

# SKILLS AND THE VICTORIAN LABOUR MARKET – A LOOK AHEAD

**AEN Mid-Year Conference** 

17 July 2024



# **About the Victorian Skills Authority**



**Independent authority** with a CEO and an Advisory Board, whose members reflect the diversity of the sector



**Established in July 2021** 



Accountable to the **Minister for Training and Skills** 



Provide evidence-based planning and solutions to **meet current and future skills needs** in Victoria



Work with industries, employers, unions, TAFEs, and education & training providers to help learners and communities access the skills they need for success

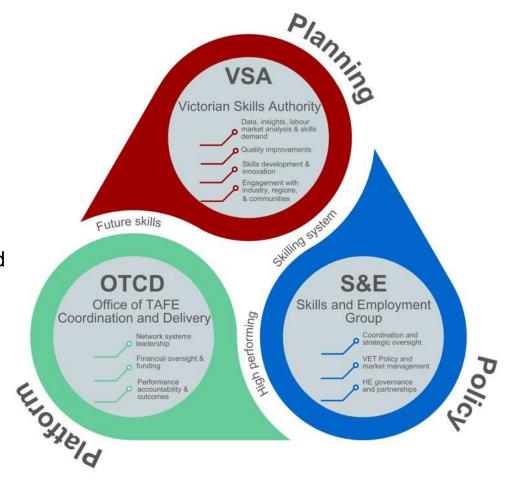


Ensure Victorians can access quality vocational education they need to **hold a good job and build a career.** 



#### Victoria's skills system architecture

- Alignment of skills and training to deliver skillsfocused responses to industry needs
- Ensuring access to quality pre-accredited and accredited education, training and skills.





#### Victorian Skills Plan key products

#### The Victorian Skills Plan for 2023 into 2024 provides insights into the priorities for skills responses



# Victorian Skills Plan for 2023 into 2024

 Highlights actions and recommendations across priorities such as promoting post-secondary education skills and career pathways, lifting participation in education and training and delivering the right skills for the jobs of today and tomorrow.



# Employment Forecast Dashboard 2023-2026

 Provides up-to-date information about current and future demand for jobs to raise awareness of employment opportunities in Victoria.



#### Victorian Skills Plan Implementation Update

 Advises on the work underway to complete the actions in the Victorian Skills Plan for 2022 into 2023.



# State of the Victorian Labour Market Report

 Provides in-depth analysis of labour market trends and challenges in Victoria over the past year to identify areas requiring an education and training response.



For further information, see: vic.gov.au/victorian-skills-plan

## **And in Regional Victoria**

- Place-based insights on skills and workforce needs
- Industry insights from regional stakeholders
- Analysis of common issues within and across industries and regions
- Case studies and success stories
- Point-in-time data:
  - regional population projections
  - economic performance and strengths
  - labour force demand.
- Online resources for students, careers advisers and parents





# New industry and regional profiles for students and learners

## Training and careers in Shepparton, Seymour and surrounds



#### TAFE and training providers in Shepparton, Seymour and surrounds

Explore local TAFE and training providers in Shepparton, Seymour and surrounds to help you prepare for work.



#### Find a training course

Thinking of doing some training? Find out how to choose a course or training provider to prepare for work, and learn what financial assistance is available.



#### Help finding a job in Shepparton, Seymour and surrounds

Learn what support is available to find work in Shepparton, Seymour and surrounds.



#### Future job growth in Shepparton, Seymour and surrounds

Explore jobs in demand in Shepparton, Seymour and surrounds and how many workers will be needed in the coming years.

#### Local career stories



#### Styled for selfimage: Paige's hairdressing impact

"Our apprenticeships are naturally very practical. You're in the salon getting first-hand experience which opens up windows of opportunity for learning, growth and making connections in the industry."



#### Tahlia channels her creative flair into a career in floristry

"I found that the skills I was learning in the course I was able to practise in the workplace. It lights up people's faces when they see their idea come to life from the flowers they have chosen."

