the 1990s showed that workforce development is about much more than assisting the unemployed and disadvantaged; it is also about producing a workforce with the skills that employers need if they are to succeed in a rapidly changing and highly competitive global economy. (National Governors Association Center for Best Practices, 2005: 2).

Workforce development needs to be understood as a **technical process**, as well as for its broader **economic context**. There are numerous definitions of workforce planning and development, most of which have a technical focus. For example -

Workforce planning is the strategic alignment of an organization's human capital with its business direction. It is a methodical process of analysing the current workforce, identifying future workforce needs, establishing the gap between the present and future, and implementing solutions.... (IPMA, 2002: vi)

“... the education, employment, and job-training efforts designed to help employers to get a skilled workforce and individuals to succeed in the workplace” (Jacobs: 2002).

The linking of workforce planning with business development also involves developing workplaces as well as workforces (Buchanan, 2006: 7). It is not only about developing workforce skills but ensuring that employers enable those skills to be fully utilised in the workplace. However, Australian research indicates that increasing numbers of workers report that their skills are under-utilised by employers (Considine: 2000; Livingstone: 1999).

In the area of skills, we need to ... focus on how workers can be better developed and deployed through improved work arrangements within and between workplaces. The shift ... is not so much about getting the workforce more ‘developed’; rather it is about how it is developed (Buchanan, 2006: 30).

The work by Buchanan (2006) for the NSW Board of Vocational Education and Training highlights the importance of structuring jobs and workplaces in order to maximise workforce skills and to enable their continuing development.

The key challenge ... is not just to create jobs at any price.... Ideally, they should allow people to develop and grow through undertaking tasks which extend them and build higher levels of competence over time (Buchanan, 2006: 12).

One of the implications of this argument is that workforce planning and development needs to have a strong focus on both employers (so that they can create the type of workplace that develops and maximises employees’ skills and capacity) as well as on employees.

Workforce planning is a means for implementing the objectives of workforce development, and workforce development is the key outcome sought from workforce planning. The concept of *workforce development* can be viewed as comprising a number of interrelated elements:

- ⇒ planning the size and composition of the workforce;
- ⇒ educating and skilling the workforce; and
- ⇒ retaining and managing the workforce.

As a strategy, workforce planning involves identifying the factors that shape the **demand** for a particular workforce as well as the **supply** of workers to meet that demand, and the inter-relationship between both. Supply-side data document a range of worker characteristics, such as, demographic, educational background and qualifications, previous workforce experience, intentions for remaining with a particular workforce and so on. Examples of demand-side factors include population ageing, technological change, global economic change and government policy development.

Most workforce planning and development is based at the level of individual organisations, but can also occur at other levels – including by industry, by sector or by region. **It is important to conceptualise its direct relationship with economic development, and the bridge between both that is provided by education and training.**

... economic development and workforce development are two sides of the same coin, and therefore their strategies and activities need to be aligned. (National Governors Association Center for Best Practices, 2005: 2)

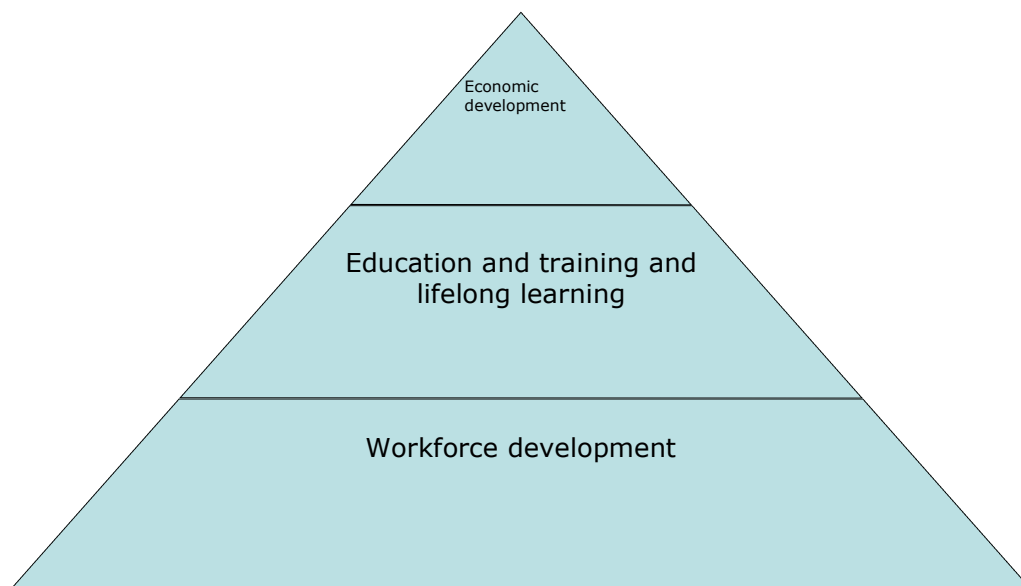
The need for skill development affects individual employees, individual employers and communities, and the failure to address this need affects all three sets of stakeholders.

Employers confront growing shortages of adequately prepared workers, yet high turnover rates discourage many businesses from making major investments in employee education and training. Low-skilled workers experience declining wages, yet they lack the skills to secure better jobs and the resources to obtain higher-level skills.

.... When making relocation or expansion decisions, businesses also consider a region's ability to provide a steady stream of skilled workers. However, communities' ability to be responsive to industry skill needs is hindered by the lack of coordination between the public education, economic, and workforce development systems. (NGA Center for Best Practices, 2006: 2).

Education and training should also be seen as part of a **lifelong learning process**, just as the increased capacity of individual workers should be supported on a **whole-of-life basis**. This three way relationship can be conceptualised in pyramid form involving three mutually reinforcing tiers, with workforce development forming the foundation for economic growth, and education and training linking both (National Governors Association Center for Best Practices: 2004, 2005, 2006). *Figure 1* below illustrates this relationship.

Figure 1: The workforce and economic development relationship



Ideally workforce planning should seek to address employer and employee needs **simultaneously**, enabling workers (or potential workers) to undertake skills training that

meets identified employer and industry need. While this should be part of its design, it does not necessarily occur in practice. The marrying of both sets of needs is particularly relevant in addressing the skill shortage anticipated with the retirement of *Baby Boomer* employees. Their departure from the workforce does not have to occur as a once-off process but could be phased, based on a **negotiation** process between employee and employer that is designed to meet the needs of both. This can be expected to involve **flexibility in working conditions** and reduced working hours. Such an approach is also relevant to engaging under-employed groups into paid employment (for example, parents delaying their return to the workforce due to the need for support in upgrading their skills and the guarantee of family-friendly work environments).

CRITICAL SUCCESS FACTORS IN EFFECTIVE WORKFORCE PLANNING

The Department of Defence (the largest Commonwealth Government employer) is considered by the Commonwealth Auditor-General's Department to demonstrate best practice in workforce planning. These **critical success factors** in workforce planning identified in the case study.

- o An enterprise level **personnel information system** to support workforce planning or a specialist database that captures the right types of information (noting that a spreadsheet would suffice for a small agency).
- o A reliable and valid **forecasting and mapping tool** that can allow consideration of future scenarios.
- o Access to **workforce planners** who have the requisite skills and competencies, including systems thinking and statistical analysis, as well as data interpretation skills to make use of this analysis.
- o Organisational **linkages and connections** that allow workforce planners to gain access and build credibility to influence and advise the business.
- o Useable products that operationalise that advice, that distil the data and trends, that are user-friendly, meaningful and can guide decisions at the unit level.
- o An **environment** that is receptive.
- o Relevant **policies and operating procedures** to record how workforce planning links to business planning and to sustain the activities.
- o **Support from the senior executive level**, facilitated in Defence by a Workforce Plan and a People Plan signed off by the executive.²

² The Auditor-General Audit Report (2005)

2.1.1 Drivers of workforce development

(For more detail on these issues, Refer to Accompanying Report 1, Section 2.)

Population ageing

South Australia's ageing workforce is one of the major challenges facing policymakers and employers over the next decade. South Australia already has the oldest population and workforce in Australia, so the prospect of acute labour shortages looms large. After steadily increasing, the working age population (15 - 64 year olds) in South Australia is projected to decline at the beginning of the next decade. Around one third of South Australia's current workforce will be approaching the age of retirement over the next decade (TASC: 2005).

At the same time, low fertility rates are reducing the supply of younger workers joining the workforce. Currently there are **5.25** people in the (potential) workforce for every person aged 65 and over. By 2050-01, this will have fallen by more than a half, to **2.2** (Productivity Commission: 2004).

Retaining older workers in the labour market (and providing opportunities for the current pool of mature aged unemployed and those underemployed) will become increasingly important to ensuring a source of skilled labour, as the pool of younger entrants shrinks.

Retirement trends

Older people are likely to continue working, but with a reduced number of hours and with flexible work hours. This is indicated by the trend for people to live longer and with better health, bringing with it an increase in expectations about active lifestyles, as well as an increased capacity and need to keep working.

Recent Australian government policy is setting in place a framework to discourage earlier trends to retire from 55 years onwards, and to encourage prolonged participation in paid employment. While this trend can be expected to continue, and will be supported by many *Baby Boomers*³ themselves, **it will require significant change in occupational and health and safety regulations (which discourage the employment of people over 65), in ageist employer and community attitudes, and inflexible employment practices.**

The need for a skilled workforce

Driven largely by the combined impact of international competition and new technologies, there has been a substantial shift in the Australian labour force towards employment in occupations and industries requiring high levels of skill. Employment forecasts for 2016 show a shift towards high-skill occupations (Shah & Burke, 2006: 1). The Productivity Commission estimated that in 2000, more than half of all jobs required post-secondary qualifications, compared with less than 40% of jobs twenty years earlier (ACOSS: 2007; Productivity Commission: 2002). The Australian Industry Group has estimated that 86% of occupations now need a post school qualification (ACOSS: 2007: 3; Ai Group: 2006). *This is discussed further in Section 2.2.4 and in Accompanying Report 2, Section 2).*

³ People born between 1941 and 1965, and representing our largest population cohort.

Consequently, a key feature of workforce planning and development in the Southern Region of Adelaide will be the provision of a training and education pathway to employment that begins in secondary school. Of particular importance will be the VET in Schools program and apprenticeships and traineeships, as well as training opportunities for existing workforce members.

2.2 The workforce development challenge in Australia

Workforce ageing has captured the attention of policy makers at a State and National level over the last few years. Workforce development has gained additional prominence through the *Council of Australian Government* (COAG) communiqué on human capital (COAG: 2006). The communiqué notes:

....that with an ageing population, there will be relatively fewer Australians of working age. To avoid putting too great a burden on those already in work, more Australians need to realise their potential by entering or rejoining the workforce. At the same time, in the face of intense global competition and changes in technology any reduction in workforce participation needs to be offset by improvements in the ability of the workforce and in productivity.

The workforce information presented here is derived from a number of sources⁴. Information is presented for Australia and South Australia while data relating to the Southern Region can be found in *Section 3*.

2.2.1 National workforce trends

The Australian Government Department of Employment and Workplace Relations through its *Workforce Tomorrow* Report (DEWR: 2005) highlights the magnitude of the workforce development challenges facing the nation over the next decade. Three of the challenges identified involve –

- 1 the ageing of the workforce
- 2 skill shortages and
- 3 a 'tight' labour market.

Other trends that are also driving the need for workforce planning include:

- o The rapid pace of technological change creating shortages of new skills and making other skills obsolete; and
- o Increasing pressure for workplaces to facilitate work/life balance.

In such a complex and evolving context, workforce planning becomes of critical importance.

Ensuring a sufficient number of workers with the appropriate skills to support the economy has long been recognised as a fundamental workforce development challenge, and many

⁴For example, DEWR, 2005a, DEWR, 2006, City of Onkaparinga website.

nations, including Australia, the United Kingdom and Canada have national skills development policies and frameworks. As the broader impact of demographic change and ageing on the workforce becomes better understood, the focus of these policies will need to change. This challenge is shared by Australia which to date has not made the fundamental changes to national skill formation and employment policies that are warranted by the ageing of the workforce (Windsor et al: 2005).

At the national level, these trends are projected –

- o The proportion of the national population aged over 65 **will almost double** to around 25% over the next 40 years (DEWR: 2005a).
- o Between 2002 and 2011, three-quarters of the growth in the working age population will occur in the 45-64 age group (DEWR: 2005b).
- o Three-quarters of the working age population will be aged 45-64 by 2011 (DEWR: 2005b).
- o **33%** of the workforce is expected to retire in the **next 5 years** (DEWR 2005b).
- o The estimated impact of population ageing in Australia is a national shortfall of **195,000** workers, with a -
 - ⇒ retail trade shortage of 22,100
 - ⇒ manufacturing shortage of 45,400
 - ⇒ health and community services shortage of 8,000 (DEWR 2005b).

2.2.2 South Australian workforce trends

The workforce planning challenge facing South Australia can be summarised as involving these two issues:

1. Sustained economic growth and workforce ageing are fuelling skill shortages and gaps.
2. Relatively few firms have workforce planning and development processes in place or have access to appropriate tools or support services.

