



**Victorian  
Skills Authority**

# Victorian Skills Plan

for 2024 into 2025

Shared prosperity  
through skills



Jobs, Skills,  
Industry  
and Regions



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November 2024

© The State of Victoria Department  
of Jobs, Skills, Industry and Regions  
Victorian Skills Authority 2024

ISBN 978-1-76090-664-1 (Print)  
ISBN 978-1-76090-665-8 (Online)

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### **Acknowledgment**

We acknowledge and pay respects to Elders and all First Peoples in Victoria. We honour and respect Traditional Custodians past and present and the strength of First Peoples in practicing the world's oldest living culture, which enriches our society more broadly.

We recognise the leadership of First Peoples in advocating tirelessly for future generations' rights to education in the face of injustice, and our responsibility to partner with First Peoples through Treaty and Truth-telling to support self-determination in post-secondary education and training.

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### **Cover image**

AGA carpentry apprentices Wil, Taylor, Alex and Tiasmyn at Glenvill Project's Altona North medium density housing site.

# Table of contents

<b>A message from the Minister</b>	<b>4</b>	<b>3. Deliver knowledge and skills that enable economic participation and support industry needs</b>	<b>22</b>
<b>1. The 2024 Skills Plan is central to the government's strategy to strengthen economic growth and deliver its housing agenda</b>	<b>6</b>	3.1 Deliver stronger foundation skills for more Victorians	22
1.1 A summary of the 2024 Skills Plan	7	3.2 Re-design VET qualifications to better meet the needs of learners and industry	24
1.2 The Skills Plan guides decision making for learners, training providers, industry and Government	8	3.3 Build the digital capability of Victoria's workforce	26
1.3 Actions from the 2022 and 2023 Skills Plans are already having an impact	9	<b>4. Improve access to vocational education and training</b>	<b>28</b>
1.4 National skills reform is an opportunity to further the objectives of the <i>Victorian Skills Plan</i>	11	4.1 Better recognise the existing skills of workers	28
<b>2. Victoria's strong labour market will continue to grow</b>	<b>12</b>	4.2 Work with the Commonwealth Government to expand the financial support available to VET learners	30
2.1 The health care and social assistance and construction industries will drive workforce growth	12	<b>5. Connect secondary school students with training pathways and the world of work</b>	<b>32</b>
2.2 The government's agenda for housing and public infrastructure is transforming Victoria's workforce	16	<b>Conclusion – a message from the Victorian Skills Authority</b>	<b>34</b>
2.3 Apprentices and trainees play a vital role in delivering government priorities	18	<b>References</b>	<b>35</b>
2.4 The clean economy transition presents many opportunities for Victorian workers	20		



# A message from the Minister

## The Victorian Government is building on its decade of investments in training to deliver the skills the economy needs.

A key priority for the government is to ensure we have the workforce needed to deliver the most fundamental good – a home. The government's *Housing Statement* puts forward a plan to tackle housing supply and we are ensuring that the skills sector will play its part.

We continue to offer *Free TAFE* in areas like building and construction to build the pipeline of skilled workers needed to deliver our once-in-a-generation infrastructure agenda, including the *Housing Statement* and the *Big Build*.

Our more than \$4.6 billion investment in skills over the past decade is paying off through strong economic growth, deeper social inclusion and the many Victorians securing jobs and rewarding career opportunities. It is also providing industry with the right mix of skills to drive long-term growth and productivity.

An additional \$555 million in the 2024/25 Victorian Budget will extend access to *Free TAFE*, support apprentices and trainees, and train more Victorians.

Our efforts must continue. In addition to housing, skills are vital for Victoria's clean economy transition, driven by the shift to renewable energy. Digital skills are increasingly relevant across industries and occupations. Our advanced manufacturing sector is contributing to Australia's efforts to strengthen sovereign capability. And the care economy continues to employ the most workers of all industries.

The Victorian skills sector is meeting these needs through collaboration between the Victorian TAFE Network, universities, training providers, employers and unions.

Building on the comprehensive skills response set out in the first two Skills Plans, the *Victorian Skills Plan for 2024 into 2025* presents the new priorities needed to ensure Victorians have the right skills to power our economy into the future.

The Skills Plan paves a way towards improving economic fairness by strengthening foundational skills and breaking down barriers for Victorians who face disadvantage in the labour market.

Making training more accessible and affordable no matter where someone lives continues to be a key priority. Our highly successful *Free TAFE* policy will continue to play an integral role in developing the pipeline of skilled workers and advocacy to the Commonwealth Government on

Vocational Education and Training (VET) Student Loans could open up the doors for even more VET students.

VET qualifications must deliver the right skills and meet the needs of learners, communities, and industry as our economy transforms. Victoria continues to lead nationally in the reform of VET qualifications. We are also ensuring that recognising workers' prior learning becomes easier and faster, so workers and industry can gain the benefits of qualifications. Connecting more school students to the world of work will help young Victorians get the most out of their schooling.

This year's Skills Plan is another call to action for everyone in the skills system to work together to meet Victoria's workforce needs, strengthen the economic competitiveness of our regions, and provide Victorians with the skills they need for the jobs they want.

I would like to thank the Victorian Skills Authority and its Advisory Board and Industry Advisory Groups, VET providers including the Victorian TAFE Network, and other stakeholders and partners who provided valuable insights to shape the 2024 Skills Plan.



A handwritten signature in black ink, appearing to read 'Gayle Tierney'.

**The Hon. Gayle Tierney MP**

Minister for Skills and TAFE  
Minister for Regional Development







# 01

## The 2024 Skills Plan is central to the government's strategy to strengthen economic growth and deliver its housing agenda

Key government priorities, including the *Housing Statement*, *Big Build*, care economy and clean economy transition, require a skilled, inclusive and modern Victorian workforce.

To achieve this, the *Victorian Skills Plan for 2024 into 2025 (2024 Skills Plan)* guides and coordinates the efforts of key stakeholders in the skills system including government, training providers, industry and learners to realise the shared vision of a skilled workforce. It identifies areas for action to support Victoria's economic priorities, including improving productivity, increasing employment and enhancing economic inclusion.

The 2024 Skills Plan aligns with government programs that support key industries, such as the *Priority Apprenticeship Pathways* program and *Free TAFE*, as well as skilling initiatives to support the construction sector, including the *Major Projects Skills Guarantee*.

### Priorities for the 2024 Skills Plan

Building on the work program established in previous Plans, the 2024 Skills Plan focuses on strategies to:

- deliver knowledge and skills that strengthen economic growth, and enable the delivery of government priorities, with Victorian TAFEs leading the training response
- make it easier for people to access Vocational Education and Training (VET), up-skill and re-skill and
- better connect secondary school students to the world of work.

The 2024 Skills Plan takes a broad view across the economy, with a strong emphasis on addressing the urgent workforce requirements in housing. This includes recommendations to encourage more people to choose a career in construction and make it easier for existing skilled workers to join the construction workforce and stay in the industry to grow their career.