# Over the next 3 years, Victoria's employment needs will be diverse across industries, occupation and regions

#### 352,000

new workers expected to enter the Victorian economy between 2023 and 2026



64%

of these new workers will need higher-order skills



277,000

of these new workers expected in metropolitan Melbourne



75,000

of these new workers expected in in regional Victoria



# The top industries expecting new workers:



83,300 health care and

social assistance

35,000

professional,

scientific and

technical services



32,300 accommodation and food services



46,400 education and training



5,700
on university
ces lecturers
and tutors

#### Occupations in demand:



17,600

ageing and

disability

10,200 registered nurses



6,400 software and applications programmers



**5,300** primary school teachers



4,900 4,600 secondary accountants school teachers



#### Regional Victoria will be home to many more workers

#### 75,000

new workers expected to enter Regional Victoria between 2023 and 2026



61%

of these new workers will need higher-order skills

The top industries expecting new workers



22,600 health care and social assistance



8,900 accommodation and food services



**7,100** education and training

Occupations in demand



**5,200** ageing and disability carers

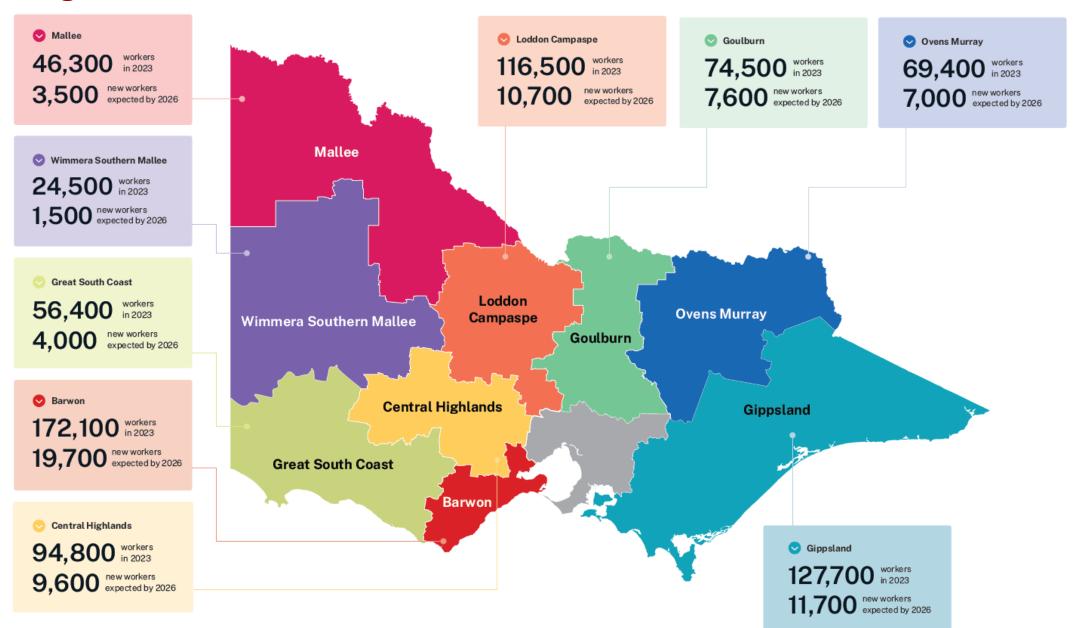


**2,600** registered nurses



1,700 Livestock Farmers

#### Regional Victoria in more detail



# Setting the scene for the 2024 Skills Plan

# Worker demand

Continued high demand for workers across Victoria

# Clean economy

10,000 additional jobs per year are expected until 2030

# Care economy

Nearly 94,000 new health workers needed between 2024 and 2027

# Construction agenda

Housing Statement to deliver 800,000 new homes over the next 10 years, serviced by 16,000 new jobs

# **Digital** transformation

Over the next 10 years, over 1 million new workers will require at least foundation digital skills











Welcome

Access and download employment forecast data for any combination of industries, regions and occupations.

Download an accessible version of the employment forecast data as an MS Excel file from this page.