The challenges driving the *Workforce Development Framework for the Southern Region* are shared by South Australia as a whole and are documented in the *State Workforce Development Strategy - Better Skills, Better Work, Better State* (2005) – see *Accompanying Report 1, Section 2.3*. They include:

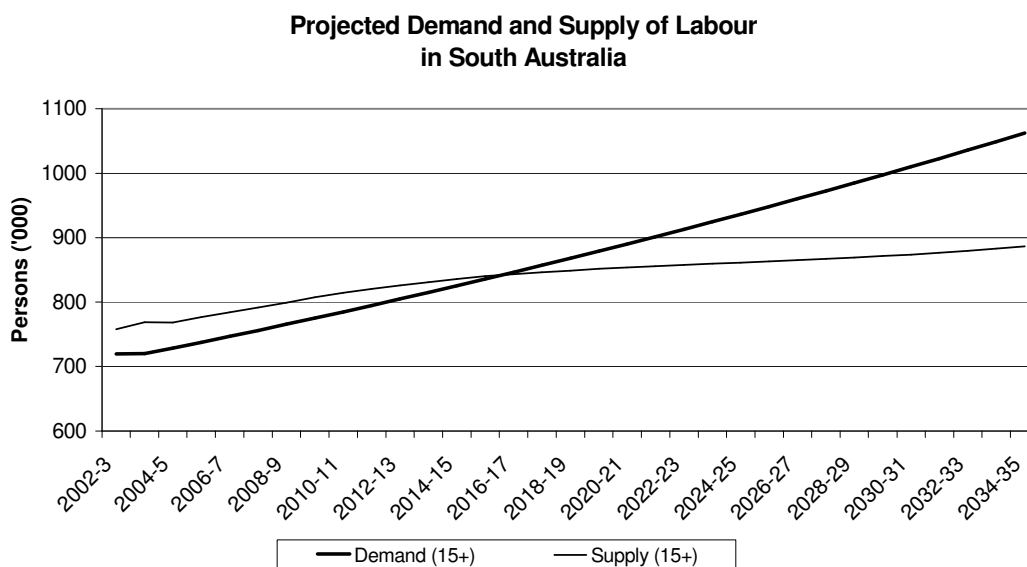
- o An ageing population that may result in a loss of skill as the *Baby Boomer* cohort approaches the usual retirement age - unless incentives are identified for their retention. The need for succession planning is also significant. The estimated impact of population ageing in South Australia is a shortfall of **9,500** workers across the economy.
- o The *employment share of mature aged workers* (ie aged 45 and over) varies considerably across industry sectors in South Australia. Industry sectors which have the highest share of older workers are education, agriculture, electricity gas and water, and

communication. The lowest proportion of older workers works in accommodation, cafes and restaurants, retail trade and mining.

- o *Insufficient numbers of young skilled people* and the need to attract and retain them.
- o The need to develop workplaces that are *family-friendly* and enable an effective *work-life balance* across the life cycle.
- o The need to develop *high performing* workplaces.
- o *A shortage of skills* exacerbated by relatively low unemployment rates.
- o *The need for flexibility* to adapt to the dynamic nature of the labour market and changes in the economy.
- o *Structural change* that can produce a decline in some industry sectors and the emergence of new industries).

The workforce development challenges facing South Australia are further illustrated in *Figure 2* below. These challenges are magnified by the number of current and projected major projects in the State requiring, in some cases, significant numbers of skilled employees. *Figure 2* reveals the central challenge. **On current projections, and without significant policy intervention, the demand for labour in South Australia will outstrip the supply of labour from around 2017.** This presents a significant challenge for policy makers to develop innovative workforce development responses.

Figure 2:



Source: DFEEST estimates provided to the AISR, based on labour demand projections developed by Monash Centre of Policy Studies; and a labour supply scenario incorporating South Australian Government population projections and Productivity Commission labour force participation rate projections.

2.2.3 Occupational and industry forecasts for South Australia

This section reviews and analyses occupational and industry forecasting data commissioned from the *Monash University Centre of Policy Studies* together with forecasting data prepared by *EconSearch*. As DFEEST is a funding partner for this project, it has provided the AISR with the Monash forecasting data. (Refer *Accompanying Report 2, Section 2.3.*)

The Department of Trade and Economic Development (DTED) has prepared for the AISR forecasts of the workforce implications of major projects). In preparing these estimates, DTED used the RISE economic model (EconSearch: 2005) – refer *Accompanying Report 2, Section 2.4*.

It is important from the outset to stress the limitation of economic forecasting, especially for a sub-State region like Southern Adelaide and therefore the numerical forecasts produced for employment should be considered indicative only. This limitation is neatly summarised by Richardson and Tan (2006):

“It is extremely difficult, in both theory and practice, to forecast how the demand for labour is going to evolve – beyond a few years into the future. Economies are complex and dynamic and are affected by many forces that cannot be predicted with any confidence. Major influences on the economy include:

- *new technology;*
- *the macroeconomic state of the domestic economy and of the economies of trading partners;*
- *the amount of capital investment and its distribution between industries;*
- *changes in governmental policy;*
- *and the interaction of these factors.*

The changes in demand for skills reflect technological innovation, the strategies that industries adopt to increase productivity, and the tastes of eventual consumers. Even the best of the forecasting models do only a moderate job of projecting total output and employment for a number of years into the future. Their accuracy falls rapidly as the projection horizon extends, as the types of skills become more disaggregated, and as projections are made by region.

We emphasise that the labour market is dynamic. People are constantly changing their jobs, learning new skills from their work, moving to new locations, moving in and out of the labour force, changing the number of hours per week they work. At the same time, firms are being born, growing, dying, declining, altering the size and skill set of their workforce, recruiting strategic new skills, training some of their existing staff with the additional skills they find they need. By these means, via the continuing search of employers and workers for a good match, shortages and surpluses usually sort themselves out over time”. (Richardson & Tan: 2006).

Employment growth represents just one part of the labour demand equation. Demand for labour is also generated through replacement demand. This is the demand for labour *arising from the need to replace people who leave occupations*, rather than the demand for labour arising from jobs growth (Shah and Burke: 2006a).

The addition of employment growth brought about by economic growth and the employment demand arising from the need to replace people who leave occupations can be described as **“job openings”**.

The most recent employment forecasts for South Australia provided by Monash University to DFEEST show these results⁵:

⁵ Centre for Policy Studies Monash University forecasts, provided to AISR by DFEEST.

1. Between 2005-06 and 2013-14, it is estimated that there will be around 338,110 total job openings across all occupations in South Australia⁶. This equates to around 42,200 job openings per annum over this period. In a historical context this number of job openings is slightly higher than current levels (around 38,800), due mainly to the impact of the ageing workforce.
2. The vast majority of the increase is the result of **replacement demand**, due to a large number of workers expected to leave occupations primarily because of retirement.
3. In addition to this will be the employment growth generated as a result of individual **major projects** (see *Accompanying Report 2, Section 2.4*) not accounted for in the forecasts.

Job openings data are not available at the industry level (because replacement rate forecasts are not produced at industry level). However, economy-wide employment forecasts are produced by Monash at the two-digit ANZSIC level. The industries expected to experience the greatest employment growth (in numerical terms) in South Australia as a whole to the year 2014 are shown in *Accompanying Report 2, Section 2.1.3, Table 6*. This shows that employment growth in South Australia is forecast to be strongest to the year 2014 in the services-related sectors of **business services, education and Government administration**, followed by **road transport, household good retailing and food retailing**.

2.2.4 National workforce demand patterns – the increasing significance of skills

Research undertaken by the Queensland Department of Education and Training using ABS 2001 Census Population and Housing data has identified a significant skills-jobs mismatch, particularly in jobs requiring a VET qualification. This analysis identifies –

- ⇒ a demand that involves **62.3%** of jobs requiring a VET pathway against a supply of **29.9%** of the working age population in Australia holding VET qualifications.
- ⇒ By comparison, 24.0% of jobs require university qualifications and these are held by 20.0% of people aged 15 to 64 years.
- ⇒ Of concern too is that 50% of the population lack formal qualifications while only 13.7% of jobs require no qualifications (research cited by Ai Group: 2006).

Monash University's Centre for the Economics of Education and Training (CEET) has undertaken a significant amount of research involving labour demand and supply forecasts over the coming decade⁷. Their research is designed to identify the number of new entrants and existing workers who will need to be trained in the next ten years, and the VET provision, in terms of *quantity* and *distribution*, that will be needed.

⁶ Monash has produced a range of forecasts from which job openings have been derived. The 338,100 is considered an 'upper level' forecast.

⁷ See Shah and Burke, 2006b

A key finding of this and other research is that employment over the next decade will grow more quickly in higher skilled occupations than in lower skilled occupations nationally.

- o High employment growth is forecast in **high-skill occupations** (Managers and Administrators, Professionals and Associate Professionals).
- o In Advanced Clerical and Service and Trades occupations a **decline** is forecast, although in the Trades the decline is marginal.
- o In all other occupations the forecast is for relatively **moderate** growth.

Table 7, Section 2.2 of *Accompanying Report 2* estimates future demand for qualifications by employment in Australia. It shows:

- o While employment is projected to increase by **11.9%** over the decade 2006-2016, it is forecast that the number of people employed **with qualifications** will increase by **34%**, while the number employed without qualifications will fall by 20% - from around 41% of those employed to 29%.
- o The largest increases are projected to involve people with **Diploma** qualifications (103.6% increase), followed by **Certificate IV** (54.9% increase), **Advanced Diploma** (25.0%) and **Certificate III** (21.6%).
- o A decline of 30.2% is forecast for Certificate I qualifications (Shah & Burke: 2006).

If the supply of people with VET qualifications remains at the same level as in 2006, and requirements increase as projected, a shortfall of **240,000 qualified people** nationally will occur over the ten years to 2016 (*refer Accompanying Report 2, Section 2.2.1, Table 9*). To address this shortfall, it is estimated that net completions from the VET sector will need to increase from current numbers by **1.9%** each year - or by 931 million contact student hours over the decade (Shah & Burke: 2006b).

A shift in distribution to higher level qualifications means a considerable increase in the average **time taken to complete a course**. Therefore future policy needs to address the dual problem of increasing the overall *level* of supply and its *distribution* towards higher qualification levels.

2.3 The South Australian workforce development policy context

2.3.1 The origins of the South Australian Workforce Development Strategy

A range of workforce development policies and programs has been developed in recent years, some in response to *South Australia's Strategic Plan* (2004), and others preceding it. In 2002 the South Australian Government commissioned a number of reviews and inquiries examining South Australia's skills base and how the Government's various employment and training programs could provide a response to demographic and labour market changes. These reviews identified concerns about future labour and skill shortages in the absence of co-ordinated action. The two key reviews, the *Skills for the Future Inquiry* (Schofield: 2003) and the *Review of South Australian Employment Programs* (Spoehr: 2003) both recommended the need for a workforce development strategy for South Australia. The *Skills for the Future Inquiry* further recommended that a Training and Skills Commission be

established and that it be responsible for developing a State Workforce Development Strategy. This approach was backed by the State Government's Economic Development Board in its *Framework for Economic Development* (EDB: 2003).

The release in 2003 of *South Australia Works* (Government of South Australia: 2003), the South Australian Government's suite of employment and skills formation programs, publicly articulated the Government's intention to release a Workforce Development Strategy for South Australia.

South Australia's population policy - *Prosperity through People* (Government of South Australia: 2004a) – is designed to increase population through migration and fertility.

Among the population challenges identified by *Prosperity through People* are a range of workforce issues that relate to increasing and retaining a skilled labour force. Compared to the national average, South Australia's labour force has a lower proportion of people with a post-school qualification (50.7% compared with 55.0%) and a lower participation by women in paid work (61.6% compared with 63.8%).

The targets included in the Population Policy form part of the Government's broader targets for South Australia, articulated in *South Australia's Strategic Plan* (Government of South Australia: 2004b). The Plan adopted the recommendation of the *Skills for the Future Inquiry* that a workforce development strategy be prepared for South Australia.

South Australia's Strategic Plan also set a target to improve South Australians' quality of life through maintaining a healthy work-life-balance (refer Target 2.12). In early 2007, the South Australian government announced that it would develop a *Work Life Balance Strategy*. This is being administered and managed by *SafeWork SA* and at the time of writing a cooperative, cross-government strategy was being developed to respond to Target 2.12.

To support these strategic initiatives, a *Workforce Development Research Consortium* has been established in South Australia to work with Government and industry to develop the State's capacity to understand the impact of demographic change and ageing on the workforce. It brings together researchers from the Australian Institute for Social Research (the University of Adelaide), the National Institute for Labour Studies (Flinders University) and the University of South Australia. The Consortium has provided support for the development and implementation of the State Government's Workforce Development Strategy.

The work of the Consortium was given a significant boost in 2004 by the awarding of a national ARC Linkage project grant by the Australian Research Council (ARC). The project involves a partnership between the Consortium, the South Australian Department of Further Education, Employment, Science and Technology and the Office of the Commissioner for Public Employment in South Australia. The project will develop a conceptual framework to inform workforce development, and develop workforce planning tools to assist Australian workplaces to respond to the challenges of demographic change and ageing. It will also build a nationally and internationally significant workforce development research and research training capacity to support the public and the private sectors.

An overview of the content of these different initiatives can be found in *Accompanying Report 1, Section 3.2*.