### Robust data and industry-validated insights underpin the Skills Plan

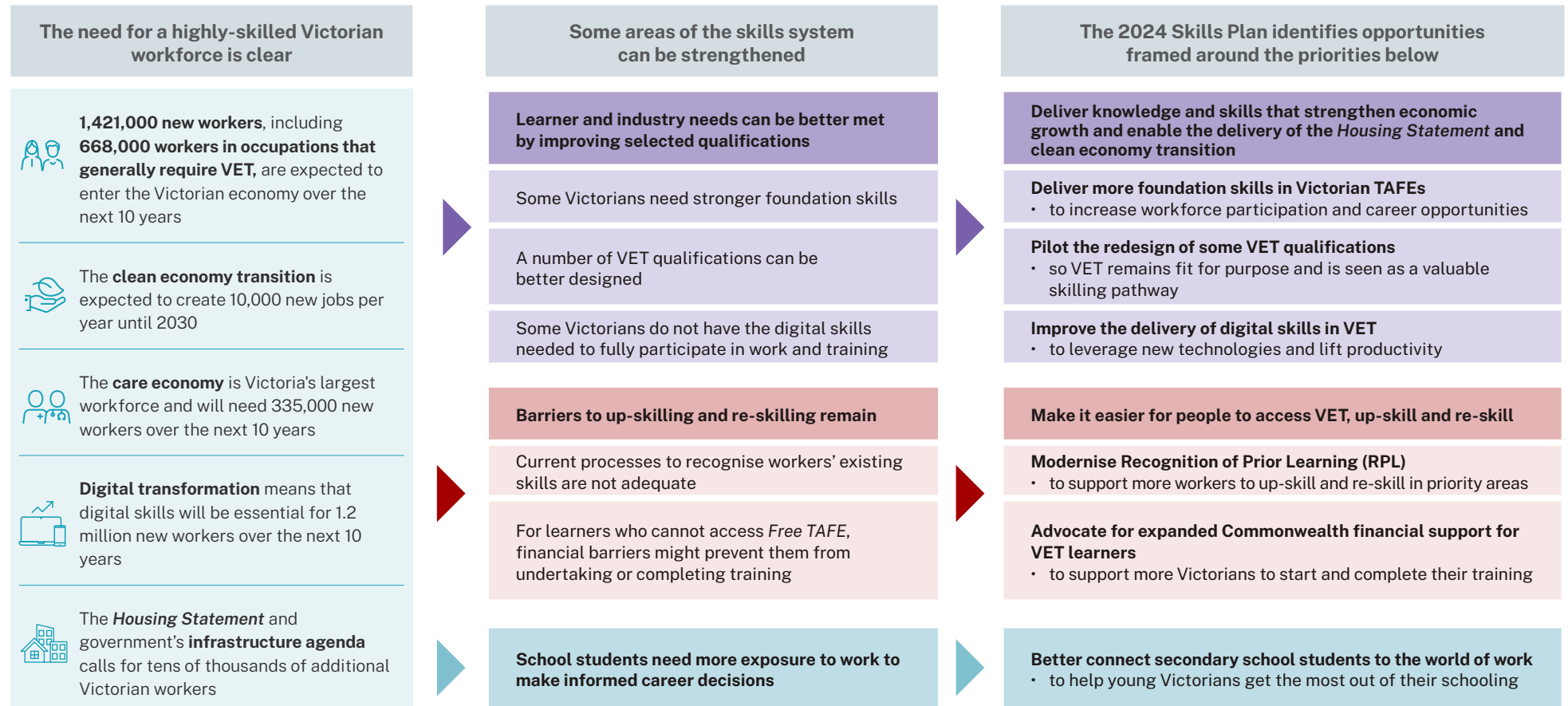
The Skills Plan provides insights on Victoria's workforce needs across occupations, industries and regions. These complement up-to-date training and career information from the *Victorian Skills Gateway*, *Training Needs List*, *TAFE and Training Line* and Skills and Jobs Centres that help learners make decisions about post-secondary education and career pathways.

The Skills Plan draws on comprehensive engagement with stakeholders including the Victorian TAFE Network, training providers, unions, employers, learners, the VSA's Advisory Board and government.

Industry engagement continues to play a critical role in informing the priorities of the Plan. Industry Advisory Groups, unions, businesses and other organisations have deep knowledge of the current skills needed across industries and regions, as well as insights into future challenges, potential opportunities and solutions.



# 1.1 A summary of the 2024 Skills Plan



## The 2024 Skills Plan builds on the actions from the 2022 and 2023 Skills Plans

2022 Skills Plan Actions	Enable students to put theory into practice	Support Victoria's clean economy intentions	Build the VET Workforce	2023 Skills Plan Actions	Pursue VET qualifications redesign	Prepare VET for future jobs
Start the VET journey at school	Build foundation skills	Create innovative solutions for future skills	Expand up-skilling and re-skilling opportunities		Empower self-determination	Build an integrated post-secondary school system
Help learners make informed choices	Bridge the gender gap	Align qualifications to new needs	Drive for higher skills and progression	Develop an inclusive VET system for learners	Improve opportunities for Victorians with disability	Embed applied research in VET

## 1.2 The Skills Plan guides decision making for learners, training providers, industry and Government

The Skills Plan and its complementary products and services provide important data, insights and advice.

### Current and prospective learners

- The **VSA's employment projections** provide information to learners about jobs in demand and the VET pathways available
- The **Victorian Skills Gateway** helps learners choose a course and training provider and provides information on financial supports available
- The **TAFE and Training Line** provides information to learners about VET courses, training providers and eligibility for government-subsidised training
- **Skills and Jobs Centres** provide free career, training, and employment support services to Victorians



### Training providers

- Post-secondary education and training providers use the **VSA's employment projections** and the **Training Needs List** to align their training delivery to areas of industry need
- The Victorian TAFE Network uses the Skills Plan to plan **future capital investments** and identify areas for improvement



### The Victorian Government

- The **VSA's employment projections** help government develop workforce strategies and undertake workforce planning
- The Skills Plan informs key government initiatives and processes such as **Free TAFE**, the **Training Needs List** and **VET Delivered to School Students**
- The Skills Plan supports the delivery of **government priorities**, including the *Housing Statement* and clean economy transition
- The Skills Plan provides stakeholder-validated **insights** and **advice** to government to strengthen Victoria's post-secondary education system



### Industry

- The Skills Plan informs **industry's strategic planning processes** and helps industry identify the training pathways available to meet workforce needs
- The VSA's **Industry Advisory Groups** use the Skills Plan to inform discussions around current and future skills needs
- The Skills Plan enhances industry and union stakeholder engagement by supporting the **VSA's Senior Skills Advisors** to align their work and engagement with Victoria's skills priorities





# 1.3 Actions from the 2022 and 2023 Skills Plans are already having an impact



## Completed actions from the 2022 Skills Plan



### Start the VET journey at school

- Provide up-to-date information to students about occupations in demand
- Work with industry to identify future job opportunities
- Use the VSA's employment forecasts to inform VET in school offerings



### Enable learners and workers to make informed skilling and career choices

- Work with Skills and Jobs Centres to support local learners and workers
- Provide advice through the Victorian Skills Gateway to highlight training pathways into local occupations in demand
- Develop a tool to show core and transferable skills for future jobs



### Expand opportunities and approaches for students to put theory into practice during their course

- Facilitate industry roundtables to support work placements
- Identify placement shortfalls in selected courses and occupations
- Review work placements and provide alternatives where applicable



### Bridge the gender gap

- Conduct a Gender Impact Assessment of the Skills Plan
- Monitor the education and employment outcomes of women who enrol in training
- Identify barriers to participation for women from diverse backgrounds
- Partner with agencies to identify gender-based barriers to training and employment
- Work with industry to reduce gender segregation across industries



### Build skills to support Victoria's clean economy intentions

- Develop Victoria-wide workforce tools to inform training delivery
- Embed clean economy workforce priorities in the Skills Plans
- Develop programs for new clean economy skills with the Office of TAFE Coordination and Delivery



### Expand re-skilling and up-skilling opportunities through skill sets

- Support skilling in priority areas using the *Training Needs List*
- Facilitate recognition of micro-credentials for new areas of learning
- Use the *Workforce Skill Set Fund* to develop industry relevant skills
- Identify links between skill sets, employment and full qualifications



## Completed actions from the 2023 Skills Plan



### Meet the motivations and aspirations of learners through an inclusive VET system

- Provide a stronger student voice in education and training reforms
- Enhance connections of school-aged learners with employers and industry
- Collaborate with NCVET to better understand learners' vocational pathways



### Prepare VET for the jobs of tomorrow

- The VSA continues to work on future skills needs of Victoria



## Actions underway

### (discussed in the Skills Plan Implementation Update)

- Create innovative solutions to support future skills development
- Align qualifications to new needs
- Develop a VET workforce strategy for Victoria
- Drive for higher skills and progression through education and training
- Pursue VET qualification redesign
- Empower self-determination for First Nations peoples
- Improve opportunities for Victorians with disability
- Deliver the skills Victoria needs through an integrated post-secondary school system
- Embed applied research in the vocational education model

## South West TAFE is partnering with industry to build the regional care economy workforce

### Victorian Training Awards 2024 Industry Collaboration Award winner



In Victoria's south west, the care economy is seeing large increases in employment and high demand for skilled workers.

With more than 290 aged care facilities spread across the region, often over an hour away from the nearest training provider, local employers recognised the need for accessible training for their workers and learners.

To make training more accessible, South West TAFE partnered with employers in the region (including Eventide, Edgarley Assisted Living, Calvary Community Care, and disability provider Mulleraterong) to develop a place-based innovative solution to attract, train and retain workers in the region's care sector.