Workforce Summary

Select data:







Occupation

Industry

Region

Data Explorer

ANZSCO4 Occupation Employment 2023 Annual employment **Employment** Total new workers Retirements growth rate (%) growth 2023-2026 2023-2026 expected by 2026 2023-2026 Aged and Disabled Carers 64.782 5.3% 10.871 6,683 17,554 General Clerks 69,860 2.9% 6,178 7,497 13,676 2.0% Registered Nurses 84,217 5,028 5,205 10,233 Sales Assistants (General) 139,169 -0.0%-100 7.097 6.997 Software and Applications Programmers 56,838 2.9% 5,084 1,364 6.448 17.634 7.3% 4,137 1,604 5,741 University Lecturers and Tutors Storepersons 47,252 1.5% 2,209 3,180 5,389 Primary School Teachers 0.8% 5,258 54.986 1,253 4,005 Management and Organisation Analysts 31,925 3.4% 3,384 1,617 5,000 Secondary School Teachers 50.349 0.8% 1,228 3.670 4.898 Human Resource Managers 28 714 3 2% 2 886 1 709 4 596 3,534,919 1.3% 136,560 215,576 352,136 Total

Data Notes







Jobs, Skills, Industry and Regions

Welcome

Select industry Construction

Employ 202	
335,	215

(i)

Employment growth (i) rate (%) 2023-2026 -0.1%

Employment growth 2023-2026	U
-824	

Retirements 2023-2026 18,262

**(i)** Total new workers expected by 2026 17,438

Workforce Summary

Occupation

Industry

Region

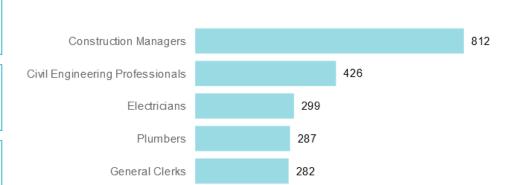
Data Explorer

Data Notes

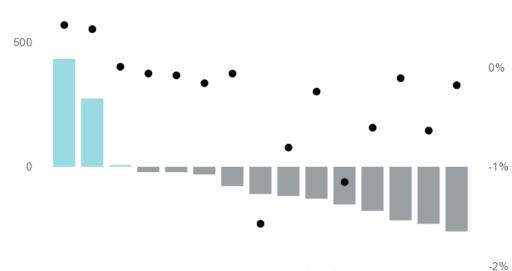
#### Profile of workers in the Construction industry

Higher Education	VET	No Post School	Female	Age 50+
			8	<u></u>
15%	53%	32%	14%	25%
Vic. 41%	Vic. 30%	Vic. 29%	Vic. 48%	Vic. 29%

#### Top 5 Occupations in Construction (Employment growth 2023-2026)



#### Employment growth and Annual employment growth rate, region





■ Employment growth 2023-2026 (LHS) ■ Annual employment growth rate(%) 2023-2026 (RHS)



Higher Education

> 40% Vic. 41%





Jobs, Skills, Industry

Welcome

Select industry	Employment ① 2023	Employment growth (1) rate (%) 2023-2026	Employment growth (1) 2023-2026	Retirements (1) 2023-2026	Total new workers ① expected by 2026
Electricity, Gas, Water and 🗸	40,873	0.9%	1,100	2,466	3,566

Workforce Summary

Occupation

Industry

Profile of workers in the Electricity, Gas, Water and Waste Services industry

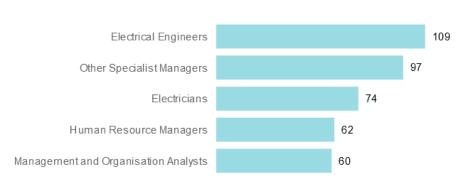
VEI	No Post School	Female	Age 50+
		8	
35%	25%	29%	31%
/ic. 30%	Vic. 29%	Vic. 48%	Vic. 29%

Top 5 Occupations in Electricity, Gas, Water and Waste Services (Employment growth 2023-2026)