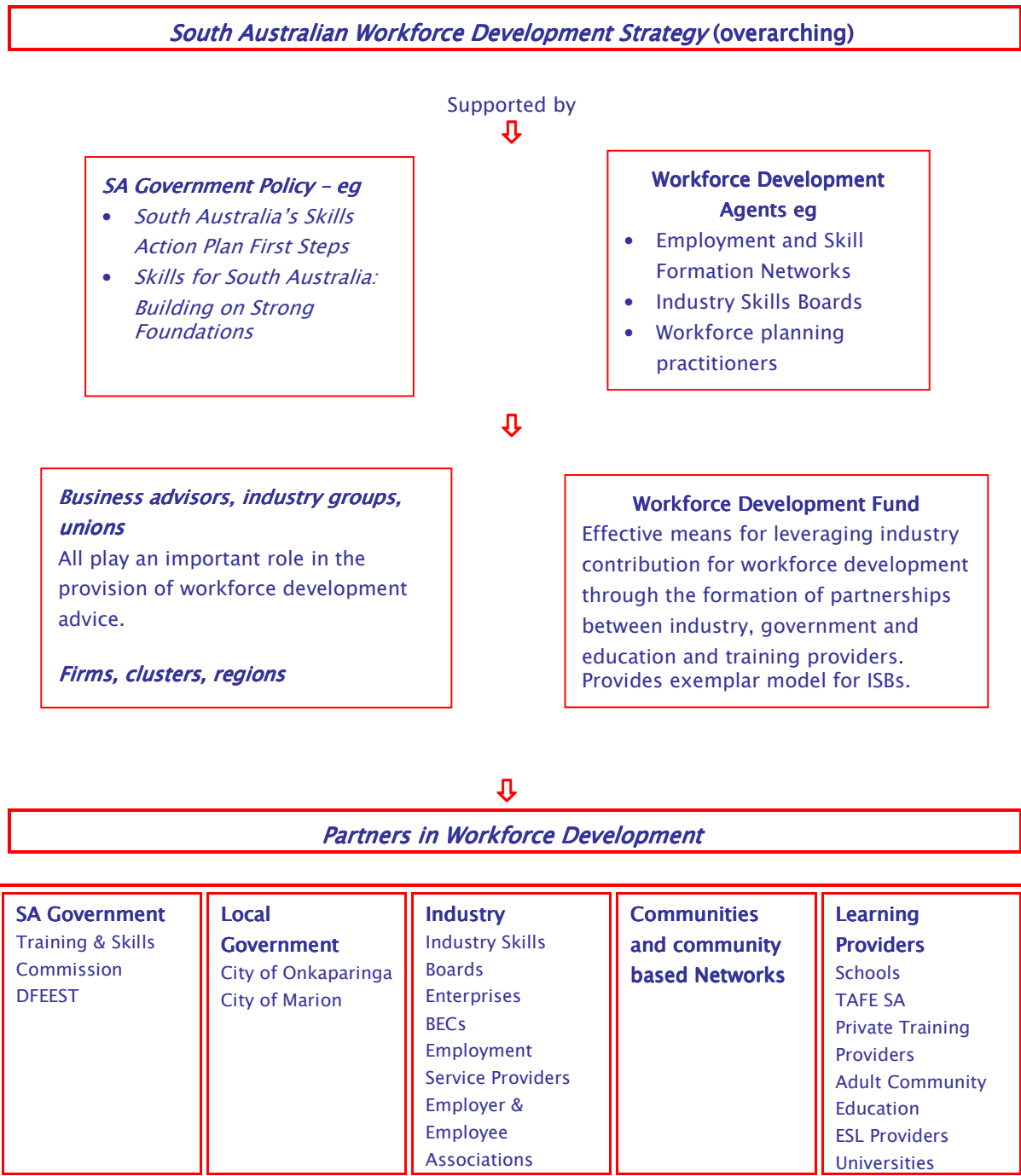
2.3.2 Workforce Development Framework

Workforce planning and development in South Australia can be conceptualised in a **Workforce Development Framework** as illustrated in *Figure 3* below. Developed by the Australian Institute for Social Research, this is designed to illustrate the relationship between the *Southern Region Workforce Development Strategy* and South Australian workforce development.

- 1 At the top of the framework is the over-arching *Workforce Development Strategy* being implemented by the State Government through the **Training and Skills Commission**. The Workforce Development Strategy is driven by 3 interrelated priorities:
 - ❑ The creation of a high skill economy
 - ❑ Access to quality employment and
 - ❑ Shaping the future through better workforce planning.⁸
- 2 At the second level support is provided through *SA government labour market and workforce development policy* and through *Workforce Development Agents* acting as intermediaries in the workforce planning effort. The **Industry Skills Boards** and the **Employment and Skill Formation Networks** act as agents for the Strategy through their ability to identify workforce development needs and priorities. **Workforce planning practitioners** possess the expert knowledge to assist firms, clusters and regions with their specific workforce planning needs.
- 3 Also supporting workforce development in South Australia are the various *business advisors, industry groups and unions* who provide advice that feeds into the workforce planning process. Individual *firms, clusters and regional groups* provide the impetus for workforce planning and also need a sufficient level of understanding in order to support and drive workforce development. Support is also provided structurally through the *Workforce Development Fund*, which is administered by DFEEST.
- 4 The foundation of the framework is provided by the various *partners* in workforce development, with five main groups identified – State Government, Local Government, Industry, Learning Providers and Community.

⁸ Government of South Australia 2005

Figure 3: Workforce Development Framework South Australia



2.4 Workforce development at the regional level – lessons for Southern Adelaide

While workforce development is attracting significant policy interest, it usually has a State-wide, industry-wide or enterprise focus. Examples of regional workforce development initiatives are much rarer (certainly in Australia).

It can be useful to conceptualise workforce capital at the regional level in terms of a 'skill ecosystem'. Drawing on the work of Finegold (1999) and Keep and Mayhew (1999) Buchanan defines a skill ecosystem as –

...clusters of high, intermediate and low level competencies in a particular region or industry, which are shaped by interlocking networks of firms, markets and institutions (2006: 14).

Buchanan notes that skill ecosystems are shaped by a number of factors, including the business setting, institutional and policy frameworks, the way in which jobs and workplaces are structured, the level and type of skill formation, technology, broader change in the life course and how people combine work with other aspects of their lives. An important part of workforce development in the Southern Region will be the identification of the regional skill ecosystem and the factors that are shaping this.

A number of studies accessed for this report have highlighted the importance of workforce development policy being integrated with industry development in the region. Many of these examples come from the United States which has a long history of community-based programs directed at improving the employment prospects of disadvantaged job seekers (Buchanan: 2006).

One of the most useful examples derives from the USA where the National Governors Association (NGA) Center for Best Practices has been working with six USA States⁹ to promote improved labour market performance by organising economic and workforce development efforts around particular occupations, industry sectors, or clusters of employers with common characteristics (NGA Center for Best Practice: 2005). The AISR has applied many of the lessons derived from their research to the development of the Southern Adelaide Framework for Workforce Development (*see Section 4*).

The *State Leadership in the Global Economy Project* (NGA Center for Best Practices: 2004) was designed to assist governors of the six participating American States to develop the policy infrastructure and strategies needed to assist workers and businesses to remain competitive in a global economy. One of the key components of this initiative was the *Next Generation of Workforce Development* project, part of which involved a two year intensive capacity building process known as the *Workforce Development Policy Academy*. This provided a structured forum for policy teams to meet and plan in relation to key issues, with expert workforce development support. The Academy model was defined as “... a highly interactive and iterative, team-based process for crafting policy strategies and solutions to complex policy challenges.” Participating States organised a team of decision

⁹ Idaho, Missouri, Montana, New Jersey, Ohio and Virginia

makers from across agencies with a designated team leader selected by the Governor. These teams participated in two to three formal meetings, each lasting up to three days and held at six monthly intervals, that required them to –

- a) work within their team in an in-depth exploration of issues and solutions to identified policy challenges
- b) engage in cross-team analysis and critiques of policy proposals
- c) with access to a ‘faculty’ of national and State policy experts.

These were the **key lessons** that emerged from the ‘*Next Generation of Workforce Development Policy Academy*’ initiative. It is important to –

- I ***Align workforce development and education with economic development.*** This requires a clear understanding of the industries in the State and a common understanding of the knowledge and skills required to compete successfully. Each of the six States understood the importance of developing a **common agenda** between their workforce and economic development programs. This agenda identified key industries and their skill needs.
- II ***Build an education and training ‘pipeline’ to supply industry with skilled workers.*** This requires **seamless connections** between the different sources of education and training (eg secondary and post secondary) and between these sources and the workplace. The ‘one-stop-shop’ model can provide one means of achieving this outcome. Another model identified by the Project involves **Regional Skill Alliances (RSAs)** which are networks of firms that collaborate to acquire or reduce the costs of worker training programs.
- III ***Expand opportunities for continuous learning.*** To do this requires the building of **partnerships** between business and education and training providers so that workers have the opportunity to continuously upgrade their skills and knowledge. It also requires partnerships between education and training agencies, workforce development agencies and economic development agencies.
- IV ***Build career pathways for workers.*** This involves marrying the needs of **employers** (and more broadly of industry) with those of individual **workers** (rather than leaving the responsibility of career development with either individuals or companies). It requires precise information about labour market needs and about learning opportunities, and ready access to different levels of education and training. This information is extremely pertinent in relation to workers who are approaching retirement as it can prevent sudden withdrawal of skilled labour through complete retirement by enabling phased retirement negotiated between employees and employers. An incentive for employees in such negotiation is likely to involve flexible working conditions. It also includes the provision of opportunities to low wage, less skilled workers to obtain further training and career development which also meets identified industry shortages.
- V ***Strengthen the governance of workforce programs through outcome measures that are system-wide and tied to the economic goals of the State.*** A key barrier identified to achieving this is a lack of **cross-system performance indicators** that demonstrate the

individual and collective contribution to State economic goals. One solution was found to involve identifying a common set of measures across programs and using tools such as, performance score cards, to report on the measures. The involvement of multiple organisations in providing education and training, often with competing priorities, makes it difficult to achieve system wide accountability for workforce development, and for individual programs to be connected. Individual workers can be deterred by the absence of seamlessly linked education and training, while employers can be deterred by the administrative complexity associated with multiple provision.

The National Governors Association has found that the six USA States with whom it has conducted research can promote improved labour market performance by organising their own economic and workforce development efforts around particular occupations, industry sectors, or clusters of employers with common characteristics (NGA Center for Best Practices: 2005). The lessons from the NGA Center for Best Practices' research have shaped the Principles and Objectives articulated for the Southern Adelaide Workforce Development Strategic Framework – *see Sections 4.2 and 4.3.*

In reporting on two Australian pilot programs established to test the skill ecosystem concept, Buchanan (2006: 17-22) has identified a number of lessons that include –

- o The importance of employers working together to take responsibility for their role in skill development, the time investment required for this, and the difficulty of achieving this outcome.
- o The key role to be played by intermediaries who work with and not for the industry sector or region they are servicing. The intermediary has both business capability as well as workforce development capability and works to support both. The intermediary often has to undertake continuous advocacy on behalf of skill development.
- o The need for a wide range of stakeholders to be engaged and to work collaboratively. These included industry representatives, workplace managers, VET providers, and State government representatives.

Taking into account the lessons arising from the Australian pilots as well as the Regional Workforce Development Collaboratives in California, Buchanan (2006: 20) noted the importance of each of them being designed to link workforce and economic development through initiatives that were 'collaborative in scope, regional in scale'. He also makes the point that regional collaboration is not well suited to addressing both economic and workforce development, but that this also rests on the type of networked structure established for this purpose. This means that the governance structure and associated processes underpinning the *Strategic Framework for Workforce Development in Southern Adelaide* need to ensure that collaboration is more than a nominal exercise.

Better integration of employment and learning requires fundamental changes in employer collaborative behaviour and in the way that they as a group coordinate with others, especially educators....

Educators and other stakeholders have a vital role to play. They must be neither masters nor servants in any new approach to linking employment and learning (Buchanan, 2006: 22).

2.4.1 Principles of regional workforce development

The literature scan undertaken for this project identified a number of principles underpinning regional workforce development strategies:¹⁰ These are summarised below.

Principle	Explanation
<i>Integration of stakeholder planning</i>	Private and public employment and skills initiatives should be linked and integrated.
<i>Comprehensiveness</i>	Industries, governments and other stakeholders should consider the whole range of measures available for maximizing employment and skills opportunities – not only training and education.
<i>Skill transferability</i>	In addition to key growth occupations, learning and employment initiatives should reflect high demand transferable skill sets including soft skills and entrepreneurial skills.
<i>Demand-driven employment strategies</i>	Employment and skills initiatives should link learning and experience to where job openings are the greatest, including self employment.
<i>Relationship-Building and Partnerships</i>	Valuing real partnerships and on-going relationship building within and among stakeholders' constituencies.
<i>Programming flexibility</i>	Employment and skills initiatives should be flexible in order to respond to emerging needs and to seize new opportunities.
<i>Local Community Capacity-Building</i>	Recognition that planning and implementation of employment and skills development strategies need to occur within local and regional communities.
<i>Leadership and shared responsibilities of all stakeholders</i>	All stakeholder groups need to demonstrate leadership in working within and across constituencies to pursue employment and skills opportunities. It is critical that the employment and skills strategies are not owned nor driven by Governments.

2.4.2 Goals of regional workforce development

Industry-specific regional approaches to workforce needs reviewed in the Contextual Scan undertaken for this Project reflect a number of aims for key stakeholders to pursue, including to:

1. Address the needs of **employers** by focusing intensively on the workforce needs of specific industry sectors over a sustained period;

¹⁰ See for example, Final Report of the 2010 Human Resources Planning Committee (2003) Aust Inst for Soc Research (2007) *The Future at Work: Strategic Framework for Workforce Development in Southern Adelaide*, prepared for Southern Metropolitan Employment and Skills Formation Network 25

2. Address the needs of **workers** by creating formal career paths to good jobs, reducing barriers to employment, and sustaining or increasing higher skilled jobs;
3. Bolster **regional economic competitiveness** by engaging economic development experts in workforce issues;
4. **Engage a broader array of key stakeholders** through partnerships; and
5. Promote **systemic change** that achieves ongoing benefits for the industry, workers and the community (Marusen: 2004).