Supported by the Victorian Government, this collaboration resulted in a mobile training facility featuring interactive learning tools and state-of-the-art training equipment. The facility is specially designed to help trainees in the Certificate III in Individual Support learn and practice essential skills, including hygiene and grooming, manual handling safety, infection control, using communication devices, and supporting individuals with dementia.

This collaborative approach involving government, industry and TAFE is bringing critical training to learners and employers and addressing regional workforce challenges in the care sector. Student completion and staff retention rates have improved and, since its launch in 2023, the initiative has supported over 75 trainees and boosted the number of employers partnering with South West TAFE.





# 1.4 National skills reform is an opportunity to further the objectives of the *Victorian Skills Plan*

National aspirations for a renewed approach to vocational education and higher rates of tertiary education attainment set new ambitions for the nation. Shared responsibilities between governments require a new approach to stewardship.

## The National Skills Agreement

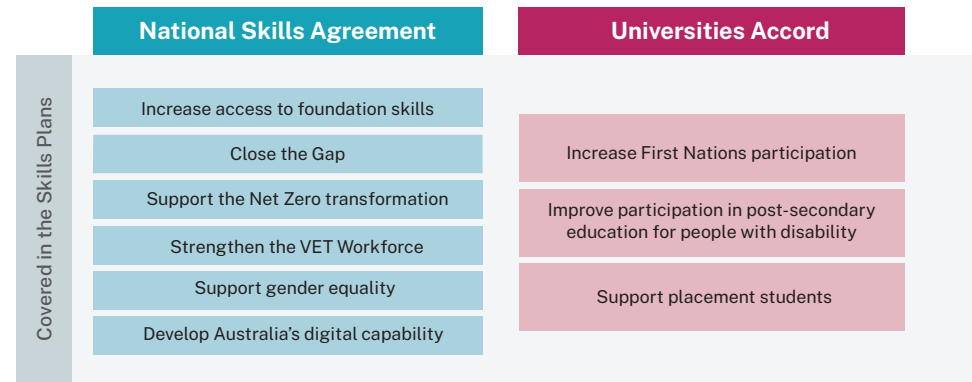
The five-year *National Skills Agreement* (NSA) between the Commonwealth and state and territory governments sets out new expectations for vocational education such as developing a skilled workforce, lifting quality toward excellence and responding to the learning needs of students to meet their aspirations in life. Central to the NSA is strong collaboration between TAFEs, universities and industry, including through TAFE Centres of Excellence.

The success of the NSA rests on shared stewardship of vocational education. The agreement acknowledges the direct role of states and territories and the shared objectives between governments. Shared stewardship, built on the key role of industry in vocational education — with TAFEs at the heart and reflecting the needs of learners — is the new framework to drive for excellence and deliver state and national priorities for workforce development.<sup>1</sup>

## The Australian Universities Accord

Following a 12-month review of the Australian higher education system, the *Australian Universities Accord Final Report* provides recommendations to strengthen tertiary education in Australia so that all Australians can obtain the knowledge and skills to thrive in the jobs of the future. A central tenet of the Accord is to remove barriers to tertiary education participation and increase attainment across under-represented cohorts.

The Commonwealth Government has committed to the Accord's target for 80 per cent of working-age Australians to have a VET or higher education qualification by 2050.<sup>2</sup> The Accord highlights opportunities for stronger alignment and collaboration between higher education and the VET sector in a more joined-up post-secondary system to better serve learners, industry and governments.



## Through the Skills Plan, the Victorian Government is progressing national skills reform

This Skills Plan reflects the power of collaboration to deliver a joined-up approach for Victoria that recognises national priorities for post-secondary education and training. Working together with national stakeholders in a tripartite arrangement through Jobs and Skills Australia solidifies this approach.

The series of Skills Plans is one of Victoria's key contributions to national skills reform and Victoria is well progressed in its efforts as one of the first jurisdictions to release a comprehensive Skills Plan. Through the Skills Plan's work program, several priorities and policy initiatives from the NSA and the Accord are already being actioned, with the Victorian TAFE Network leading the way.

# 02

## Victoria's strong labour market will continue to grow

### 2.1 The health care and social assistance and construction industries will drive workforce growth

Over the next three years, around 392,000 new workers are expected to enter the Victorian labour market.<sup>4</sup> This includes 168,000 workers in new jobs and 224,000 workers to replace retiring workers.<sup>5</sup> These new workers will be in addition to the 3.7 million workers already in Victoria.<sup>6</sup>

Around 315,000 new workers are expected in metropolitan Melbourne and 77,000 in regional Victoria over the next three years. The **State of the Victorian Labour Market Report** and **Employment Projections Dashboard**, which accompany this Skills Plan, contain more detailed analysis of employment trends.

The health care and social assistance industry employs the most workers in Victoria and is expected to account for 86,500 new workers, almost a quarter of new worker growth over 2024-27.

Construction is the next highest growth industry, with 68,600 new workers. This accounts for more than one in six new workers, well above its share of current employment, and represents a notable

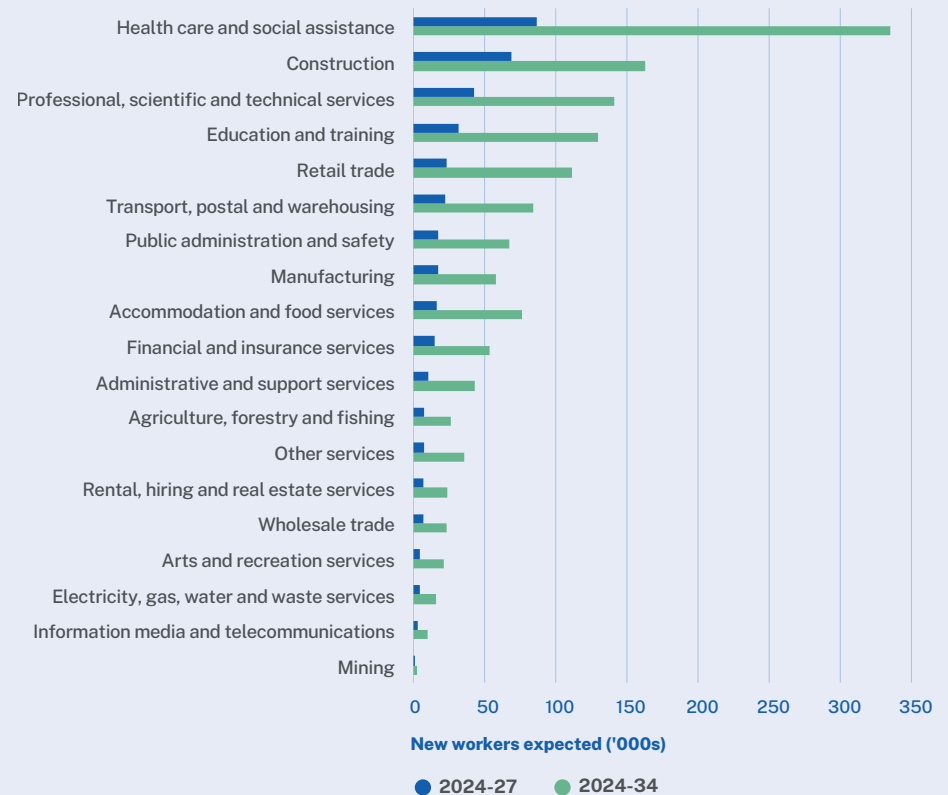
increase in its relative importance within the job market.

Over the next 10 years, 1,421,000 new workers are expected to enter the Victorian labour market. Workers in construction and related industries will remain in high demand to deliver the government's housing and broader infrastructure agenda. The *Best Start, Best Life* reforms will also support workforce growth across the health care and social assistance and education and training industries.

Some of the largest growing occupations in the next ten years include ageing and disability carers, construction managers, and carpenters and joiners.

The demand for new workers can be met through education and training (with the Victorian TAFE Network leading the way), investment in training by employers, strategic use of overseas migration and supporting more people into work.

Figure 1: Health care and social assistance and construction are expected to be the highest growth industries over the next three to 10 years<sup>3</sup>



Source: DJSIR and VSA modelling, 2024.
