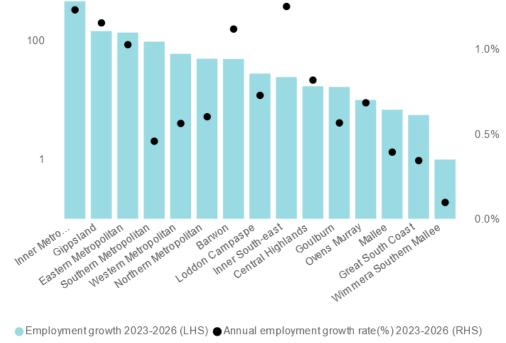
Region

Data Explorer

Data Notes



Employment growth and Annual employment growth rate, region









Jobs, Skills, Industry and Regions

Select region	
Loddon Campaspe	~

Employment (	Employment growth (1) rate (%) 2023-2026	Employment growth 2023-2026
116,528	0.9%	3,314

Retirements 2023-2026 7,430

Total new workers expected by 2026

10,744

#### Workforce Summary

### Occupation

#### Industry

#### Region

Data Explorer

**Data Notes** 

#### Profile of people in Loddon Campaspe

Higher Education	VET
22%	32%
Vic. 32%	Vic. 27%

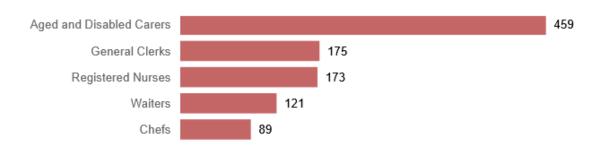




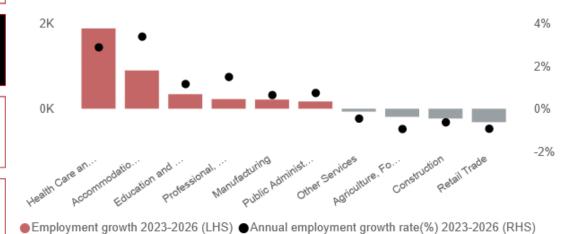


Age 65+

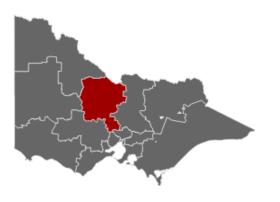
#### Top 5 occupations in Loddon Campaspe (Employment growth 2023-2026)



#### Employment growth and Annual employment growth rate, top 10 industries



#### Location of Loddon Campaspe Region



#### Skills and workforce needs and challenges are common across all industries

# CLEAN ENERGY CONSTRUCTION & HOUSING EDUCATION & TRAINING VISITOR ECONOMY MANUFACTURING HEALTH CARE AND



**COMMUNITY SERVICES** 

## ILO global framework for core skills

#### Social and emotional skills

- ▶ Communication
- Collaboration and teamwork
- Conflict resolution and negotiation
- ► Emotional intelligence

#### Basic skills for green jobs

- ▶ Environmental awareness
- Waste reduction and waste management
- ► Energy and water efficiency



#### Basic digital skills

- Use basic hardware
- Use basic software
- Operate safely in an online environment

# Cognitive and metacognitive skills

- ► Foundational literacies
- Analytical and critical thinking
- Creative and innovative thinking
- Strategic thinking
- Problem-solving and decision-making
- Self-reflection and learning to learn
- Collect, organize and analyse information
- ► Planning and organizing
- Career management



#### What are higher-order skills?

- Higher-order skills are occupations that have a skill level of 1 to 3
- Higher-order skills align with qualifications from Certificate III (plus a minimum of 2 years of on-thejob experience) to a bachelor degree or higher
- Experience may substitute for formal qualification, or in other cases relevant experience may be required in addition to the formal qualification