2.4.3 Barriers and challenges to regional level workforce planning and development

The NGA Center for Best Practices' research has identified a number of obstacles to regional workforce planning which have direct applicability to the Southern Adelaide region. These include the following –

- o The usual *focus* by workforce development on *single firms/employers* makes it difficult to obtain a deeper understanding of industry needs, to realise economies of scale and to obtain a regional perspective of workforce issues and trends.
- o This enterprise-based focus also means that different employers within the same industry draw on and *compete* for the same labour pool.
- o Although businesses may define their scope in terms of regional markets – labour and otherwise – they operate in systems that have *other boundaries* such as, political, educational, and economic.
- o There is a *shortage of mechanisms* – including *governance structures* - for meaningfully engaging employers in regional workforce development.
- o A *lack of coordination* exists across the different stakeholder groups who influence regional labour markets, and there is a need for a single entity with responsibility for bringing stakeholders together to focus on larger challenges confronting regional economies and labour markets.

As a result, regions have no shared vision or set of priorities, leading to lost opportunities for collaboration, leveraging resources, and coordinating information that could lead to a deeper understanding of industries and their needs. (NGA Center for Best Practices, 2006:3).

2.4.4 Strategies to address regional workforce development challenges

From the Contextual Scan undertaken for this Project, three strategies emerge as having particular relevance to the Southern Region – with a substantial foundation existing for the first two strategies.

- o *The Regional Workforce Intermediary*

The NGA Center has identified the important role of the *Workforce Intermediary* to address the need for coordination across different stakeholder groups, and the need for workforce development expertise that can be accessed by individual stakeholders in a region. They define a Workforce Intermediary as “... an organization with a deep understanding of worker and employer issues in a specific industry”. The role involves –

- ⇒ a **dual focus** on worker and employer needs;
- ⇒ **coordination** of services to enhance the capacity of both workers and employers;
- ⇒ **integration** of funding streams, services and information; and
- ⇒ **generation** of ideas and **innovative** approaches to respond to the needs of employers and employees (NGA Center for Best Practices, 2006:4).

Buchanan (2006), drawing on the USA and Australian experiences, also supports this role.

The crucial factor ... is the existence of highly competent brokers or facilitators capable of dealing with issues of business development and not just the development of the workforce (2006: 8).

- o *Specific Sector Initiatives*

The Center also recommends the adoption of industry-specific ‘*Sector Initiatives*’ that use Workforce Intermediaries to –

- ⇒ engage employers and other key stakeholders;
- ⇒ address needs interdependently (not independently); and
- ⇒ work with industries collectively (not separately).

Sector initiatives strive simultaneously to meet the skill, recruitment, and retention needs of employers and the training, employment, and career advancement needs of workers in ways that strengthen overall industries and labor markets in a region (NGA Center for Best Practices, 2006:4).

- o *Engaging employers in workforce development*

A common thread apparent in the workforce development research is that the role and engagement of **employers** in regional workforce development is vitally important. The paradox is that there is a greater need than ever for employer involvement in skill development, but pressures associated with current economic and political fashions mean that it is more difficult than ever to secure employer involvement (Finegold: 2005). This was confirmed by the Project’s Workforce Development Survey for the Southern Region, where most employers, while recognising the importance of workforce development, did not perceive that they had the time to devote to pursuing this at the regional level.

The box below highlights some of the **key success factors** identified to engaging employers in the workforce development effort.

Aust Inst for Soc Research (2007) The Future at Work: Strategic Framework for Workforce Development in Southern Adelaide, prepared for Southern Metropolitan Employment and Skills Formation Network 27

Lessons for Working with Employers in Regional Workforce Development – taken from Rademacher, Ida (Ed) 2002

- ⇒ Be clear what segment of the industry’s employer community your initiatives can best serve. In any industry, employers exist along a spectrum of sophistication that can involve large/small, sophisticated/less sophisticated, early progressive/reactionary, etc. Initiatives must understand the different challenges associated with location at different stages of the spectrum.
- ⇒ Understand that employers are not always able to fully identify or articulate their specific workforce skill needs.
- ⇒ Recognise that employers are often challenged by resource constraints that prevent them from changing their behaviour.
- ⇒ Initiatives need to remain focused on the business case to “sell” their services to employers.

For their part, employers will need to find ways to adapt to a changing workforce. To a large extent, future labour force growth will come from migration and from greater labour force participation of women, cultural minorities, individuals with disabilities and other under-employed groups. As a result, employers will need to be ready to offer more workplace flexibility to accommodate training, education, family care needs and needs for people with disabilities (NGA Center for Best Practices: 2002). There are many ways in which a regional strategy can assist them to meet this challenge, and to pool their resources to achieve economies of scale in workforce development.

3 Southern Adelaide workforce development trends and issues

3.1 Key workforce-related features of the Southern Region

Overview

- o Population growth in the region is projected to be higher than the State average.
- o The Southern Region is estimated to represent some 14% of the State's economy.
- o The largest employing industries in the Region are manufacturing and retail trade.
- o The Region contains a very high percentage (95%) of SMEs, many of which are family businesses.
- o On average, incomes in the Region are lower than in South Australia as a whole.
- o Unemployment rates are above the Adelaide metropolitan average in the City of Onkaparinga and slightly below this average in the City of Marion.
- o Employment in the Region is concentrated in lower skill jobs, with an over-representation in industries exhibiting slow employment growth (eg manufacturing).
- o Population ageing is likely to lead to a significant shortfall of workers, reflecting State and national trends.

3.1.1 Demographic overview

In the Southern Region –

- o The resident population of the Cities of Marion and Onkaparinga is **233,002**.
- o The City of Onkaparinga has 142,918 people (**65.6%**), while Marion contains 80,084 people (**34.4%**).
- o Population ageing is likely to lead to a significant shortfall of workers, reflecting State and national trends.
- o The region has a higher than State average of **young people and 40-54 year olds**.

It is estimated that the population growth rate for the region over the next 10 years will be **considerably higher** than the State average (SMESFN: 2006).

3.1.2 Contribution to the State economy

It is estimated that the Cities of Onkaparinga and Marion collectively account for **14.1%** of the State's Gross State Product - around \$7.3 billion (City of Onkaparinga and City of Marion: 2005).

3.1.3 Main sectors of the Region's economy

The largest sectors of the Southern Region's economy in terms of output are:

- o **manufacturing** (18%) – compared with a State average of 14%;
- o **property and business services** (10%) – State average 10%;
- o **health and community services** (8%) – State average 7%;
- o **finance and insurance** (8%) - State average 6%; and
- o **construction** (6%) - State average 5% (City of Onkaparinga and City of Marion, 2005).

(Although retail is one of the large employing industries in the Region the output share is considerably lower because it is a labour intensive sector.)

3.1.4 Employment and unemployment in the region

For the **City of Onkaparinga**:

- o the unemployment rate is currently around **6.4%**, but ranges significantly from 13.3% in Onkaparinga – North Coast to just 2.6% in Onkaparinga – Reservoir.
- o The number of people unemployed is **5,172**.
- o The average duration of unemployment is around **25 months**.

For the **City of Marion**:

- o The unemployment rate is around **5.2%**, but ranges from 6.3% in Marion - North to 3.1% in Marion – South.
- o The number of people unemployed is around **2,110**.
- o The average duration of unemployment is around **24 months**.

This compares with an unemployment rate of 5.3% for Metropolitan Adelaide and 5.1% for South Australia as a whole.

- o Jobs in the Southern Region are less concentrated in some fast growing, high skill service industries compared with the State, while being **over-represented** in other industries exhibiting **slow employment growth** (eg manufacturing).
- o **Manufacturing** (18%) and **retail trade** (16%) are the largest employing industries in the Southern Region but there is also a good spread in health and community services, property and business, construction and education.
- o 95% of businesses in the region are **small or medium sized**, many of which are **family** businesses. This poses its own set of issues in terms of regional workforce development. Small companies – while not homogenous - tend to:
 - have a short-term view of development needs;
 - have a lack of resources to devote to training;
 - have a fear of poaching and of demands for wage increases;

- do not want to or need to adopt approaches to workforce development and they may perceive that they don't have any business-related training needs (Hughes *et al*: 2002).

3.1.5 Structural Adjustment Fund projects

A significant number of firms in the Southern Region have secured funding under the Commonwealth and State Government Structural Adjustment Fund - an indication of the economic pressures facing the region. A number of the firms involved are in emerging sectors (eg environmental industries) - reflecting the determination of the region to broaden its industry base - and have been able to experience significant growth subsequent to receiving the funding. (*Refer Accompanying Report 2: Section 2.4*).

3.2 Key workforce development challenges and issues

Overview

- o The vast majority of demand for employment is a result of replacement demand, due to a large number of workers leaving occupations and needing to be replaced.
- o Job openings (*see definition on page 16*) in South Australia and in the Southern Region are forecast to be highest for (in order of frequency) sales assistants, checkout operators, storepersons and office managers.
- o It is estimated that there will be 51,853 job openings in the Southern Region in the period to 2014.
- o The largest number of job openings involves low or intermediate skill occupations.
- o However, employment in Australia will grow more quickly in the next decade in higher skilled than in lower skilled occupations (Managers and Administrators, Professionals and Associate Professionals). A decline is forecast in Advanced Clerical and Service and Trades occupations although the decline in Trades is marginal.
- o While employment is projected to increase by nearly 12% over the next decade, the proportion employed with qualifications will increase by 34% and fall by 20% for those without qualifications.
- o Projected demand shows a shortfall at the Diploma and Advanced Diploma levels of qualification.
- o The industries that are forecast to experience the greatest employment growth in South Australia to 2014 are (in order of frequency) Business Services, Education, Government Administration, Road Transport, Household Good Retailing and Food Retailing.
- o There is approximately \$1 billion worth of major projects occurring in the Southern Regions, estimated to create a number of direct and indirect jobs.
- o It is evident that a significant challenge exists for employers in the Region in recruiting and training the workforce they will need in coming years.

Workforce development challenges in the Southern Region include:

- o The closure of Mobil Port Stanvac and the Mitsubishi engine plant at Lonsdale (together with ongoing uncertainty about Mitsubishi's long term Adelaide future).
- o The impact of the highly fluctuating wine industry.
- o A global shift in manufacturing due to competition from China and India that is likely to produce a decline in demand for trade skills.
- o A shortage of suitable industrial land.

In the Southern Region, there is a need to develop a more sustainable industry structure while taking advantage of the projected population growth (exceeding the State average) that is expected for the region. In order to ensure that opportunities can be realised and challenges managed, a planned approach to industry development is critical, one aspect of which involves the region's workforce.

3.2.1 Workforce demand – job openings in the Southern Region

Based on forecasting data for South Australia (*as described in Section 2.2*) job openings in the Southern Region are expected to total **51,853** over the period to 2014. This projection is obtained by applying the Southern Region's employment share of total State employment.

The top and bottom 20 occupations for the Southern Regions depicted in *Tables 4 and 5, Section 2.1.2 of Accompanying Report 2*. Based on Monash forecasts, the AISR estimates that the **highest** number of job openings will exist for:

- o Sales Assistants (3,469 jobs), Checkout Operators (1,626 jobs), Storepersons (1,045 jobs), Office Managers (840 jobs), Receptionists (794 jobs), General Clerks (785 jobs), Primary School Teachers (770 jobs) and waiters (770 jobs).
- o The largest job openings are – in many cases – in **low or intermediary skill level occupations**, and not in occupations that are directly relevant to the Southern Region in terms of the target industries.

As discussed in *Section 2.13 of Accompanying Report 2*, employment growth in South Australia is forecast to be strongest to the year 2014 in the **services-related sectors of business services, education and Government administration**. *In terms of the Southern Region's target industry sectors, in general, the job prospects are relatively sound.*

3.2.2 Workforce demand – skill shortages in the Southern Region by targeted industry sector

In many cases skill shortages are not shortages in aggregate labour supply, but rather a shortage of “*the right mix of skills and knowledge*” (2010 Human Resources Planning Committee: 2003).

Various reports reviewed for this Project point to a number of skill shortages in the Southern Region by targeted industry sector. These are documented in *Table 10, Section 2.3 of Accompanying Report 2*, and in **Table 1** below.

Table 1: Skill Shortages Southern Region, by Targeted Industry Sector

	Food, Wine, Tourism	Advanced Manufacturing and Automotive	Environmental	Health and Education
Identified Skill Shortages	<ul style="list-style-type: none"> • Large machinery drivers; • Chefs; • Harvesting staff (eg grapes, olive pickers; pruning, vine training, vineyard hand) Cellar hands; • Food servers; • Payroll/administration; • Domestic soil samplers; • Managers; • Accountants 	<ul style="list-style-type: none"> • <i>Process workers</i> (especially assembly, cutting, welding stamping); • <i>Trades</i> – boilermakers, welders, electricians, technical engineering, technical design, die casting, metal polishers; Plant operators; Assembly operators; Toolmakers; Production workers; Civil construction; Building and construction lecturers 	<ul style="list-style-type: none"> • Large machinery drivers; • Harvesting Staff; • Engineers; • Managers; • Geo science lecturers 	<ul style="list-style-type: none"> • Registered nurses; • Health specialists • Teachers; • Managers; • Child care workers

3.2.3 Workforce demand arising from major projects

In addition to the workforce demand resulting from general economic growth or from replacement demand, is the workforce demand that arises from major projects occurring at any point in time. The Department of Trade and Economic Development (DTED) has prepared forecasts for the AISR in terms of the **workforce implications** of major projects occurring in South Australia. In preparing these estimates, DTED used the RISE economic model (EconSearch: 2005) which is explained in *Box 2, Section 2.4 of Accompanying Report 2*.