**Trey McAuley**










Apprentice of the Year finalist  
Victorian Training Awards 2024



Across the 19 industries, around 392,000 new workers are expected to enter the Victorian labour market over the next three years.

	Employment in 2024	New workers in 2024-27	Occupations in demand
 Health care and social assistance	574,500	86,500	Ageing and disability carers; registered nurses; receptionists; nursing support and personal care workers; child carers/early childhood educators
 Construction	367,200	68,600	Construction managers; carpenters and joiners; electricians; plumbers; building and plumbing labourers
 Professional, scientific and technical services	375,300	42,600	Software and applications programmers; accountants; ICT managers; civil engineering professionals; solicitors
 Education and training	306,000	31,900	Primary school teachers; secondary school teachers; education aides; private tutors and teachers; university lecturers and tutors
 Retail trade	362,500	23,000	Sales assistants (general); retail managers; storepersons; motor vehicle and vehicle parts salespersons; checkout operators and office cashiers
 Transport, postal and warehousing	191,000	22,300	Truck drivers; automobile drivers; storepersons; delivery drivers; forklift drivers
 Public administration and safety	181,900	17,500	Security officers and guards; police; general clerks; other information and organisation professionals; inspectors and regulatory officers
 Manufacturing	260,200	17,200	Production managers; cabinetmakers; product assemblers; structural steel and welding trades workers; packers
 Accommodation and food services	231,300	16,300	Sales assistants (general); waiters; chefs; kitchenhands; cafe and restaurant managers
 Financial and insurance services	159,600	14,900	Financial investment advisers and managers; financial brokers; bank workers; credit and loans officers; software and applications programmers
 Administrative and support services	112,400	10,100	Commercial cleaners; domestic cleaners; human resource professionals; gardeners; general clerks



		Employment in 2024	New workers in 2024-27	Occupations in demand
	Agriculture, forestry and fishing	81,000	7,500	Livestock farmers; crop farmers; mixed crop and livestock farmers; crop farm workers; livestock farm workers
	Other services	131,000	7,400	Hairdressers; motor mechanics; ministers of religion; beauty therapists; general clerks
	Rental, hiring and real estate services	60,000	6,900	General clerks; other hospitality, retail and services managers; land economists and valuers; accountants; real estate sales agents
	Wholesale trade	102,100	6,800	Importers, exporters and wholesalers; storepersons; advertising and sales managers; sales representatives; sales assistants (general)
	Arts and recreation services	71,300	4,300	Visual arts and crafts professionals; music professionals; livestock farm workers; other specialist managers; sports coaches, instructors and officials
	Electricity, gas, water and waste services	45,000	4,300	Truck drivers; other information and organisation professionals; electrical engineers; recycling and rubbish collectors; other specialist managers
	Information media and telecommunications	57,000	2,900	Film, television, radio and stage directors; journalists and other writers; ICT managers; artistic directors, and media producers and presenters; advertising and sales managers
	Mining	9,200	1,000	Truck drivers; geologists and geophysicists; metal fitters and machinists; production managers; bookkeepers
	<b>All industries</b>	<b>3,678,600</b>	<b>392,200</b>	<b>Ageing and disability carers; sales assistants (general); registered nurses; general clerks; construction managers</b>

**Table 1: New workers expected by industry and occupations most in demand, 2024 to 2027**

Note: Occupations in demand are the top five ANZSCO four-digit occupations in each industry with the highest number of new workers expected between 2024 and 2027. New workers expected represents employment growth plus workers needed to replace retirements. Occupations that require VET qualifications are supported by government-subsidised training and fee-for-service training. For more detail, see the Employment Projections Dashboard. The number of early childhood (pre-primary school) teachers does not reflect recent changes to the rollout schedule of the *Best Start, Best Life* reforms announced as part of the 2024/25 Victorian Budget.

Source: DJSIR and VSA modelling, 2024.

## 2.2 The government’s agenda for housing and public infrastructure is transforming Victoria's workforce

Victoria’s priorities to improve housing supply are reflected through initiatives such as the *Big Housing Build* launched in 2020 and the *Housing Statement*. Both require a skilled workforce, including many VET-qualified workers.

Since the launch of the *Big Housing Build*, the need for more homes has become an objective across all levels of government under the *National Housing Accord*. The focus on skills and workforce requirements for housing is also now recognised as a national priority under the NSA.<sup>7</sup>

Victoria already has an extensive pipeline of infrastructure projects, with a total of \$208 billion in new and existing capital projects underway and many at the peak construction phase.<sup>8</sup>

Tens of thousands of additional workers are required to deliver Victoria’s housing and infrastructure projects in the next decade including in construction and other industries, such as manufacturing. For example, Modern Methods of Construction (MMC), such as the off-site production of prefabricated buildings and building components, can drive innovation and productivity in construction and are expected to affect skills needs in the construction industry.

In the broader construction sector, 162,900 new workers are expected to enter the labour market over the next 10 years, with most being in the construction services subdivision.

Construction industry subdivisions	New workers expected (2024-34)	Occupations in demand	VET pathways into construction occupations
Building construction (including residential building construction)	52,300	Construction managers Architectural, building and surveying technicians	Certificate IV in Building and Construction Diploma of Building and Construction (Building)
		Carpenters and joiners	Certificate III in Carpentry Certificate III in Joinery
Heavy and civil engineering construction	15,000	Earthmoving plant operators	Certificate III in Civil Construction Plant Operations
		Metal fitters and machinists	Certificate III in Engineering - Mechanical Trade
Construction services	95,600	Electricians	Certificate III in Electrotechnology Electrician
		Plumbers	Certificate III in Plumbing
		Painting trades workers	Certificate III in Painting and Decorating
<b>Construction</b>	<b>162,900</b>		

Note: VET pathways into construction occupations were selected based on whether the qualification had a medium or higher training need for the associated occupation and on the number of enrolments.

Source: DJSIR and VSA modelling, 2024.

**Table 2: Occupations in demand in construction by industry subdivision**





**Australian Institute of  
Engineering**

Small Training Provider  
of the Year winner

Victorian Training Awards 2024



## 2.3 Apprentices and trainees play a vital role in delivering government priorities

Apprentices and trainees play a vital role in Victoria's economy and the delivery of its infrastructure and clean economy agenda, including delivering better transport, more affordable housing and renewable energy.

The Victorian TAFE Network continues to play a critical role in apprenticeship training. In 2023, there were around 72,000 apprentices and trainees in Victoria, with 72 per cent in the trades.<sup>9</sup> Around 94 per cent of people who completed their apprenticeships continued in employment after training.<sup>10</sup> Over 1,500 apprentices or trainees employed by a Group Training Organisation have worked on *Big Build* projects.

Victoria's Apprenticeship Employment Network (AEN) employs and supports Victorian apprentices and trainees, and facilitates broad skills development through placement with several employers during their training.

Occupations in demand will require a growing number of apprentices in carpentry, electrotechnology and plumbing. Trainees will also play an important role in the health care and social assistance industry to meet growing demand for ageing and disability caring, nursing and early childhood education.

### Improving apprenticeships and traineeships

Providing apprentices and trainees with safe and supportive workplaces and training institutions is essential.

The Victorian Government currently supports apprentices and trainees through:

- **Apprenticeships Victoria's** continued system stewardship to expand opportunities for apprentices, trainees and employers
- **Apprenticeship Support Officers** across Victoria who offer free and confidential advice to apprentices
- a new **Priority Apprenticeship Pathways model** that helps address skills shortages
- the **Head Start program** which provides a flexible avenue for school-based apprentices and trainees to work in construction and other priority sectors while in school.

The Victorian Government also supports (in full or in principle) all the recommendations from the **Apprenticeships Taskforce's** final report to strengthen safety, fairness and quality in the apprenticeships system.

Selected occupations in demand	New workers expected (2024-34)	VET pathways into occupation
Electricians	14,400	Certificate II in Electrotechnology (Career Start) Certificate II in Electrotechnology (Pre-vocational) Certificate III in Electrotechnology Electrician*
Carpenters and joiners	13,600	Certificate II in Building and Construction Pre-apprenticeship Certificate III in Carpentry*
Plumbers	9,700	Certificate II in Plumbing (Pre-Apprenticeship) Certificate III in Plumbing*

\*Required to become a qualified tradesperson in the occupation

**Table 3: Selected occupations in demand and VET pathways**



**Matthew Tyquin**

Apprentice of the Year winner  
Victorian Training Awards 2024



## 2.4 The clean economy transition presents many opportunities for Victorian workers

A rapid expansion of the clean economy workforce is critical to support the transition to a low-carbon economy and achieve Victoria's emissions reduction targets.