Certificate IV

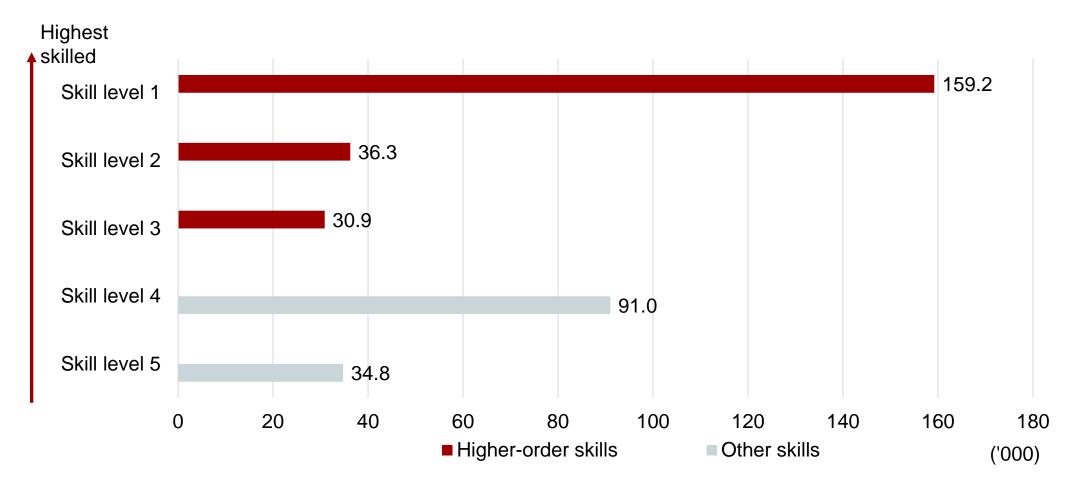
#### Higher-order skills Skill level 3 Skill level 2 Certificate III Skill level 1 an associate (including at least a bachelor degree, advanced two years of on-thediploma or degree or higher job training) or

diploma



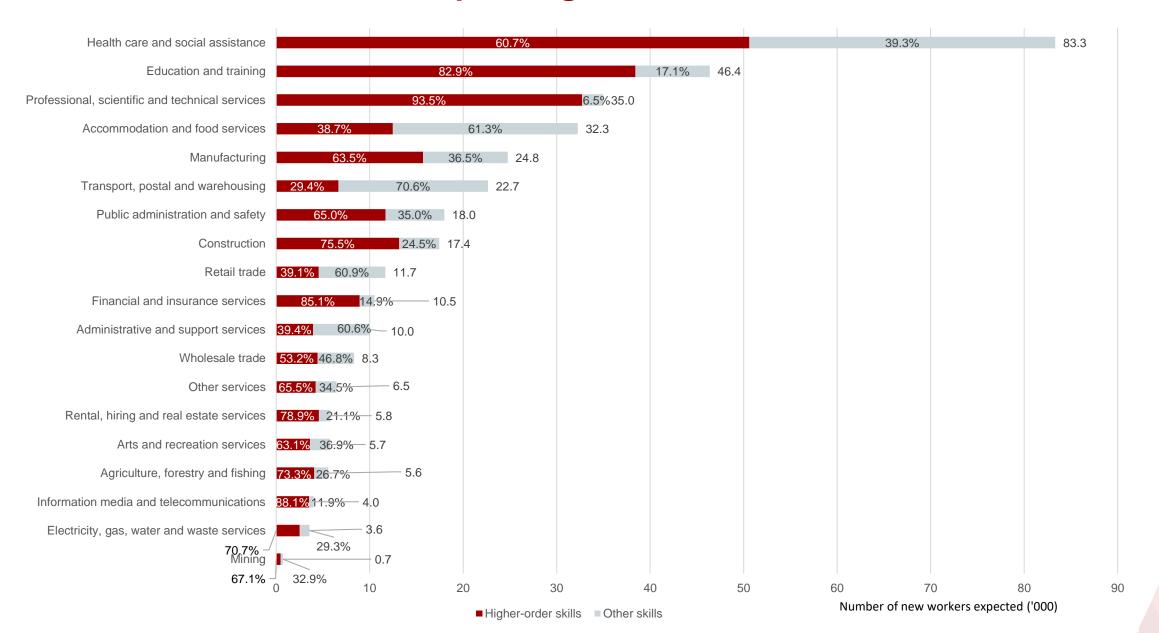


#### A changing economy requires more workers with higher-order skills





#### Most new workers will require higher-order skills across all industries



# Digital skills needed in all industries

- Data analysts
- Cloud engineers
- Systems integration skills
- IT generalists
- Cyber security