The results of the RISE modelling are shown in *Tables 13 and 14, Section 2.4 of Accompanying Report 2*. These show that for residential building construction projects -

- ⇒ The \$500 million injection in the local economy from the Seaford Meadows investment is estimated to initially create **1,347** jobs in residential building construction in metropolitan Adelaide.
- ⇒ This in turn is estimated to lead to a total of **4,573** jobs created across **all industries** in metropolitan Adelaide for the life of the project, due to the production-induced and consumption-induced multiplier effects of the investment.
- ⇒ Due to the linkages between various sectors of the economy, as calculated through input-output tables, this employment impact will be spread through many sectors of the economy, especially **residential building construction, retail trade and property and business services**.

For non residential building construction projects, the following implications apply -

- ⇒ The \$467 million investment in these non-residential projects is estimated to have an initial employment impact of **3,447 jobs** in the 'other construction' sector in metropolitan Adelaide.
- ⇒ The total job impact over the life of these projects is estimated at **7,666 jobs** in metropolitan Adelaide, across a **number of sectors**.
- ⇒ The multiplier effect for non-residential projects is larger than for residential ones, and therefore the employment impact is greater.

3.2.4 Workforce supply and skill flows in the Southern Region

Overview

- Approximately 17% of all South Australian apprentice and trainee commencements reside in the Southern Region.
- As is the case for South Australia as a whole, most of the Southern Region's apprentice and trainee commencements are in the occupational groups of Tradespersons and Related Workers, Elementary Clerical Sales and Service Workers, and Intermediate Clerical, Sales and Service Workers.
- However, most of these occupations do not reflect those of future demand for higher skilled workers.
- There are currently nearly 17,000 people in the Southern Region participating in VET programs – representing nearly 15% of all South Australian VET participants.
- VET participation data indicate that future workforce supply source does not match the projected demand for workers with Diploma or Advanced Diploma qualifications.
- The five local government areas in which the greatest numbers of residents work are Onkaparinga (26.4%), Adelaide (14.2%), Marion (13.6%), West Torrens (8.2%) and Mitcham (7.3%).
- 60% of the Southern Region's population work outside of the Region.
- A large percentage of residents working outside of the Southern Region are employed in higher skilled occupations. This affects the capacity of local businesses in the region to source skilled workers.
- While many of the Region's non-resident workforce is employed in skilled occupations, this is not sufficient to offset the flow of skilled workers who are residents and employed outside of the Region.
- In order of frequency, the local government areas supplying the largest numbers of people to the Southern Region's workforce are the Cities of Mitcham, Holdfast Bay, West Torrens and Charles Sturt.

Obtaining accurate data on labour supply sources (and being able to forecast future trends) becomes difficult at the regional level. Therefore, the approach used in this report is to examine national and State forecasts of supply sources and to draw inferences from these for the Southern Region.

Apprenticeships and traineeships

Some 17% of all South Australian apprentice and trainee commencements reside in the Southern Region and this percentage is consistent across most age groups. The age breakdown of apprenticeship and traineeship commencements is very consistent for the Southern Region, South Australia and Australia, with, in all cases, the percentage of total apprenticeships and traineeships who are aged 19 and under in the range of 41-42% (NCVER: 2006).

Most apprenticeship and traineeship commencements in the Southern Region are in **tradespersons and related workers, elementary clerical, sales and service Workers, and in intermediate clerical, sales and service workers**. This distribution is not significantly different from that of South Australia as a whole (NCVER: 2006). *However, this future workforce supply source does not match the projected demand for skilled workers, and for workers with Diploma or Advanced Diploma qualifications. (Refer Tables 15 and 16, Accompanying Report 2).*

Participation in Vocational Education and Training (VET)

There are 16,971 Southern Region residents studying in a VET course, representing 14.6% of all South Australian VET participants (NCVER: 2005) - refer Table 17, Section 3.1, Accompanying Report 2.

The workshop hosted by the Triple Executive of the Local Community Partnerships (LCP) for Southern Adelaide in March 2007 mapped initiatives currently in place in the region, with a particular focus on young people and industry (see Table 2).

Table 2: What's happening – mapping current regional initiatives for young people, industry and the Southern Region

	Commonwealth	S.A. Government	Southern Adelaide
Young People	Career Advice Australia (CAA) Australian Technical College Youth Pathways Partnership Education Model (POEM) Job Networks	ICAN (x10) Southern Vocational College SA Works SA YES TAFE SA	SA Works Individual case management SA YES
Industry	Structural Adjustment Funds Drought program Rural Industries Research and Development Corporation Wine Industry Dairy Industry Structured Workplace Learning Construction Industry Master Builders	SA Works SA YES TAFE Doorways 2 Construction Dairy Industry	Horse racing Construction Transport and Storage Aged care Advanced Manufacturing Aboriginal Employment Program Local government

Because the focus of this report is on specific key industry sectors in the South, the AISR has plotted the many workforce development-related structures and services that exist in the region, by five categories (Youth focused, Business Advisory, Industry/Business Association, Regional Advisory Body and 'other' against the four targeted industry sectors and non industry / region specific – see *Attachment 4 of this report*).

It is apparent from the map provided in Attachment 4 that –

- o the vast majority of these services and structures are not regional or industry-specific;
- o where they do apply to one of the four targeted industry sectors for this Project, they involve Food Wine and Tourism (5 industry/business association structures) followed by Advanced Manufacturing and Automotive (1 youth focused training service).

More details about these services are provided in *Attachments 2 and 3 of this report*.

Labour supply from Southern Region residents and non-residents

The AISR has analysed information from the ABS 2001 Census regarding *Journey to Work* patterns. *Tables 18 to 23 of Section 2.3 in Accompanying Report 2* document the work-related travel patterns for employed residents of the Southern Adelaide Region and for people who live outside the Region but are employed within the Southern Region. The Tables also show the flows by occupational groups. *Attachment 1 of Accompanying Report 2* provides this information in a series of maps.

With regard to the *outward flow* of employed residents of the Southern Region, the analysis finds that –

- o 60% of the 97,325 employed Southern Region residents work **outside** the region.
- o The three local government areas in which the greatest numbers of residents work are the Cities of **Onkaparinga** (26.4%), **Adelaide** (14.2%), and **Marion** (13.6%).
- o Of the employed Southern Region residents working **outside** the region, a large percentage are employed in **higher skilled** occupations.
- o In order, the largest numbers of the Region's residents working outside of the Region are working in these occupations – Intermediate Clerical, Sales and Service Workers (11,963), Professionals (9,405), Tradespersons (8,300), Associate Professionals (7,335) – see *Accompanying Report 2, Section 3.2, Table 19*.

This affects the capacity of local businesses in the region to source these skilled workers they need.

With regard to the *inward flow* to the Southern Region workforce from non-residents, the analysis finds that –

- o The largest non-resident occupational group in the Southern Region workforce involves **Professionals**, while **Associate Professionals** are the third largest occupational group.

- o **9,405** residents are Professionals who do **not** work in the Region (a high rate of leakage) while **3,016** Professionals **live outside** of the Region – *for details refer Accompanying Report 2, Section 3.2, Tables 21 and 22.*
- o Residents of the Cities of Mitcham, Holdfast Bay, West Torrens and Charles Sturt supply the greatest numbers of workers to the Southern Region – *for details refer Accompanying Report 2, Section 3.2, Table 23.*

While many of the flows into the region are in higher-skilled occupations, they are not significant enough to offset the flows to outside of the region.

3.2.5 Foundations for workforce development in the Southern Region

Industry-focused workforce development initiatives

Targeted industry sectors in the Southern Region have a number of workforce planning and development projects. Prior to the commencement of the Southern Region Workforce Development Strategy, a number of industry based workforce development initiatives had been implemented, many with the support of the DFEEST *Workforce Development Fund*. As *Table 1, Section 3.2 in Accompanying Report 2* indicates, the amount of workforce planning and development varies significantly across the targeted industry sectors, with the **most** work having been undertaken in the **Food, Wine and Tourism** sector and the **least** in the **Environmental** Industries sector. It is also evident that most initiatives are **state-wide** in focus with relevance for the Southern Region. *Table 3* summarises this information.

A detailed summary of workforce development initiatives in the four targeted industry sectors is provided in *Attachment 4* of this report.

Table 3: Recent workforce development initiatives affecting the Southern Region

Targeted Industry Sector	Workforce Development Fund Project	Other Initiatives
Health and Education	2 projects <ul style="list-style-type: none"> Disability Services Workforce Development Project Community Services Workforce Development Project 	3 initiatives <ul style="list-style-type: none"> SA Mental Health Workforce Development Project State Government's Child Care Strategy DECS Southern Child Care Project
Environmental		1 initiative <ul style="list-style-type: none"> Flinders University Centre for Science Education in the 21st Century
Advanced Manufacturing and Automotive	1 project <ul style="list-style-type: none"> Manufacturing Workforce Development Project (TAFESA South) 	5 initiatives <ul style="list-style-type: none"> Blueprint for Manufacturing in SA SA Manufacturing Up-skilling Program SA Engineering Pathways Program (VET in Schools) SA Centre for Innovation SA Automotive and Manufacturing Workforce Development Project
Food Wine and Tourism	4 projects <ul style="list-style-type: none"> SA Food Workforce Development Project SA Chef Retention and Development Project SA Hospitality Front of House Staff Retention Project SA Wine Industry Sector Workforce Development Project 	3 initiatives <ul style="list-style-type: none"> SA Food Plan 2007–2010 Wine: a Partnership 2005–2010 SA's Skill Action Plan – First Steps (August 2005)

Southern Region focused workforce development

There are few examples of workforce planning and development initiatives at the regional level, nationally or internationally. The Southern Region is providing leadership in this regard through this Project, and through the collaborative work that has led to this Project.

Workforce planning and development specialist Julie Sloan Management Pty Ltd undertook an on-line Workforce Development Survey of Southern Region employers in the targeted industry sectors in March and April of 2007 (refer to *Section 4 of Accompanying Report 2* for an overview and to *Attachment 2* of that report for details of the survey questions). *The full report is provided in Accompanying Report 3: Southern Region Workforce Development Strategy Industry Workforce Profile 2007: Statistical Analysis Report.*

A total of **46 companies** participated in the survey, representing **15** industry groups. Reflecting the Region's business profile, the majority of respondents were from **small size** businesses with 1- 5 full- time or part-time employees.

Respondents identified jobs that are the hardest to fill in the region in their particular industries. Only **33%** of businesses stated they do *not* consider there are any barriers to attracting and retaining staff. The main reasons given for the difficulties faced in filling these jobs were -

- o Salary competition
- o Skills supply shortage
- o Lack of people with an interest in the jobs on offer.

Businesses participating in the survey also identified a range of current and projected training and skill requirements.

The majority of respondents gather basic workforce data, however, they do not consider this to be sufficiently comprehensive for workforce planning purposes. Only **18%** considered they are gathering **comprehensive** workforce planning data. **13%** of respondents indicated they were **not** gathering any workforce data at all.

No respondents to the survey are involved in any initiatives which address the issue of *transition to retirement* for older workers.

Only **31%** of respondents indicated an interest in working with other companies in the region on the issue of workforce development, primarily because of current and projected work demands taking priority. Given the small size of most businesses in the Region, this is not a surprising finding. However, they have suggested a number of strategies that could be pursued and these are discussed in *Section 4 of this report*.

3.3 Governance and institutions in the region

Key Finding

A large number of programs, initiatives and collaboration with a role in workforce development exist in the Southern Region, but there appears to be no real structure or coordination process to underpin or link them.

"Implementation of sector initiatives requires the various partners to work closely together over a sustained period. Sector initiative partners typically include a combination of relevant stakeholders from local business, industry groups, the public workforce system, economic development agencies and education and training providers" (NGA Center for Best Practices: 2006).

One of the findings emerging from the literature review and from key stakeholder interviews in the Southern Region is the identification of **governance** as a critical issue in successful regional workforce development. Regional level workforce development in the **Aust Inst for Soc Research (2007) *The Future at Work: Strategic Framework for Workforce Development in Southern Adelaide*, prepared for Southern Metropolitan Employment and Skills Formation Network** 39

USA has found that multiple agencies, administrative fragmentation, and a lack of system wide accountability conspire to reduce the effectiveness of the workforce system (NGA Center for Best Practices: 2004). However, different jurisdictions can create a robust workforce development strategy that combines the resources of many programs, engages the private sector and focuses on meaningful outcomes. Building these partnerships and alliances for effective governance requires careful planning and consideration and the research literature has these lessons (Gershwin: 2003):

- When they are first established, alliances for workforce development usually lack an established structure for decision-making or governance.
- Building these alliances requires new skills in leaders who must manage the process of problem-solving, and negotiate both the **priorities** that the collaboration will address and the **process** by which the alliance will make decisions.
- To do so, leaders need to have the capacity to **engage** the diverse stakeholders towards a **common goal**.

Drawing on lessons emerging from Australian and USA collaborative workforce development initiatives (Buchanan: 2006), there are several approaches that should be considered in relation to the Southern Adelaide region.

- o It is usually necessary to establish a support and management structure for workforce development that involves a coalition of government (all three levels), employer and union representatives, and education providers. This structure has the purpose of building new networks that better link business and workforce development. Most of the issues to be addressed in a linked approach to economic and workforce development require the cooperative involvement of a variety of stakeholders.
- o In terms of employer engagement, multi-employer consortiums that draw on broader local level social networks are recommended, rather than relying on existing employer associations. The consortium takes shared responsibility for economic and workforce development.
- o The collaborative structures established have as one goal to develop better workforces and better workplaces, that seek to maximise workforce skill use through enhanced work practices, job design and generally building environments where both employers and employees benefit.
- o Appropriate governance structures enable coordination that generates economies of scale available at the regional level and a shared approach to risk taking.
- o The governance structure(s) and processes provide an environment for collaboration and networking that supports appointed intermediaries in building new networks at the local level that integrate employment and learning.
- o Day to day administration associated with the governance structure should be managed by a small secretariat.
- o Workforce development benefits from the consistency that arises through applying common standards while adapting those standards to local needs. (*The Framework developed for Southern Adelaide provides the means to do this, providing the appropriate governance structure is designed to support its implementation*).