The clean economy transition is transforming many existing jobs through new skills needs and emerging technologies. This provides Victorians with opportunities to re-skill, up-skill and move into new sectors. The State Electricity Commission (SEC) Centre of Training Excellence will be established to support the attraction, training and retention of Victoria's clean economy workforce. At the same time, the Victorian Government has enshrined the SEC in Victoria's Constitution, providing certainty to accelerate the renewable energy transition.

As of June 2024, Victoria has an approved pipeline of 72 solar energy projects, seven wind energy projects, 18 battery energy projects and three bioenergy projects.<sup>11</sup> These projects — mainly located in regional Victoria, will contribute towards the low-carbon economy transition and create jobs. The clean economy transition also presents opportunities to grow the skilled workforce needed for critical minerals production and associated industries.

A strong local manufacturing capability, supported by a highly-skilled workforce is enabling a successful clean economy transition. The Victorian Government has supported the expansion of manufacturers' production capacity and capability to support the transition to a circular economy with net-zero emissions and low-emission technologies.<sup>12</sup>

### The demand for clean economy skills and jobs is increasing

The Victorian labour market is already seeing growing demand for clean economy related skills, particularly in air quality and emissions, and conservation.

Many critical occupations that support the renewable energy transition, from generation to distribution and supply, are already in high demand in other sectors of the economy, particularly construction — for example, construction managers, electricians, and electrical engineers.<sup>13</sup>

Established and emerging renewable technologies will bring demand for a specific set of occupations and skills. For example, the proposed offshore wind Star of the South project in Gippsland will require divers, environment and approvals managers, and rope access managers and technicians.<sup>14</sup>

### Victoria's skills system is supporting the clean economy transition

The *Clean Economy Workforce Development Strategy 2023-2033* informs government planning and investment in the skills and training Victoria needs to reach net-zero emissions, in line with state and national priorities under the NSA.

Initiatives implemented to date or in progress include the *Victorian TAFE Network Clean Economy Prospectus*, clean economy related *Skill Sets*, the upcoming *Victorian Energy Jobs Plan*, and energy-focused training such as the SEC Centre of Training Excellence and the Renewable Hydrogen and Wind Worker Training Centres. For more details, refer to the Skills Plan Implementation Update.

Through *Free TAFE* and *Skills First*, the Victorian Government provides fee-free or government-subsidised access to training pathways into clean economy jobs.

VET pathways into the clean economy
Certificate III in Plumbing
Certificate III in Electrotechnology Electrician
Certificate III in Engineering – Mechanical Trade
Certificate III in Light Vehicle Mechanical Technology
Certificate III in Air Conditioning and Refrigeration
Certificate III in Automotive Electrical Technology
Certificate IV in Engineering
Certificate IV in Building and Construction

Table 4: Selected VET pathways into clean economy jobs



# Deliver knowledge and skills that enable economic participation and support industry needs

## 3.1 Deliver stronger foundation skills for more Victorians

### Foundation skills including language, literacy, numeracy, and digital skills are critical for people to participate in work and in society.

The need for these skills extends to hands-on trade occupations in construction, and patient-focused roles in the care economy. For example, carpenters need to have strong literacy skills to understand and implement occupational health and safety regulations at work. Moreover, nurses and ageing and disability carers need digital skills to use digital tools for reporting and patient records management.

### Low levels of foundation skills create issues for learners, workers and employers alike

Around one in four Victorians have low levels of foundation skills.<sup>15</sup>

Learners with low levels of foundation skills often struggle to complete their education and training. They can find it difficult to understand course content and undertake placements.

Workers with low levels of foundation skills can find it difficult to obtain secure work, have limited development opportunities and face periods of unemployment or underemployment.<sup>16</sup>

Employers report that workers with low levels of foundation skills can need extra support in the workplace to complete documents, implement safe practices, and work and communicate within a team.<sup>17</sup>

### Victoria's skills system supports learners to develop their foundation skills

Victoria's Adult, Community and Further Education (ACFE) sector delivers foundation skills to the broadest section of the community to develop their skills and confidence to pursue further education and employment. The sector supports many educationally disadvantaged Victorians who may include disengaged young people, people without Year 12 or higher qualifications, unemployed people, and low-skilled and vulnerable workers.<sup>18</sup> In 2023, the ACFE sector supported more than 28,000 Victorians through 229 contracted Learn Local providers, including adult education institutions.<sup>19</sup>

In accredited vocational education and training, the Victorian Government added the Literacy and Numeracy Support (LN Support) program to the *Free TAFE* list. This program provides wrap around literacy and numeracy supports for learners across all TAFE courses, and supports better outcomes for students, including completions. Since 2023, the program has supported more than 3,500 people in Victoria.<sup>20</sup>

Through the *Training Needs List* funded under *Skills First*, many foundation skills courses and skill sets are offered to Victorians. The Victorian TAFE Network also offers additional supports to learners to strengthen their foundation skills, including career coaches and advisors.

### Opportunities exist to deliver strong foundation skills to more Victorians

Skills reforms underway present opportunities to increase the delivery of foundation skills. These include:

- the NSA's \$19 million commitment to Victoria to deliver more foundation skills training under the NSA initiative, *Ensuring Access to Foundation Skills*.<sup>21</sup>
- national VET qualification reform<sup>22</sup> that will pilot new models of foundation skills qualifications to build equity and productivity.<sup>23</sup>





## Melbourne Polytechnic

Inclusive Training Provider  
of the Year finalist

Victorian Training Awards 2024



### Next steps

- The Department of Jobs, Skills, Industry and Regions:
  - continues to deliver the *Literacy and Numeracy Support* program under *Free TAFE* and aligns Victoria's efforts with the Commonwealth Government's literacy and numeracy initiative and the upcoming Ministerial Statement on the Future of Adult Community Education in Victoria 2025-30
  - explores options to provide more contemporary data on workforce literacy and numeracy trends and needs in Victoria
  - develops a foundation skills strategy for Victoria in line with commitments under the *National Skills Agreement*.

## 3.2 Re-design VET qualifications to better meet the needs of learners and industry

VET has a long history of providing learners with job-ready skills and meeting Victoria's skills needs.

### The VET qualifications system can be strengthened

Across the economy, the nature of work is changing. Workers need to undertake more cognitive and non-routine tasks, increasing the need for better knowledge and understanding to complement skills.

While many VET qualifications are fit for purpose and lead to strong employment outcomes, others would benefit from better design to improve their value and resulting job options.

Importantly, the current one-size-fits-all competency-based approach that focuses on performing specific tasks (rather than developing the broader knowledge and understanding needed across the workforce) is putting learners at a disadvantage.

Proposed new qualification models	
<b>Occupation-specific qualifications</b>	<p>These qualifications will continue to be highly specialised for occupations that rely on specific technical skills, especially to meet regulatory or licensing requirements (such as the licensed trades). Many of these qualifications are working well and will be retained.</p> <p>In construction, for example, occupation-specific qualifications include the Certificate III in Electrotechnology Electrician and Certificate III in Carpentry.</p>
<b>Industry-specific qualifications</b>	<p>Industry-specific qualifications seek to provide learners with a common core of (transferable) skills and knowledge needed across an industry and improve intra-industry job mobility. Such qualifications could benefit a range of sectors, including agriculture and manufacturing — supporting Australia's sovereign capability and food security.</p> <p>The broader transferable skills that arise from these qualifications provide a good base for re-skilling within an industry — through recognition of prior learning or credit transfer for example — in response to emerging workforce demands and structural or technological changes within an industry. Recognition of skills for industry-wide application also improves workforce adaptability and supports industries with flexibility in deploying skills. For example, these industry-specific qualifications could better support carers for older Victorians to transition into disability care.</p> <p>In the Victorian construction industry, these qualifications would aid the mobility of qualified and experienced workers across different areas of construction (such as housing, public infrastructure and clean energy projects), improve career progression and wages for construction workers and help meet emerging construction demands that require a skilled and adaptable workforce.</p>
<b>Vocational learning qualifications</b>	<p>These new qualifications will incorporate skills and knowledge applicable across many industries to help individuals up-skill, for example in digital and management skills. Such qualifications would lift the capability of graduates to be effectively prepared for a broad range of roles in the economy.</p> <p>The Future Skills Organisation is trialling the principles of cross-industry qualifications by designing new cross-industry digital units of learning that align with five focus areas from the Australian Digital Capability Framework. These include information and data literacy; communication and collaboration; digital content creation; protection and safety; and technical proficiency and problem solving.</p>

Table 5: New qualification models can help learners

Designing new qualifications models reflects the aspirations of learners for qualifications that are relevant, engaging and valuable to building their careers.