#### Construction

Future technologies inc. robotics Digital project management Computer aided design and specifications

# Health & community services

Development and use of digital healthcare platforms
Skills for telehealth

Digital patient records management

#### Agriculture

Website
management
Farming robotics
Automation literacy
Smart farm tech

#### Manufacturing

Industry 4.0 skills

Troubleshooting capability in user experience, hardware maintenance.

software development

# Visitor economy

Technical and production skills Digital marketing Digital records, transactions, workflows

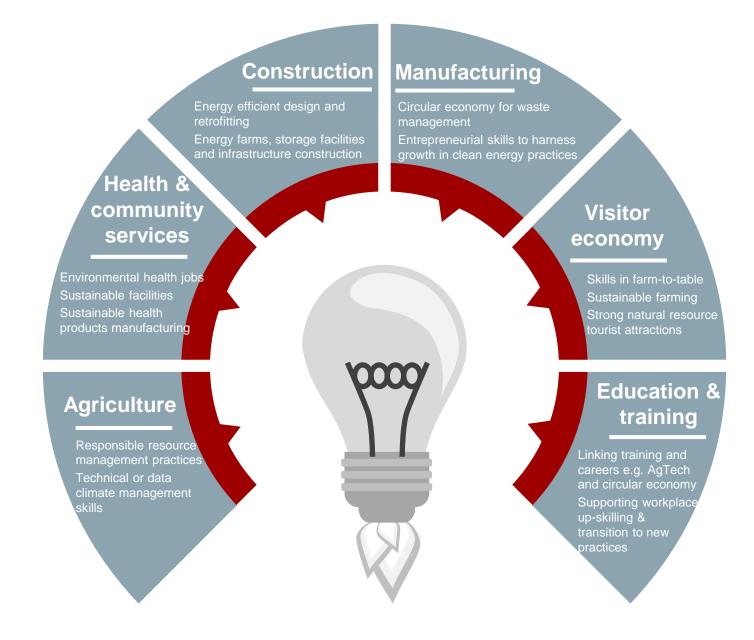
# Education & training

Online learning
Curriculum and
resource design that
builds digital
capability
STEM educators



# Clean economy skills needed in all industries

- Specialist roles across industries
- Technical and digital skills
- Leadership, entrepreneurial capability and collaboration skills





#### Proposed new purpose-driven qualifications system focused on learning outcomes

**OFFICIAL** 

Skills Ministers have agreed to trial a new purpose-driven qualifications system

#### Benefits of the proposed system

- Retain what is working well where qualifications have clear links to labour market outcomes (Purpose 1)
- Generate new models for use across industries, giving graduates a base of transferable knowledge and skills
- Bring more students into VET by delivering knowledge, skills and core capabilities they need for life and work, and building confidence in the future that VET offers
- Encourage industry to think about new ways to design and organise qualifications that are not directly linked to specific occupations and deliver broader capabilities
- Enable quality delivery by reducing overspecification, leading to better learning experiences and outcomes and leveraging the capability of quality VET providers

Jobs and Skills Councils will trial the new system in priority industries in 2024 to refine proposals for reform

#### **Purpose 1: Occupation**

Prepares learners to meet a specific occupational outcome

#### OUTCOME

Learning for well-defined jobs with springboard to career progression

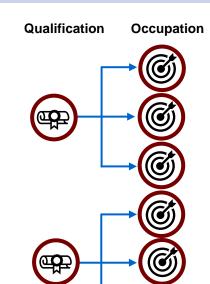
# Qualification Occupation OCCU

#### **Purpose 2: Industry**

Prepares learners for multiple, related occupations while retaining industry relevance

#### **OUTCOME**

Learning for a range of related occupations with capacity to transfer across industry