In evaluating and making recommendations about governance arrangements in the Southern Region, it is important to avoid duplication of existing structures, services and current initiatives in the Region, and to use them as a foundation. At the same time, there are numerous networks and other alliances that exist in the Region, and determining which of these is most appropriate for the workforce development role is not straightforward. The wide range of services and networks designed to grow the economy in Southern Adelaide was evident at the time of establishing the Southern Metropolitan Employment and Skills Formation Networks (SMESFN) and for this reason the SMESFN was structured to draw on those groups and add an employment and training perspective to their activities. Consequently, the SMESFN has a critical role to play in the governance of workforce development in the Region.

3.3.1 Mapping collaborative structures and partners for workforce development in the Southern Region

On March 7th 2007, a workshop hosted by the Triple Executive of the Local Community Partnerships (LCP) for Southern Adelaide was held, focusing on young people and workforce planning for the three Southern Adelaide regions¹¹. (See *Attachment 1* for a description of Commonwealth and State Government programs targeting youth or industry.)

The primary outcome of the workshop was agreement on the need for a collaborative and coordinated approach to regional workforce development in the Southern Region which was reflective of the needs of young people, schools, and industry. It was agreed at the workshop that in the *short-term* the three **joint LCP Executive Boards** would coordinate discussion and action around a number of tasks.

These included the establishment and promotion of a team of *'regional champions'* who collectively have responsibility for **governance of workforce development** in the Southern Adelaide region. This strategy is very similar to that of the *'Workforce Intermediaries'* proposed by the NGA Center for Best Practices in the USA (see *Section 2.4.4 of this report*) and which is part of the proposed *Southern Region Workforce Development Framework* - discussed in *Section 4* of this report.

Those nominated for consideration as regional 'champions' included:

- ⇒ Local Community Partnerships (LCP)
- ⇒ SA Works
- ⇒ Futures Connect, Career and Transition Support, SA Youth Engagement Strategy (SA YES)
- ⇒ Regional Development Boards
- ⇒ Local government
- ⇒ Southern Region Economic Development Board
- ⇒ Innovative Community Action Networks (ICAN)
- ⇒ School clusters - Southern Vocational College and Fleurieu Learning Alliance
- ⇒ Independent schools
- ⇒ Fleurieu Region Economic Development Board.

¹¹ These regions are Southern Adelaide, Fleurieu Peninsula and Kangaroo Island.

It was also recommended that resources be combined to –

- o **create a regional officer position** with responsibility to inform and educate regional industries about the Australian school based apprenticeships.
- o Develop a **program to inform key stakeholders about the regional industries** where employment opportunities are projected to increase. The program could also provide career and transition support and vocational studies could be aligned to projected growth areas.

These recommended directions have been taken into account in shaping the *Workforce Development Framework* for the Southern Region.

4 A Strategic Framework for Workforce Development in Southern Adelaide

4.1 Building linkages

The *Strategic Framework for Workforce Development in Southern Adelaide* takes as its reference point key direction-setting policies and initiatives relating to workforce development in South Australia. These occur from the State level to the Industry level. The diagram below summarises this relationship.



The Framework is structured to build on existing initiatives and on existing structures and processes related to workforce development in the Region.

4.2 Strategic objectives

Based on findings from the contextual scan (particularly those described in *Section 2.4*), from consultation with key stakeholders, and from key workforce development-related plans articulated for Southern Adelaide, eight Objectives have been defined to guide workforce development in the Southern Region.

Southern Adelaide's recently released plan for growing prosperity in the Region – '*A New Economic Future*' also underpins these Objectives. The vision pursued in that plan identifies business and its workforce as the key to regional productivity and prosperity, with workforce development as crucial to addressing skills shortage. Also underpinning workforce development and the priorities reflected in the eight Objectives are these two planning documents –

- o the *Southern Diversification Blueprint* – the *Strategic Framework for Workforce Development in Southern Adelaide* being a direct outcome of that Blueprint.

- o The Southern Metropolitan Employment and Skills Formation Network's *Employment and Skills Formation Action Plan 2006-07*, prepared as part of the *South Australia Works in the Regions* strategy.
1. **Enable the provision a range of workforce training and development opportunities that supply a workforce with the *skills* required for Regional economic prosperity, in a timely and flexible way.**
 2. **Support workforce planning that addresses *simultaneously* the needs of *employers* for business competitiveness and of *employees* for skills and career development in the Region.**
 3. **Identify and promote opportunities for businesses and industry to achieve *economies of scale* in the provision of workforce training and development for the Region.**
 4. **Promote workforce development for the Region through collaboration and *partnerships* across industry, training providers, community and government.**
 5. **Work collaboratively to develop the skills of *under-employed* groups to enable their participation in local employment opportunities and in the process, address current and future skills shortages.**
 6. **Work collaboratively to develop workforce planning and development strategies designed to *retain older employees* in the local workforce.**
 7. **Work collaboratively to ensure that workforce training and development occurs across the different life phases, and is part of a broader *lifelong* learning strategy. This includes facilitating pathways for young people between study and work, and building a learning culture from an early age.**
 8. **Develop governance structures and processes that enable a *coordinated* and *integrated* approach to regional level workforce development.**

4.3 Principles of regional workforce development

Based on findings from the contextual scan (particularly those described in *Section 2.4*), and from directions set in underpinning Regional planning statements, the following nine Principles will guide workforce development in the Southern Region.

- o *Workforce development is a broad concept encompassing factors like education and training, retirement incomes policy, work-life balance policy, occupation health and safety policy etc.*
- o *Workforce development is inextricably linked to economic development, with education and training providing the bridge between both.*

- 0 *Workforce development should meet the needs of employees and employers simultaneously.*
- 0 *Workforce development initiatives will reflect current and projected skill needs in pursuit of a goal of developing a skilled workforce.*
- 0 *Workforce development initiatives will be flexible in order to respond to emerging needs and new opportunities.*
- 0 *Workforce development is designed to build the capacity of local and regional industry and communities.*
- 0 *Workforce development is dependent on strong working relationships and partnerships across the key stakeholder groups of community, industry, government, workforce development experts and training providers, enabling an integrated approach that can also realize economies of scale in the use of workforce development resources.*
- 0 *Workforce development is a process in which workforce members participate across the life course, starting with engagement at a young age, as part of a broader lifelong learning strategy.*
- 0 *Workforce development initiatives will be coordinated and integrated, being based on the shared decision making and planning of agreed governance structures and processes.*

4.4 Foundations for workforce development

The following recommendations are designed to help lay the foundations for effective workforce development in the region. The recommendations respond to key objectives and are organised into 4 themes:

- 1 Decision making and Engagement**
- 2 Evidence based planning**
- 3 Capacity building and Incentive**
- 4 Integrating Industry and Workforce Development**

THEME I: DECISION MAKING AND ENGAGEMENT

Recommendation 1: Governance

There are a wide range of stakeholders and organisations with an interest in workforce development in the region. A key to the development and implementation of effective workforce development institutions is the need to embrace the significance of the relationship between social, economic and environmental objectives and workforce development. Workforce development must be at the centre of social, economic and environmental strategies. Institutional structures need to reflect this interdependence.

It is recommended that the central importance of workforce development to the region's future prosperity be recognised through the development of a workforce development consultative structure (e.g. *Workforce Information Taskforce*) linked to the Southern Adelaide Economic Development Board and through some augmentation of the membership of the Southern Adelaide Employment and Skills Formation Network.

It should include workforce development leaders from private and public sector employers in the region.

For example the Southern Adelaide Economic Development Board could establish a sectoral sub-committee to reflect the key industries represented in the region. There is also a need to establish representative links at a regional level with the DFEEST so that regional input to the high level State TASC and ISB network can provide advice to the Minister. Also ensuring representative links to TAFE SA, RTOs and Universities. The Workforce Information Taskforce should be closely linked to the Southern Adelaide Employment and Skills Formation Network which would be represented on the committee.

Recommendation 2: Engaging Regional Stakeholders

It is essential that regional stakeholders be actively engaged in the identification of key challenges and the development of appropriate strategic responses. To provide an open forum for this to occur it is recommended that a *Workforce Development Summit* be held in the region to provide an opportunity for regional stakeholders to discuss key workforce development challenges and foster engagement in the development and annual report card review of workforce development strategies.

For example this forum would also have an awareness raising and capacity building function in conjunction with the Workforce Information Directorate of DFEEST and DTED. It could include presentations on key economic and labour market trends from the State ISBs and showcase regional initiatives and best practice implementation and actions.

EVIDENCE BASED PLANNING

Recommendation 3: Regional Workforce Information System

It is recommended that a *Regional Workforce Information System* be developed in collaboration with the State Government and the University and VET sectors. This should regionalise and augment the State sectoral reporting work undertaken by DFEEST and available on the *Workforce Information System* website - www.workforceinfoservice.sa.gov.au identifying any local gaps.

For example this could be modelled on local connections with South Australia Works and major local projects feeding into the State Government agencies' EconSearch RISE modelling or Major Projects Matrix, or other similar works by Flinders University or UniSA.

Recommendation 4: Workforce Planning Advisory Service

It is vital that attention be focused on the preparedness of SME organisations within the region to address workforce development challenges as a core component of business and strategic planning. The provision of *workforce planning advice and support* will be necessary to successfully integrate workforce and business planning and development.

For example it should be augmented by the provision of expert advice and support, where funding be sought by the SAEDB for a specialist Workforce Planning Adviser to be based in the region. The Adviser would provide advice and support to businesses in the region as part of a team based approach to the provision of business support services, and provide better SME business connection to VET and RTOs.

CAPACITY BUILDING AND INCENTIVE

Recommendation 5: Workforce Development Training Program

A key challenge for the region is to broaden and deepen the workforce development and planning knowledge and skills base for employers and services providers in the region. To this end it is recommended that a *Workforce Development Training Program* be developed and piloted in Southern Adelaide.

For example this could be undertaken as an expansion of the current business workshops delivered by State and Federal Government agencies in the region in collaboration with the DFEEEST Training and Skills Commission and SAEDB, with training programs developed which incorporate workforce planning components. The program could include the following elements:

- Workforce trends and issues
- Introduction to workforce development
- Introduction to workforce planning
- Workforce planning methods and tools
- Workplace case studies of workforce planning in action.

Recommendation 6: Regional Workforce Development Demonstration Program

There is a need to foster innovation in workforce development throughout the region. A well structured *Regional Workforce Development Demonstration Program* could help to achieve this strategic objective. The Program would fund a small number of employers or networks of employers.

For example the State EDB and Southern Adelaide EDB could collaborate with the DFEEEST Workforce Development Fund and Training and Skills Commission ISBs to regionalise their statewide progress to locally align to the South Australian Strategic Plan.

There is a need to encourage the integration of workforce planning with business planning in the region. A range of new incentives might be considered to encourage the uptake of workforce planning methods and profile good practice.

The SAEDB could explore innovative potential incentives linked to a capped level of business expenditure on specified workforce planning initiatives (the rebate could be provided on a dollar for dollar basis up to the level of the cap). Best practice Southern Adelaide examples could be capitalized as 'Employer of Choice' awards promoted at regional business functions.

INTEGRATING INDUSTRY AND WORKFORCE DEVELOPMENT

Recommendation 7: Sectoral Planning

A priority of the *Sectoral Workforce Development Strategy* is to address skill gaps, training needs and workforce development imperatives in the following targeted industry sectors identified in the Southern Adelaide Economic Development Plan 'Think South – A New Economic Future':

- Food, wine and tourism;
- Advanced manufacturing;
- Environmental industries;
- Health sector and Medical Technologies; and
- Knowledge, Education and Services.

The SAEDB has engaged these sector groups and needs to collaboratively get them on the radar to advocate regional priorities to the State and Federal Government agencies and programs. This will provide a regional perspective to State Government and ensure local needs are addressed (not more planning, but responses). Arising from consultations with employers in these sectors the following issues were identified:

- ⇒ Difficulty in attracting staff due to salaries, skill levels and inadequate training
- ⇒ The ageing workforce
- ⇒ Poor working conditions
- ⇒ Skill development needs
- ⇒ Shortages of workers in several occupations
- ⇒ Limited collaborative infrastructure of small firms
- ⇒ Underemployment
- ⇒ The leakage of workers out of the region
- ⇒ The lack of workforce information easily accessible to employers
- ⇒ Work-life balance issues
- ⇒ Employment Land (Industrial, Commercial and Retail) land shortage, and
- ⇒ Seasonality of employment.

Examples of actions identified are:

- 7a It is recommended that *target industry working groups* hold regional workshops for their particular industries to discuss this report's findings and the regional

implications of them. It is recommended that the working groups hold regular meetings with the Executive Officer of the relevant Industry Skills Boards to link in to relevant State projects within their sectors. It is recommended that current and proposed sectoral initiatives be integrated with entry and pre-entry labour market programs to ensure participation of people underrepresented in the labour market feeds into the Southern Adelaide South Australia Work program.

- 7b It is recommended that the SAEDB build on the targeted employer survey undertaken for this project by initiating a survey of Major Developments and their representatives to identify key workforce development imperatives from an enterprise view. It be recommended to the Southern Adelaide Employment and Skills Formation Network that an allocation from South Australia Works program (DFEEST) be provided annually to update the survey work undertaken as part of the Workforce Development Strategy.
- 7c It is recommended that the SAEDB enter into a collaborative arrangement with State and Federal Government agencies to apply modelling to prepare projections on the workforce implications of major projects and key announcements affecting employment in Southern Adelaide, indicating how to address them.