In 2023, Skills and Workforce Ministers established the tripartite Qualification Reform Design Group to investigate new models for qualifications that will provide benefits to both learners, workers and industry.

For **learners**, new qualification models will make the VET system easier to navigate and support broader career pathways.

For **workers**, a clearer focus on transferable skills – acquired through formal learning and on the job – will help them switch jobs and adapt to new working situations or changes in work practices.

For **industry**, new qualification models will produce graduates with transferable skills for a wide range of jobs within an industry to efficiently meet workforce needs.

Self-accreditation for the Victorian TAFE Network could be used to reshape curriculum more regularly to provide Victorian students with contemporary training relevant to new technologies and modern jobs. This would encourage innovation and help the VET curriculum be more responsive to new and emerging skills needs.

## Innovative qualifications can be developed in Victoria

Through its strong TAFE Network and local industry engagement, Victoria can pilot innovative VET qualifications.

The VSA is working closely with Jobs and Skills Councils, which have been commissioned to design and test new qualification models. For example, the VSA is collaborating with the Victorian Automotive Chamber of Commerce and the Mining and Automotive Skills Alliance to streamline 14 existing qualifications into fewer, broader qualifications that provide the shared skills needed for pathways into the automotive sector.

There is scope for Victoria to pilot new construction qualifications for key industry areas including Modern Methods of Construction. The qualifications could be co-designed with industry to produce well-rounded graduates who can easily transition through the construction industry and the broader labour market.

The VSA is working with industry to co-design a new educational offering in the sustainable construction industry and the Victorian Government has committed \$7 million for the development of new renewable energy VET certificates and other qualifications including in sustainable construction.

The Certificate II in Building and Construction Pre-apprenticeship allows the integration of sustainable building modules from the construction training package. Passive House principles such as energy efficiency and sustainable living can be introduced to provide skills in sustainable practices to help Victoria achieve net zero while building the future.<sup>24</sup>



### Next steps

- The Department of Jobs, Skills, Industry and Regions and the Victorian Skills Authority work with Jobs and Skills Councils to develop and pilot new qualifications that provide the transferable knowledge and skills needed across an industry.
- The Victorian Skills Authority continues working with the Victorian TAFE Network and other stakeholders through clean economy Skills Labs to co-design a new educational offering for the sustainable construction industry.



### 3.3 Build the digital capability of Victoria’s workforce

#### Developing a digitally skilled workforce is critical to take advantage of new technologies and improve labour productivity.

Digital skills are needed to engage with a wide range of technologies in work and life. Almost 90 per cent of the workforce, including in health, retail, manufacturing and agriculture need digital skills; for example, to use productivity software tools such as spreadsheets or messaging and collaboration tools.

Acquiring strong digital skills requires good knowledge of digital processes and tools and learning that is contextualised in a work setting. In Victoria, through the *Skills Solutions Partnerships* program, RMIT, Grampians Health and Cisco are piloting a new co-designed approach to uplift digital capabilities that are specific to the health workforce and looking into new approaches to deliver digital training across health occupations.

Leveraging digital technologies, including Artificial Intelligence (AI) tools, could improve labour productivity. For example, AI helps health care professionals improve diagnoses and monitor patients’ vital signs.<sup>25</sup> To make the most of these opportunities, Victorians must have the digital knowledge and skills needed to use and adapt to new technologies.

#### The demand for advanced digital skills is growing

From 2014 to 2022, the Victorian technology workforce increased by 100,000 to reach 279,000 workers and employment is expected to keep growing over the next decade. Information technology (IT) encompasses a range of technologies and systems that store, receive or send information.<sup>26</sup>

AI, machine learning and generative AI tools are impacting skills needs and reshaping IT jobs. Around 39 per cent of Victorian IT businesses use AI and Machine Learning and nearly 30 per cent of IT job advertisements in Victoria mention the need for cloud computing skills and 15 percent mention the need for cyber security skills.<sup>27</sup>

Digital skill	Related IT occupations	Share of IT job ads (%)
Cloud computing	DevOps engineers, project managers	29
Data analytics	Programmers, business analysts	25
Cyber security	Cyber security specialists and analysts	15

**Table 6: Emerging digital skills are in demand among IT occupations**

#### Responding to the rapidly changing digital skills needed in IT jobs is essential

Given the rapid changes in skills needed to keep pace with emerging technology in IT jobs, learners and businesses are increasingly using internal or industry-specific training, in addition to formal qualifications.

The Victorian Government is making significant investments to boost the digital skills of the state’s workforce. This includes the *Digital Jobs* program, *Free TAFE* courses in IT and cyber security, and shorter forms of training including the *Victorian Government Cyber Internship Program*, and the *Women in Security Program*.

Vocational education can do more to deliver knowledge and skills that prepare students to engage with current and emerging technologies.

The Future Skills Organisation (FSO) is responsible for developing national VET training products for the technology workforce and is currently undertaking a review of the ICT Training Package.

In developing the training package, consideration should be given to the following principles to improve the employability of graduates:

- **Broader outcomes** would allow learners to adapt to new and emerging technologies. Adopting an international common language for digital skills that describes skills and competencies, such as the Skills Framework for the Information Age (SFIA), rather than specific software or tools would help Australia align with global best practice.
- **More applied project-based learning** would support students to develop better problem-solving and analytical skills to meet industry standards
- **More co-design with industry** would help learners develop relevant skills for jobs in demand.

## Boosting female participation in digital careers is important

Women are under-represented in the IT industry. In Victoria, women comprise only 28 per cent of the technology workforce and 17 per cent of the cyber security workforce.<sup>28</sup>

The Victorian Government is working to boost female participation in IT training and in the IT sector. More women in the IT sector will help meet skills needs and contribute to greater diversity and productivity.

The **Digital Jobs program** is helping more women move into technology careers, with women representing 59 per cent of program participants and accounting for the majority of the participants who then

move into digital roles.<sup>29</sup>

The **Victorian Women in Security program** is helping more women move into in-demand cyber security roles by providing training, career coaching and mentoring.<sup>30</sup>

The **SummerTech LIVE program** supported 500 tertiary ICT students and recent graduates start their technology careers through 10-12 week paid studentships at small-to-medium sized Victorian businesses.<sup>31</sup>

The success of these programs can be leveraged to inform skilling responses that attract more women into IT training and in-demand jobs such as cybersecurity as well as increase the representation of women in leadership roles in the industry.

## Micro-credentials co-designed with industry build the pipeline of digital talent

Micro-credentials continue to successfully up-skill workers with full qualifications, particularly in IT.

The *Digital Jobs* program has re-skilled over 5,000 mid-career Victorians for jobs in the digital economy. The program offers 12 week of micro-credential training delivered by leading training institutions including Victorian TAFEs. Victoria University Polytechnic and Bendigo Kangan Institute have offered Digital Jobs micro-credentials in key areas including cyber security, programming, software development and IT operations and support. The program has helped participants move into higher paying jobs in the digital economy.



### Next steps

- The Victorian Skills Authority:
  - sets up a new cross-industry digital advisory group to engage with industry, unions and employers to identify Victoria's digital skills needs and the training response needed to strengthen the state's digital and technology capability in line with commitments under the *National Skills Agreement*
  - collaborates with the Future Skills Organisation on improved approaches to building the digital capabilities of Victorians.
- The Department of Jobs, Skills, Industry and Regions:
  - explores options to improve gender diversity in IT qualifications and IT jobs, in line with Victoria's commitments to gender equality under the *National Skills Agreement*
  - continues to support digital micro-credentials to address emerging digital skills needs.