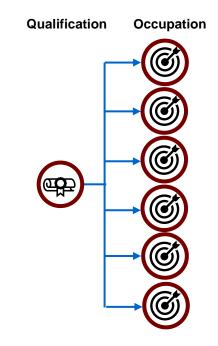


#### **Purpose 3: Innovation**

Provides learners with a range of skills and knowledge not linked to a specific job role

#### OUTCOME

Learning targeted to cross-industry skills and knowledge, and further learning



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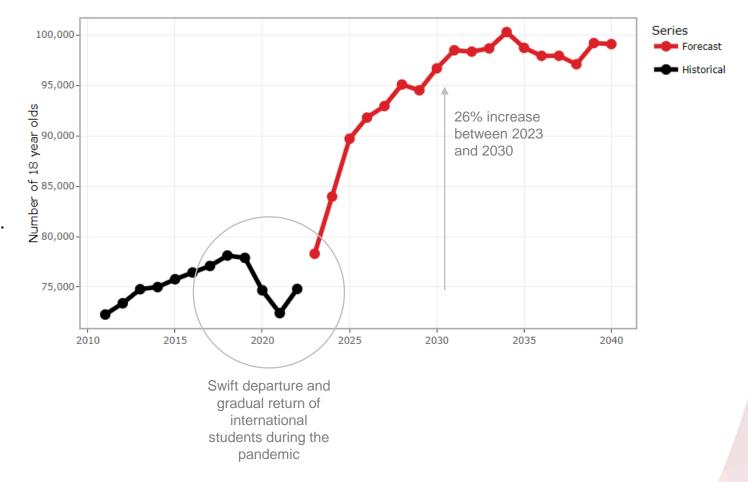
# The coming boom of gen z school-leavers presents major new skilling opportunities

Between 2023 and 2030, the Victorian Government is projecting a 26% increase in the number of 18 year olds.

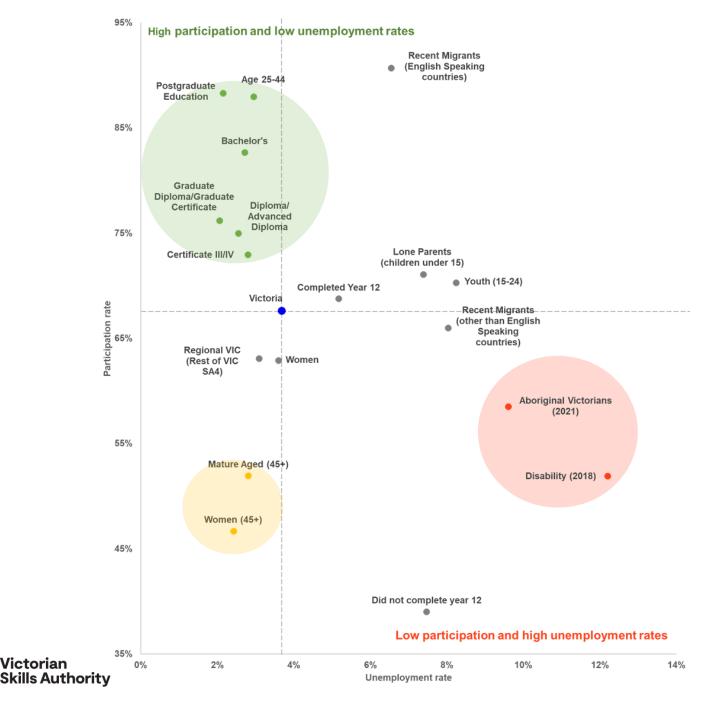
Migration is the primary driver of the boom. After a severe recession in the 1990s, the turnaround of Victoria's economy in the 2000s attracted domestic and international migrants. Many of their children are now at school graduation age.

International students also feature in this age group. Recent changes to migration policy may mean a lower result than suggested by this projection.

The Howard-Costello 'Baby Bonus' policy may have also played a very small role, with a slight increase in fertility in the 2000s.







# Priority cohorts – participation & unemployment rates

### Thank you

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For more information on the Victorian Skills Plan, visit: vic.gov.au/victorian-skills-plan