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Acronyms

ABS – Australian Bureau of Statistics

AISR – Australian Institute for Social Research

ANZSIC – Australian and New Zealand Standard Industry Classification

BECs – Business Enterprise Centres

CAA – Career Advice Australia

CoPS – Centre of Policy Studies (Monash University)

DEST – Department of Education, Science and Training (Commonwealth)

DEWR – Department of Employment and Workplace Relations (Commonwealth)

DFEEST – Department of Further Education, Employment, Science and Technology (State)

DTED – Department of Trade and Economic Development (State)

ICAN – Innovative Community Action Networks

ISBs – Industry Skills Boards

LCPs – Local Community Partnerships

NCVER – National Centre for Vocational Education Research

ORA – Office of Regional Affairs (State)

POEM – Partnership Outreach Education Model

RTOs – Registered Training Organisations

SAYES – South Australian Youth Engagement Strategy

SMEs – Small and Medium Enterprises

SMESFN – Southern Metropolitan Employment and Skill Formation Network

VET – Vocational Education and Training

Attachment 1: Overview of Workforce Development Plans and Projects in the four Targeted Industry Sectors

A number of Workforce Development Plans or Projects have been instigated through the Industry Skills Boards (ISBs) that are of relevance to the four targeted industry sectors for the Southern Adelaide Workforce Development Project. These are:

- 0 Food, Wine and Tourism;
- 0 Education and Health;
- 0 Advanced Manufacturing; and
- 0 Environmental Industries.

Food, Wine and Tourism

The FTH Skills Council (www.fthskillscouncil.com.au) with the support of the State Government through the Department of Further Education, Employment, Science and Technology has embarked upon a number of major projects to assist workplaces to meet emerging skill needs. The following projects are funded under the SA Works program and include:

Meat Industry Attraction and Retention Project

The Food, Tourism & Hospitality Industry Skills Advisory Council have identified several key workforce issues that require systemic change to allow for the industry's anticipated growth. These include, but are not limited to:

- 0 Attraction and Retention of workers
- 0 Cultural support for Migrant workers
- 0 Management skills, including induction, performance management, selection techniques
- 0 Wages and Conditions, and
- 0 A Quality Training System

Broadly this Project will design, establish, implement and evaluate tools to increase the availability of a skilled workforce to meet the immediate and future skills needs of the SA Meat Industry.

The flagship publication 'How to become an employer of choice in an industry of choice: a practical guide to workforce development in the Australian Meat Industry' provides a broad range of information for employers about how to attract, recruit and retain the people they want to employ. It highlights employee development and 'career progression' as key issues in both attracting and retaining good employees.

'Career pathways in the Australian Meat Industry: A practical guide to career progression for new and current employees' specifically addresses this issue, helping new and current employees in the industry identify and progress along pathways which will benefit individuals; the company they work for; and the industry as a whole.

South Australian Wine Industry Employment Strategy

The South Australian Wine Industry Employment Strategy project will identify:

- 0 Current and future workforce requirements taking into account both numerical and structural change
- 0 Issues affecting the attraction and retention of staff
- 0 Career pathways and disseminate career advice, and
- 0 Recommend future directions including pragmatic strategies for the way forward to 2010 and beyond.

The following Primary Key Performance Indicators will be addressed within the context of the Project.

- 0 Identification of current and future workforce requirements
- 0 Undertake a scan of recent and ongoing studies relating to workforce requirements
- 0 Develop a profile of the industry that identifies the current and future workforce requirements
- 0 Identification of issues affecting the attraction and retention of staff
- 0 Establish attraction and retention strategies for industry adoption Identification of career pathways
- 0 Document clear career pathways to ensure accurate representation of all potential employment opportunities
- 0 Improve awareness of career pathways and opportunities through production and dissemination of career advice Recommend future directions for the way forward to 2010 and beyond
- 0 Identify future workforce skill development requirements to meet industry growth targets
- 0 Identify pragmatic strategies to assist industry meet future requirements
- 0 Identify external factors affecting industry growth and performance and recommend appropriate intervention strategies.

Front of House Retention – “Staffing Matters”

Within the Tourism and Hospitality industry, recent data indicates that the attrition rate for front of house staff in hotels, restaurants, cafes, and clubs is in the order of 45 to 50% and in the absence of a managed approach to staff retention, the problem could reach crisis point.

In view of the decreasing pool of available workers and significant loss of staff from the industry it is essential that businesses adopt practices that assist them to not only retain good staff but also significantly improve their bottom line.

The Workforce Development Project managed by the Food, Tourism and Hospitality Industry Skills Council involves both front of house staff and management in a process that identifies those issues that impact on staff and their retention/long term employment in the industry.

Both employer and employees have been involved in the process to ensure that strategies developed are implemented successfully. Joint ownership of the problem and agreed strategies will be the impetus for building a more stable and productive industry with the capacity to respond to future demand.

Cooks Retention

National and international industry data indicates a continuing shortage of well qualified and experienced staff in the hospitality industry. Past attempts to address these ongoing shortages have

tended to focus on either training more people for the industry and/or importing more qualified staff from overseas.

Neither of these initiatives have worked as we continue to experience growing shortages, which are now being mirrored around the world, particularly with the continued growth of tourism in the world market.

This project aims to develop a far closer working relationship with industry during the initial and post graduate training of our staff through the development and implementation of a series of new initiatives including:

- 0 The use of new technology that will enable the development of customised training plans for apprentices, trainees and general industry staff, which in turn will provide a far more flexible approach to training and professional development for industry staff and managers, as well as those people seeking to enter the industry, including current school students involved in VET in Schools programs.
- 0 The provision of an on-line RPL assessment process and far better integration of skills development that is achieved on the job.
- 0 The appointment of “case managers” to work directly with industry in the continuing management of training plans for current staff and to better identify short term training needs of current staff (particularly in small to medium enterprises).
- 0 The development of “Appetite for Success” program for young industry professionals that identifies potential future young leaders and engages them in a ten year program of professional development that is strongly mentored by industry professionals.

Appetite for Success

This is a joint initiative of the Food, Tourism and Hospitality Industry Skills Council and TAFE SA.

The program has been devised to address the challenge of building and supporting the future leaders of the hospitality industry. It recognises that these future leaders will require not only the highest level of culinary expertise but also the business savvy to be able to manage and innovate in a people based environment with extremely tight margins and a strong culture of competition.

The strong interaction between participants, mentors and industry combined with customised learning plans ensuring minimal time off the job are unique features which will combine to shape future industry leaders.

For further information see www.appetiteforsuccess.com.au

Health and Community Services – see <http://www.sahcssb.com.au>

Sector Profiling & Workforce Development Resource Project

The aim of this project is to gather, consolidate and make available information about South Australian health and community services industries, and their workforce development-related issues and activities: to provide ready access to information and resources that are currently highly dispersed.

This information will be used to populate a website that maps the sector’s organizational and workforce structures, and primary workforce development issues and activities. [It is expected that

the other 8 Industry Skills Boards will at some point compile similar templates, facilitating cross-industry comparison, analysis and coordination.]

The website is intended to be of use to:

- 0 Anyone engaging in **workforce development projects and activities**: providing information for funding applications, and a good source of information about related activity and 'good practice'.
- 0 **Community Service and Health organizations**: providing collated information about the sector/sub-sectors (that may be used in planning, funding applications, and so on) and workforce development research and tools to assist workforce planning processes.
- 0 **Government**: informing policy development.
- 0 **Training Organizations**: assisting in determining training needs.
- 0 **Researchers**: providing a base level of information about the sector and its workforce, and about previous research – to assist researchers, and stimulate new work.
- 0 The **Skills Board** itself: enabling it to respond directly to current and arising workforce development priorities.

This project is funded by the SA Health & Community Services Skills Board.

The SA Health & Community Services Skills Board (SAH&CSSB) has been funded to undertake a major initiative into workforce and skill development to support the reform of mental health services in the non government/non acute care area. The overall aim of the project is to design, establish, implement and evaluate tools to increase the availability of a skilled workforce to meet immediate and future needs of the community.

The SAH&CSSB will examine the workforce development needs in the sector through:

- 0 identifying employment practices and skills development outcomes that will address the needs of people with mental illness, carers, care providers and employees.
- 0 develop workforce design models that demonstrate best practice in supporting staff attraction and retention that can be adopted by employers across the sector.
- 0 devise customised training and qualifications to up-skill existing employees.
- 0 develop resources that promote career development pathways in mental health care.

Manufacturing – see www.misac.com.au

Fabrication Workforce Development Project

The State Government, through *South Australia Works* Workforce Development Fund, has provided \$160,000 towards a metal fabrication initiative, with a further \$165,000 to come from industry contribution, to ease the current skills shortage and prepare for the industry's anticipated growth.

This 18 month project will design, implement and evaluate tools to retain and attract workers, including career pathway strategies, as well as tools to enable existing workers to make the transition into higher skilled positions. The project will also investigate, identify and report on the critical workforce issues facing current and future growth areas within the industry including strategies to successfully address these issues.

Specifically, the outcomes of the project will include:

- 0 Marketing tools and resources that will identify clear career pathways and assist in promoting the sector to South Australian's as a valid career opportunity;
- 0 Processes for existing workers to participate in Recognition of Prior Learning (RPL)/Recognition of Current Competence (RCC) and the establishment of a model that can be implemented across the broader manufacturing industry;
- 0 Identification of the age and skill profile of the current workforce, which includes the development of strategies to address future workforce requirements;
- 0 Evaluation of the project to identify successes, improvements and impediments to future workforce requirements.

Industry Career Advisory Group

The Industry Career Advisory Group (ICAG) is aimed at identifying the state of industry career information available to young South Australians across key industries. The Manufacturing Skills Industry Advisory Council (MISAC) is responsible for addressing the issue of attracting young people into careers in the manufacturing sector.

The MISAC ICAG project will work on the following key strategies:

- 0 Repackaging of the message given to young people, parents and other relevant audiences, focusing on varied careers, flexibility and choice, innovation, high tech areas and changed environment manufacturing.
- 0 Conduct employer/parent forums to help design the new message.
- 0 A promotional campaign which: Highlights people who have become high achievers and who started their careers in the manufacturing sector; and lets young people in the industry talk about their experiences.
- 0 Support the extension of coaching/mentoring programs which target young people who have left school.
- 0 The "Try a Trade" hands-on travelling show, which can get to schools, expo's, shopping schools etc.

Attachment 2: Detailed description of programs in the Region

Career Advice Australia (CAA) – source:

<http://www.connecttoyourfuture.dest.gov.au/industry/default.htm>

Career Advice Australia is an Australia Government initiative that works closely with existing career and transition programs to provide a national career development and transition support system for all young Australians aged 13 to 19 years.

The Career Advice Australia initiative focuses on encouraging industry to be actively involved in shaping their future workforce by leading the way in young people's career development, guidance and training.

The Australian Government has created a national Career Advice Australia network which works with industry and business at a local, regional and national level to ensure that current day career development is meeting the needs of both young people and their future employees.

This has been initiated through the nationwide expansion of Local Community Partnerships, and the creation of national networks of Regional Industry Career Advisers and National Industry Career Specialists.

- National Industry Career Specialists represent the ten industry sectors and provide industry sector-specific information, particularly on skills needs and labour markets.
- Regional Industry Career Advisers ensure that young people, parents, schools and local business receive relevant localised industry career information, advice and resources.
- Local Community Partnerships assist schools, local businesses, community organisations and industry bodies to deliver career development and transition support services to help all young people gain skills, experience, professional guidance and access to industry-based career information.
- Youth Pathways offers personalised assistance to help young people who are at risk of not making it through school or on to further education, training or employment.
- Partnership Outreach Education Model (POEM) gives young people who have left school another chance at learning through flexible and accredited education and training options.

Local Community Partnerships – source:

http://www.dest.gov.au/sectors/career_development/programmes_funding/programme_categories/key_career_priorities/lcp/

Australian Government Local Community Partnerships (LCPs) are incorporated, not-for-profit, community-based and locally operated organisations contracted by the Department of Education, Science and Training to provide a strategic approach to the implementation of the following three LCP career and transition programs:

- Structured Workplace Learning Program;
- Career and Transition Support Program; and
- Adopt a School Program.

LCPs will facilitate the delivery of the three LCP career and transition programs to all schools (across all Government, Catholic and other non-Government schooling sectors) for the benefit of all young people (aged 13–19) within their contracted LCP Service Regions.

LCPs will partner with industry and employer groups, schools, professional career advisers, community organisations, parents, young people, youth service providers and other government and community organisations to assist all young people aged 13–19 years to gain the skills, experience and professional guidance to help them achieve a successful transition through school, and from school to further education, training and employment.

Career and Transition Support – source:

http://www.connecttoyourfuture.dest.gov.au/parents/career_transition_support.htm

Under the Career and Transition Support programme, Local Community Partnerships work closely with schools in their region to make sure all young people have access to a range of career development and transition support services.

Local Community Partnerships do not directly deliver services to individual students. They work with local schools, industry bodies and community groups to make it easier for young people to find and use services in their area.

Some aims of the Career and Transition Support programme include:

- helping young people understand their post-school options
- making it easier for students to access career advice
- promoting vocational and technical education and training
- encouraging parents, teachers and career advisers to better communicate.

Many activities take place under the Career and Transition Support programme including:

- career expos
- mentoring programmes
- career education and counselling
- parent information evenings or workshops
- excursions to local businesses and industry
- interview and résumé workshops
- guest speakers.