# 04

## Improve access to vocational education and training

### 4.1 Better recognise the existing skills of workers

To meet high workforce demands in sectors like construction and care, Victorians must be able to up-skill and re-skill without unnecessary barriers.

Recognition of Prior Learning (RPL) assesses competency acquired through informal learning (such as work experience, life experience, and self-directed study)<sup>32</sup> to determine if requirements for a unit of study are met.

A well-functioning RPL process benefits workers and employers.

- Skilled workers avoid unnecessary training and focus on bridging their training gap to obtain formal qualifications.<sup>33</sup>
- Employers access a greater pool of skilled workers who have the formal recognition that they require.<sup>34</sup>

**Victoria has successfully used RPL to help workers transition into priority industries such as clean energy**



Mine workers affected by the closure of the Hazelwood power plant in the Latrobe Valley were able to have their work experience recognised through RPL to gain a Certificate III in Civil Construction, or a pathway to tertiary studies via the Certificate IV in Engineering — the latter allows workers to shift towards renewable energy (offshore wind).<sup>35</sup> RPL can be used alongside other government supports for workers in transitioning industries.



The Department of Jobs, Skills, Industry and Regions (DJSIR) funded Chisholm Institute of TAFE to develop an RPL toolkit and gap training course for the Certificate III in Early Childhood Education and Care. This will support early childhood educators to use their work experience and previous qualifications to obtain the new Certificate III qualification, which is now a pre-requisite for the Diploma of Early Childhood Education and Care under new national regulations.<sup>36</sup>

The toolkit will be shared across the Victorian TAFE Network to support the workforce needs of the Victorian Government's *Best Start, Best Life* reforms.<sup>37</sup> RPL toolkits could support other occupations in the care economy, as done previously in aged and disability care.



## Strengthening RPL

RPL can be strengthened to help Victoria meet its significant workforce demands and to remedy the high costs RPL currently imposes on all parties involved.

**Experienced workers** find it easier to study than obtain recognition for their work experience. This is due to the higher cost and time constraints of compiling the evidence required for RPL to meet units of competency, compared to completing a new course of study.

**Employers** may have negative perceptions of RPL due to concerns about the relevance of candidates' qualifications and experience. Consequently, they may prefer training over existing skills recognition.<sup>38</sup>

**Training providers** find it time consuming and expensive to assess RPL. This is driven by the lack of guidance and clear criteria for assessing work experience for RPL processes.

RPL can also be difficult as learners need to demonstrate competency through requirements in VET qualifications that, in some cases, can be prescriptive. The proposed re-design of VET qualifications will help address this barrier. Exploring approaches to skills recognition as the basis for RPL could better support workers transitioning between industries.

While a strengthened RPL process will be easier to use, safeguards are needed to strike the right balance between ease of use and granting RPL to workers who genuinely hold the skills to meet the standard of completing the related subject or qualification.

## Improved RPL can support the construction industry

Currently, 373,000 people are employed in the Victorian construction industry.<sup>39</sup> While many construction workers are VET qualified, more than 116,000 do not hold any post-secondary school qualifications.<sup>40</sup>

Supporting these workers to obtain qualifications through RPL could help them up-skill through gap training and assist in addressing skills shortages in construction, which will facilitate the delivery of the government's infrastructure priorities such as the *Big Build* and *Housing Statement*.



### Next step

- The Department of Jobs, Skills, Industry and Regions works with industry, the Victorian TAFE Network and regulators to develop Recognition of Prior Learning toolkits in sectors experiencing high workforce demand and skills shortages. A toolkit for the construction sector must be prioritised.

## 4.2 Work with the Commonwealth Government to expand the financial support available to VET learners

### 4.2.1 Expand Loan assistance for VET learners

Victoria's *Free TAFE* initiative makes it easier for more Victorians to access training to get the skills they need. *Free TAFE* supplements other government initiatives, including *Skills First*, *VET Delivered to School Students* and school-based apprenticeships and traineeships.

*Free TAFE* covers the cost of tuition fees for many courses, helping many Victorians who may not have the financial capacity to pay for their studies. Since 2019, over 170,500 Victorians accessed *Free TAFE*, saving them \$460 million in tuition fees.

Following Victoria's success with *Free TAFE*, the Commonwealth Government funded \$107 million of fee-free TAFE, giving 62,800 more Victorians access to training in areas of need.<sup>41</sup> It also announced 5,200 fee-free TAFE places in construction and housing, available to Victorians from January 2025.<sup>42</sup>

#### **Disparities in Commonwealth Government funding between VET and higher education have a negative impact on learners**

For learners who cannot access VET through *Free TAFE* or *Skills First*, loan

assistance from the Commonwealth Government is another option.

While most higher education students can access the Higher Education Contribution Scheme and Higher Education Loan Program (HECS-HELP),<sup>43</sup> VET learners who cannot access Victorian Government support must pay their tuition fees up front or incur a 20 per cent loan application fee if they undertake a Commonwealth Government funded *VET Student Loan*.<sup>44</sup> *VET Student Loans* are also subject to loan caps, with some only covering around \$6,000.<sup>45</sup>

Funding disparities may lead to learners not choosing the training pathway that suits them best, with VET pathways at a disadvantage.<sup>46</sup> Research shows that VET diplomas and advanced diplomas are substitutes for higher education graduate diplomas and Bachelor degrees in the labour market.<sup>47</sup> However, more Commonwealth loan assistance is available for higher education qualifications than for diplomas, distorting student choice.<sup>48</sup>

#### **Expanding the Commonwealth Government's VET Student Loans will be beneficial**

Greater Commonwealth Government investment in the *VET Student Loans* scheme can help meet its commitment

to lifting tertiary attainment to better meet industry needs. A loan scheme is an attractive option for expansion at this scale, as students repay their loans when they start earning above the income threshold.

The Commonwealth Government is making it easier to repay these loans by cutting 20 per cent of all existing student loans by June 2025.<sup>49</sup>

An extended Commonwealth Government's *VET Student Loans* scheme could cover more Diplomas and Advanced Diplomas and certain Certificate III and IV level courses with high-quality learning experiences and strong employment outcomes. The loan caps could be increased to cover the full cost of a course with consideration given to students' capacity to repay.

#### **Funding must be accompanied by suitable oversight**

The *VET Student Loan* scheme currently extends to fewer than 100 VET courses. An expansion of the scheme should be accompanied by suitable national oversight of the VET system, to make sure any expansion of the scheme strengthens the VET system and leaves learners better off.



#### **Next step**

- Through existing intergovernmental mechanisms, the Department of Jobs, Skills, Industry and Regions advocates for the expansion of the Commonwealth Government's *VET Student Loans* scheme accompanied by suitable oversight from a national entity.

## 4.2.2 Better wages for apprentices and payments for student placements

Low wages for apprentices and mandatory unpaid placements for students are significant barriers to training completion, which are exacerbated by current cost of living pressures.

### Apprentices are impacted by low wages

Apprentices play a critical role in Victoria's transformative agenda to deliver better transport, more affordable housing and more renewable energy to all Victorians.

The Fair Work Commission sets the minimum wage rates for apprentices, generally as a percentage of the relevant adult rate in modern awards. Their wages increase after each year of their apprenticeship, or for some awards, on achieving a proportion of the required units of competency.<sup>50</sup> While some employers pay above the award, most apprentices are disproportionately impacted by very low wages which are often below the national minimum wage, particularly in the initial stages or years of an apprenticeship commenced before the age of 21.

Low wages are a key barrier to commencing and completing an apprenticeship, especially for mature-aged workers.<sup>51</sup>

### The Victorian Government is advocating for more financial supports for apprentices

The Victorian Government advocated to the Fair Work Commission in March 2024 to consider the viability and fairness of increasing apprentice wages via the Annual Wage Review process.<sup>52</sup>

The Commonwealth Government is undertaking a Strategic Review of the Australian Apprenticeship Incentive System to identify how payments for apprentices and employers in priority occupations can be improved to increase completion rates and address skill shortages.<sup>53</sup> The Victorian Government will continue to advocate for fair wages for apprentices.

### Students are impacted by mandatory unpaid placements

Health care and social assistance is Victoria's largest and fastest growing industry. Given the high demand for skilled workers in the care sector, financially supporting learners to complete their placements should be a priority.

