

Mr Phillip Bullock
Chair, Skills Australia
secretariat@skillsaustralia.gov.au

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Dear Mr Bullock

Response to *Foundations for the future*

Thank you for this opportunity to respond to Skills Australia's position paper *Foundations for the future: draft proposals for future governance, architecture and market design for the national training system*. Griffith University makes two points, on workforce planning and community contributions to higher education policy and decision making.

Workforce planning

Most Australian and international labour market experts find that labour market forecasting is rather inaccurate and therefore they do not advocate a strong role for workforce planning in government policy, as Professor Lewis makes clear in his summary for Skills Australia of the half day seminar it sponsored on the labour market, skills demand and skills formation. Australian universities' most recent prominent experience with workforce planning is in medical education.

Australian Governments have long controlled the provision of places for medical students. In 1995 the Australian Government cut intakes into medical programs because it was convinced by health economists that an over supply of doctors was leading to over servicing and thus inefficient increases in health costs borne by the Government. Within seven years, the normal time to produce a medical graduate, Australia had an acute and damaging shortage of medical practitioners which State governments remedied initially by heavily recruiting practitioners trained overseas (Brooks, Lapsley Butt, 2003). Workforce planning thus failed medical education despite being one of the most favourable candidates because of its tight licensing requirements and State health departments' control over clinical training and employment.

Australian governments have also recently expanded intakes in teacher education programs to fill workforce shortages but in the absence of increased demand this has driven down entry scores, leading to concerns about the academic ability of future teachers (Committee for the Review of Teaching and Teacher Education, 2003: 134). The concentration on the supply of graduates leaves unaddressed the much bigger factor in labour force supply, the retention of the existing workforce.

So neither reducing nor increasing the supply of higher education places has been an effective instrument of government policy. Griffith therefore submits that while labour market forecasting may prove useful and it may be worthwhile promoting forecasts ones the techniques have demonstrated their accuracy, workforce planning should play a minimal role in government policy.

Australia has reasonably good information on current labour demand in occupations, including almost a decade of data from the Australian graduate survey administered by Graduate Careers Australia. Griffith University is not aware of any rigorous analysis, but it appears that for every occupation for which universities train:

- (a) applications fall about a year after unemployment in the occupation increases; and
- (b) applications increase about 3 years after labour shortages in the occupation become evident.

It therefore seems that prospective higher education students choose their programs in response to their perception of occupations' job prospects, and that these perceptions reflect pretty accurately actual job prospects indicated by previous years' Australian graduate surveys. The substantive problem is therefore the delay between when labour shortages emerge and when they become evident to prospective students.

Community contributions to higher education policy and decision making

Foundations for the future gives too much prominence to employers' and industry's involvement in higher education policy and decision making. Consider teacher education. Higher education's first responsibility is to the relevant occupational registration authority, in this case the Queensland College of Teachers. Next the university works closely with numerous employers, particularly in arranging education students' teaching practicum. Of course the university consults the Queensland College of Teachers and employers closely in designing and presenting its curriculum. But Griffith must also consider the interests of the pupils its graduates teach and the views of their parents. Griffith also consults qualified teachers, particularly its alumni, who have a special insight into the current and emerging demands of teaching and the preparation they have received. Furthermore, the whole community has a major interest in the education of its young, so the university incorporates a variety of community perspectives in its teacher education programs.

This range of interests and perspectives cannot be adequately represented by employers or even industry representatives. The university must manage much more sophisticated and pluralistic processes for community contributions to higher education policy and decision making than the focus on employers' and industry representation proposed in *Foundations for the future*.

Griffith looks forward to the outcomes of Skills Australia's consultations.

Yours sincerely

Professor Ian O'Connor
Vice Chancellor and President
Griffith University
Queensland, Australia

Telephone: + 61 7 555 27212
Email: vc@griffith.edu.au
www.griffith.edu.au

References

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