



# 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.