For students who are not undertaking a paid traineeship, mandatory unpaid placements can disproportionately affect women. Many learners in female-dominated occupations such as nursing, social work and teaching need to undertake mandatory unpaid placements for long periods of time (up to 1,000 hours, which is equivalent to six months of full-time work) and potentially relocate to obtain their qualifications.

The Victorian Government is providing cost-of-living supports for placement students in areas of demand such as nursing, midwifery, social work, and community services.<sup>54</sup>

From July 2025, the Commonwealth Government will provide a weekly Prac Payment of \$319.50 for 68,000 higher education students and 5,000 VET placement students across Australia in nursing, teaching and midwifery during their placements.<sup>55</sup>

In improving financial supports for students undertaking mandatory unpaid placements, consideration should be given to promoting: parity between supports for VET and higher education students; financial supports that provide a decent standard of living; and coverage of all occupations in demand or in shortage in the care economy (such as ageing and disability carers and nursing support and personal care workers). The duration and requirements of some work placements should also be considered.



### Next steps

- The Victorian Government advocates for better wages for apprentices to the:
  - Fair Work Commission through the Annual Wage Review
  - Commonwealth Government through the national Strategic Review of the Australian Apprenticeship Incentives System
  - Through other avenues as they arise.
- The Department of Jobs, Skills, Industry and Regions advocates to the Commonwealth Government to improve financial support for students undertaking mandatory unpaid placements, including through the upcoming Commonwealth Government Prac Payment.



# 05

## Connect secondary school students with training pathways and the world of work

### Schools play a critical role in providing young Victorians with the knowledge, capabilities and skills to thrive in life.

As Victoria's future workforce, school students must understand the post-secondary training pathways available to them and connect to the world of work. They currently do so through:

- industry and community exposure
- tech school engagement
- vocational tasters
- work experience
- structured workplace learning
- school-based apprenticeships or traineeships (SBATs)
- career planning and diagnostic tools.

### Offering VET pathways in school is making a difference

An increasing number of Victorian students are enrolling in VET in school.<sup>56</sup> *VET Delivered to School Students* (VDSS) is available in Victorian Government schools and allows secondary school students to undertake VET to complete their Victorian Certificate of Education (VCE), including the VCE Vocational Major (VCE VM) and the Victorian Pathways Certificate (VPC).

The VDSS program allows students to undertake structured workplace learning placements to gain practical hands-on experience in industry as part of their studies and learn about the multiple career options within an industry. This makes it easier for students to understand the benefits of VDSS and inform subject selection.

VDSS priority pathways includes VET certificates that align with Victoria's growth industries and government priorities, such as renewable energy, construction, the care economy and digital technologies. Flexible pathways include additional VET certificates that are aligned to students' interests, regional demand, and community needs. It is the aspiration for all government

schools to offer all six priority pathways and two flexible pathways.

Now rolled out to all government secondary schools, *Head Start* is a nation-leading program that allows students to commence SBATs. Designed in consultation with industry, the program helps students start their career by developing the hands-on skills and experience that employers need. Students spend time doing this paid, on-the-job training while completing their VCE, VCE VM or VPC at school.

In 2025, two VCE VM studies – Work Related Skills and Personal Development Skills – will be available for schools to offer to all VCE students, giving them the opportunity to learn skills and knowledge in the context of 'real life' experiences. By building student aspiration for vocational pathways at school, the reforms are keeping young people engaged in education, helping them finish school with skill-based learning, an employability edge and their VCE.

Head Start is a nation-leading program that is helping many students start their career<sup>57</sup>

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**3,300**  
students

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**80%**  
retention rate after first year  
of training contract

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**80%**  
of employers would continue  
the program

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## Connecting school students to the world of work is essential

School students can explore work-based learning opportunities and gain exposure to different industries and occupations through industry incursions or excursions, engagement with Tech Schools, work experience and vocational taster programs. The latter are short, immersive experiences to learn more about a vocation or industry.

These programs are a valuable exploration for students to support decision making about future learning pathways, including undertaking VET certificates as part of their secondary schooling.

By providing young people with hands-on experience in a work-based setting during school, VET, *Head Start*, and vocational tasters can help dispel negative perceptions about particular industries, and promote the breadth of training and career pathways available to students.

One of the VET in school programs with the highest enrolments is the Certificate II in Building and Construction Pre-apprenticeship that prepares students for a future career in construction.

Pre-apprenticeships can help students prepare for, and obtain, an apprenticeship in their chosen industry as well as boost apprenticeship completion rates.

TAFEs and other training providers help pre-apprenticeship students transition into an apprenticeship and this transition can be strengthened to improve apprenticeship take up and completion.

## Better information will benefit students and their influencers

The Victorian Government provides many resources to help students and their influencers navigate through study and career options. For instance, every Victorian Government school student can access a career diagnostic tool in Year 9 to inform their choices for senior secondary school and beyond by exploring their strengths, interests and career opportunities. It can also help identify work-based learning opportunities of interest.

The Victorian Government can further improve access to, and the relevance of, post-school training information. This can keep students engaged in education by reinforcing the value of completing Year 12 and help them make informed study choices that align with their career aspirations.

Strengthening school awareness of products like the VSA's Employment Projections Dashboard supports schools to keep students informed of future skills demand and promising career pathways. Up-to-date career information must remain accessible to parents or guardians, as they have significant influence over the education decisions of their children.

The Victorian Government can also continue to enhance the promotion of VET in schools to employers. It would encourage more employers to engage with schools and provide students with a workplace learning experience or placement. Employers may also be more willing to offer SBATs through *Head Start*, which helps businesses by matching students with employers and providing follow-up so that the employer-student relationship is sustainable.



### Next steps

- The Department of Education works with the Victorian Skills Authority to strengthen approaches that help students gain exposure to training pathways and industry to shape their future careers and develop in-demand skills.
- The Department of Education promotes the benefits of apprenticeships to secondary school students through career education, access to work-based learning opportunities and VET delivered in school.

## Conclusion – a message from the Victorian Skills Authority

Shared responsibility underpins the approach to education and training across Australia, as reflected in the *National Skills Agreement* and the *Universities Accord*.

Victoria has adopted a shared responsibility model for some time. The VSA works with the Department of Jobs, Skills, Industry and Regions, Apprenticeships Victoria and the Office of TAFE Coordination and Delivery to set and respond to skills priorities in Victoria. The VSA also acts as a central point for determining and communicating skills in demand through engaging closely with industry and learners.

The insights in the Skills Plan signal a strong Victorian economy and show that skilled workers are needed across most industries.

This is why the VSA is recommending further work to reshape vocational qualifications so VET graduates are prepared for a wider range of roles in the workforce. At the same time, workers who have acquired skills through experience must be assisted – through improved Recognition of Prior Learning – to have those skills recognised so they can pursue new career opportunities.

Building and construction feature strongly in this year's Skills Plan, with plans to lift the state's housing stock over the next decade and to build new energy generation, storage, transmission and distribution systems. The care economy underpins the health and well-being of Victorians and continues to need highly-skilled workers. The digital economy, which supplements and even transforms existing industries, is seeing growing demand for specific digital skills. This highlights the need to lift digital literacy for more workers.

Core skills such as literacy, numeracy and digital literacy are key to developing technical and human skills and improving productivity and wages. Cognitive skills are ever more important. Teaching and learning that recognise the criticality of these skills is the next stage of reform in vocational education and training.

Better connecting school students to the world of work will help them find the career pathway that suits them best and achieve the most out of their schooling.

This year's Skills Plan benefited from insights through the VSA's Industry Advisory Groups and other regular engagement channels and webinars. The VSA's Advisory Board continues to add rich perspective to the priorities and recommendations set out in each Plan.



A handwritten signature in black ink that reads "Craig Robertson".

**Craig Robertson**

Chief Executive Officer  
Victorian Skills Authority



A handwritten signature in black ink that reads "Lisa Line".

**Lisa Line**

Chair of the Victorian Skills Authority  
Advisory Board from October 2021 to  
October 2024



# References

- 1 Department of Employment and Workplace Relations (2024), [National Skills Agreement Overview](#).
- 2 Department of Education (2024), [Australian Universities Accord – Budget Summary](#), p. 5.
- 3 DJSIR and VSA modelling, 2024.
- 4 This is an estimate of demand for workers and is not an indicator of workforce or skills shortages.
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