Youth Pathways – source:

http://www.connecttoyourfuture.dest.gov.au/industry/youth_pathways.htm

Youth Pathways helps those young people who are most at risk of not making a successful transition through school, and from school to further education, training, employment and active participation in the community.

Youth Pathways seeks to reduce the number of early school leavers who do not enter into further education, training or employment within one year of leaving school.

Youth Pathways achieves this by conducting individual assessments to identify particular challenges young people are facing. A transition plan is then developed, tailored to a young person's individual needs and aimed at helping them to address their obstacles. The plan outlines actions that will help to overcome these challenges. It is constantly updated to help the young person as they progress.

Once the plan has been worked through, Youth Pathways workers continue to support and guide the young person as they progress through their education or training and beyond.

Youth Pathways aims to encourage and support young people to:

- stay in or return to school through to completion of year 12 or its equivalent
- stay in or return to the non-school-based education, vocational learning or training they start, through to completion
- prepare for effective engagement in Job Network activities.

Youth Pathways is a national programme with contracted providers in 100 service regions throughout Australia.

Partnership Outreach Education Model (POEM) – source:

<http://www.connecttoyourfuture.dest.gov.au/industry/poem.htm>

The Partnership Outreach Education Model provides a full-time education and personal development programme for young people, aged 13 to 19 years, who are disconnected from mainstream schooling.

The initiative delivers accredited education, and life skills and employability skills training in supported community settings. At the same time, participants are provided with help and support to deal with personal issues and build self-esteem and resilience. The holistic and flexible approach taken by POEM provides participants with the foundations they need to have every chance of reaching their full potential.

The length of time spent in a POEM programme varies for each young person and is based on their needs and the issues they face. When participants are ready to exit the programme, staff help them to re-engage with mainstream education such as school, TAFE or university, access further training, gain work or an Australian Apprenticeship, or participate in community activities.

South Australian Youth Engagement Strategy (SAYES) – source:

<http://www.youthengagement.sa.edu.au/pages/default/SAYES/>

The South Australian Youth Engagement Strategy (SAYES) is a comprehensive strategy for the provision of education, training and employment services for 15–19 year olds in South Australia.

The South Australian Youth Engagement Strategy complements the Government's existing School Retention Action Plan for young people aged 15 – 19 who are at risk of not completing Year 12 or its equivalent.

It expands the concept of student engagement and retention to include those young people studying full time at school and those engaged in combinations of learning, training and employment.

The Strategy refocuses attention on the significance of longer term engagement of young people as they move from learning in the senior secondary years to ongoing learning through further education and/or training.

The aims of the South Australian Youth Engagement Strategy (SAYES) are to:

- ❖ broaden the concept of student retention beyond the focus of completing Year 12
- ❖ include the full range of post compulsory education and training opportunities available to young people
- ❖ promote senior schooling as part of a broader learning continuum not as an end in itself
- ❖ improve the linkages between various parts of the education and training system and also between education and employment
- ❖ strengthen effective transitions to further education, training or employment
- ❖ improve cross agency collaboration to support all young people to stay involved in learning.

The Strategy aims to bring together existing initiatives, monitors effectiveness, addresses gaps in provision and improves policy.

Innovative Community Action Networks (ICAN)

Innovative Community Action Networks is one of the major initiatives of the Government's South Australian Youth Engagement Strategy and School Retention Action Plan.

Government and communities are working together to address student retention issues in their local community. ICANs bring together young people, families, schools, community groups, businesses and different levels of government to find solutions to local issues that prevent young people from completing their education.

ICANs are targeting young people between 12 and 19 years of age who are:

- Enrolled in school but at risk of early leaving
- Disengaged and/or not re-engaging to a pathway to employment, further education or community participation, or a combination of these.

Futures Connect – source:

http://www.decs.sa.gov.au/new/files/links/Futures_connect_book.pdf

Futures Connect is connecting students with future plans, goals and aspirations. Every government secondary school student in South Australia will soon have his or her own individual transition plan for moving through school and beyond. This plan will include:

- A Learning Plan;
- A Transition Portfolio; and
- An Exit Map.

Students will be offered on-going support after they leave school. New transition support services will be provided through a joint approach between schools and local agencies. These services will have skilled transition brokers who will link schools, young people and their families with appropriate support services.

The State Government's new Futures Connect strategy will support all South Australian government school students to complete Year 12 (or its vocational equivalent) and successfully negotiate their transition to adult life. Futures Connect will result in schools and local service providers joining their resources to provide young people and their families with:

- Improved career and transition services;
- More opportunity to learn about and work in their local industries;
- Greater access to community support services for students while at school and beyond; and
- Increased education and training choices.

By improving the transition planning process, Futures Connect will help engage young people in their learning experiences, encourage them to remain at school and give them the opportunity to reach their full potential. The strategy recognises that every young person should receive an education that equips them with skills which are valued by the community and reinforces their status as valuable members of their community.

SA Works in the Region – Southern Metropolitan Region – source:

<http://www.saworks.sa.gov.au/pages/saworks/sthmetro/>

The *South Australia Works* initiative brings together learning, training and employment services to ensure all South Australians have the opportunity to develop work skills and get a job. The initiative focuses on seven priority areas:

- Regional South Australia
- Young People
- Mature Aged People
- Indigenous People
- Industry
- Public Sector
- Communities

People who face significant barriers in accessing training and employment are provided with more and better opportunities to participate in learning, skill development, training and employment.

The Southern Metropolitan Employment and Skills Formation Network developed the 2005–06 Employment and Skill Formation Plan for the region in consultation with local stakeholders. Funds have been provided to the City of Onkaparinga to implement this Plan. Key issues being addressed are:

- Young employment
- Helping more young people to access traineeships or apprenticeships
- Skill shortages in manufacturing and trades
- Diversification of the economy
- Assisting retrenched workers

- Access to childcare
- Assisting young Aboriginal people to transition into employment
- Assisting the development of Aboriginal businesses

Participation in the Southern Metropolitan Employment and Skills Formation Network is open to all members of the community who have a commitment to advancing local employment and skill formation issues in the region. The Network has representation from Local Government, Department of Education and Children's Services, TAFE, Industry, Area Consultative Committee, Department of Employment and Workplace Relations, Mission Australia, Flinders University and Aboriginal Organisations.

Current activities include:

- 0 The Trades Promotion program works with local employers to identify their training and recruitment needs and then to provide that training for local job seekers in order that they may access the employment opportunities.
- 0 The Family Day Care project is a joint initiative between South Australia Works and the Family Day Care Unit of the Department of Education and Children's Services. People interested in becoming Family Day Carers will receive training and accreditation by the Family Day Care Unit. Upon completion of the program participants will be able to manage their own Family Day Care businesses with clients referred to them from the Family Day Care Unit.
- 0 The Aboriginal Youth Worker Program provides culturally appropriate individual support to young Aboriginal people seeking to access employment. The program provides each participant with a training plan that addresses individual issues that may include literacy/numeracy, low self esteem or specific industry skill gaps. Participants are also referred onto other services where appropriate to assist with other barriers to employment.

Doorways 2 Construction – source:

http://www.constructionskills.com.au/careers_d2c.cfm

Doorways 2 Construction, or D2C as it is commonly referred to, is South Australia's premier VET in Schools program for the building and construction industry. D2C supports the recruitment and induction of young people into building and construction, with over 500 students participating in the program across 26 clusters involving some 70 South Australian schools. It provides them with a solid foundation of skill, knowledge and experience, which articulate into a range of vocational training courses and is the introduction for many career pathways.

Doorways 2 Construction has three major components:

- 0 Training at Certificate I in Building and Construction
- 0 weeks minimum work placement
- 0 Career advice, site visits and career talks.

Attachment 3: Industry Associations and Business Groups in the Southern Region

Business Associations, Southern Region

<p>Aldinga Bay Traders Association – approximately 80 members</p>
<p>Australia Industry Group – as part of the Career Advice Australia initiative, a Regional Industry Career Adviser (RICA) for the Southern Adelaide region, will be working closely with local businesses, industry groups, education stakeholders, local government organizations and community groups with the aim of bridging the gap between young people and local business.</p>
<p>Centre for Innovation (Science Park) – was established in December 2005 through a partnership with universities, industry and the South Australian Government. It fosters collaboration opportunities for small to medium sized businesses by offering a resource and referral service for companies that are market driven, and looking to become internationally competitive. It has specialist staff in industry sectors as well as in technical areas such as product development, company diagnostics, manufacturing techniques and management, process engineering, supply chain and logistics and commercialisation.</p>
<p>Edwardstown Melrose Park Business Association – with the main aim of fostering and promoting business through shared knowledge, ideas, resources and strategic precinct development.</p>
<p>Exporters Club – the services of the Club are tailored at small business, and provides</p> <ul style="list-style-type: none"> • Contacts in overseas markets and with relevant domestic export service agencies; • Advice on current issues relevant to exporters; • Assistance in appropriately selecting the right overseas market and understanding the culture of the market; and • Delivers Austrade service to eligible companies.
<p>Fleurieu Peninsula Food – some of its goals are:</p> <ol style="list-style-type: none"> 1. To increase visitor numbers and enhance the food experience to visitors and residents of the region. 2. Encourage regional food business to strengthen and grow. 3. Encourage new businesses that can contribute to the regional food identity. 4. Engage retail and hospitality sectors in the distribution for regional foods. 5. Promote and deliver a more active food experience in the region.
<p>Fleurieu Peninsula Tourism</p>
<p>Hackham Business Association – mostly containing light industry and motor-trade businesses</p>
<p>Hallett Cove & District Business Association – the Association is committed to enhance, develop, promote and protect the Hallett Cove District through the pursuit of excellence in business and related activities.</p>
<p>Inner Southern Business Enterprise Centre – provide free or low cost, practical business information and support to existing and prospective small businesses</p>

<ul style="list-style-type: none"> • Assist clients with the preparation of business plans including marketing and budgeting • Provide licensing information to new business starters and businesses that are considering changes to their current business operation • Provide referrals to Federal, State and local Government programs and services for business • Facilitate and encourage networking opportunities, featuring keynote speakers, which link small businesses to local services and organisations involved in business and economic development.
Lonsdale Business Association
McLaren Vale Business Association – its main aims are to further the success of local businesses and tourism initiatives, and to initiate and promote community projects, festivals and events in the McLaren Vale area.
McLaren Vale Grape Wine and Tourism Association
Neporendi – acting as both community centre and business association, Neporendi services the south's indigenous residents
ONKARA Residents & Commercial Association – is an informal group for all people residing or having an interest in Old Noarlunga, such as sporting groups, businesses, etc. to promote and foster ideas and to advance social, commercial and environmental interests.
Port Noarlunga Traders Association Inc – consists of approximately 40 members from most of the local business that operate in the Port Noarlunga area
Regional Export and Investment Extension Service – providing expertise and assistance to aspiring exporters;
Reynell Business & Tourism Association – develops and promotes current businesses, new business opportunities and sustainable tourism activities within the Reynella district
Southern Futures & FEVER Schools
Southern Office for Centre of Innovation
Southern SA Works
Southern Success Business Enterprise Centre – The SSBEC's main purpose is to provide free or low cost business advice, support or referrals to both new and existing local businesses. It works in collaboration with the Exporters Club and facilitates the Economic Development Forum and the newly formed Southern Business Associations Alliance.
Southern Business Associations Alliance – The alliance between all Business Associations in the City of Onkaparinga and the SSBEC was formed to enhance the opportunities for all businesses in the region. While still keeping the identity of the individual precincts, the alliance enables greater networking, support, resources and training opportunities while having a stronger voice to advocate for, and represent business in the region
Willunga Farmers Market
Willunga Trade & Tourism Association – aims to conserve the town's heritage, and cooperate with other community groups on regional initiatives
Willunga Traders Association
Youth Employment Alliance – will place 125 young people in apprenticeships or traineeships

Source: Information provided to AISR by the City of Onkaparinga

Attachment 4: Services and structures in the Southern Region that contribute to workforce development, by targeted industry sector

	Not industry and/or region specific	Food Wine Tourism	Advanced Manufacturing and Automotive	Environmental	Health and Education
Youth Focussed					
Trade School of the Future					
South Australian Youth Engagement Strategy					
Australian Technical College - Adelaide South					
Futures Connect					
Career and Transition Support					
SA Youth Engagement Strategy					
Innovative Community Action Networks					
Southern Vocational College					
Fleurieu Learning Alliance					
Career Advice Australia					
Partnership Education Model					
Regional Industry Career Adviser					
Southern Futures & FEVER Schools					
Youth Employment Alliance					
Business Advisory					
Exporters Club					
Inner Southern Business Enterprise Centre					
Southern Success Business Enterprise Centre					
Regional Export and Investment Extension Service					
Centre for Innovation					
Industry/Business Associations					
Aldinga Bay Traders Association					
Edwardstown Melrose Park Business Association					

	Not industry and/or region specific	Food Wine Tourism	Advanced Manufacturing and Automotive	Environmental	Health and Education
Fleurieu Peninsula Food					
Fleurieu Peninsula Tourism					
Hackham Business Association					
Hallett Cove & District Business Association					
Lonsdale Business Association					
McLaren Vale Business Association					
McLaren Vale Grape Wine and Tourism Association					
Port Noarlunga Traders Association Inc					
Reynella Business & Tourism Association					
Southern Business Associations Alliance					
Willunga Trade & Tourism Association					
ONKARA Residents & Commercial Association					
Regional Advisory Bodies					
Southern Metropolitan Employment and Skills Formation Network					
Southern Adelaide Economic Development Board					
Regional Development Boards					
Fleurieu Region Economic Development Board					
Other					
TAFE Rapid Response					
South Australia Works					
Structural Adjustment Fund					
Neporendi					