



FACT SHEET

FUTURE-PROOF: Protecting Australians through Education and Skills

The world of work is changing. Nobody knows exactly how it will change, but we can be sure that almost every single job will be different; some sectors will be severely disrupted.

Against these forces of change, Australia needs to protect its people by ensuring we have the most skilled, the most trained, and the most resilient workforce on earth.

This means workers will need to dip in and out of training throughout their entire lives, upskilling and reskilling throughout their careers without the need to stop working.

Business employs 10 million of the 12 million working Australians; we want all of them all to realise their potential.

TERTIARY

Tertiary comprises Higher Education (HE) and Vocational Education & Training (VET).

These sectors operate as two silos rather than one system, leading to a distorted funding model with the wrong incentives. Students are treated unfairly depending on their sector.

For instance, university-trained nursing students are entitled to generous taxpayer subsidies and income-contingent loans (ICLs) far above that available to VET students.

We need to break the stigma, reinforced by the biased funding model, that a vocational qualification is any less prestigious than a university degree. It is not.

The Business Council proposes a “tertiary system” with five core components:

- ▶ **Putting the learner in charge** by giving every Australian a capped Lifelong Skills Account that can be used to pay for courses at approved VET or HE provider over the person’s lifetime. The account would consist of a subsidy and an ICL, and replace all existing loans and subsidies.
- ▶ **Better market information** so learners know what jobs are available, what they might earn, what courses are available, how much it will cost them, and their loan repayment schedule.
- ▶ **Maintaining the unique character** of each sector – VET as an industry-led sector based around competency-based training and applied learning, and HE in providing advanced qualifications, learning for the sake of learning, academic inquiry, and world-class research.
- ▶ **A shared governance model** clarifying the roles and responsibilities of each level of government and industry, and a new institution to manage LSAs and market information.
- ▶ **A culture of lifelong learning** that encourages people to use qualifications to build a strong foundation, and then dip in and out of short, accredited modules to effectively create their own ‘credentials’ that allow them to upskill and retrain throughout their lives.

SCHOOLS

Despite spending billions more dollars on schools, we are falling behind the world.

Australia needs to embrace a new culture around schools to:

- ▶ **Focus on the outcomes** we want to achieve in schools, not just the quantum of funding.
- ▶ **Acknowledge children display different types of intelligence** that should be nurtured, not just academic intelligence.
- ▶ **Adopt new teaching methods** like inquiry-based learning, particularly in areas students find difficult such as maths.
- ▶ **Empower and support teachers** through better data and examining the ways that standard-based pay could encourage the best educators to stay in the classroom.
- ▶ **A different approach to career counselling** so students are guided to careers that suit them.