Improving Communications in the Workplace

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ACKNOWLEDGEMENTS

The Manufacturing and Engineering Skills Advisory Board (MESAB) has been funded by the Department of Education, Employment and Workplace Relations to undertake the development of this national strategy to assist industry, Industry Skill Councils, Industry Training Boards, training providers and other stakeholders improve the standards of language, literacy and numeracy in the metals, engineering, chemicals and plastics industries. The report provides a range of practical strategies and recommendations aimed at increased participation by these industry sectors in training that leads to improved levels of language, literacy and numeracy of existing workers.

The strategies and recommendations of this report were developed following extensive stakeholder consultation and literature research.

The report was developed by Tilburg Consulting Pty Ltd on behalf of the Manufacturing and Engineering Skills Advisory Board and funded by the Department of Education, Employment and Workplace Relations’ WELL Program.

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EXECUTIVE SUMMARY AND STRATEGIES

Despite a decline in size and scope of the Australian manufacturing sector over recent decades the sector continues to play a critical role in employing Australian workers and supporting the Australian economy. The sector employs over 1.1 million Australian workers and contributes 11% plus to annual GDP. Since the mid to late nineteen eighties the Australian manufacturing sector has faced a number of significant challenges including a lowering in tariff protection, free trade agreements and widening competition for both domestic and export products from developing economies. In response the sector has undergone a level of rationalisation and substantial restructuring in order to become more efficient and remain competitive. A key component of the industry’s strategy to lift productivity and remain competitive is to develop manufacturing industries in Australia that compete on the basis of innovation, technology and a highly skilled workforce.

This strategy however relies heavily on workers at all levels within the workforce to have the necessary foundation skills to support further and ongoing skills development. At present far too many manufacturing sector workers have not as yet participated in any form of structured vocational training. At the operative level of the manufacturing workforce, many workers lack basic foundation skills including the fundamental literacy and numeracy skills necessary to effectively participate in other forms of vocational skills development. The low levels of foundation skills will continue to directly affect the ability of the industries to introduce efficiencies through the use of innovation and technology in order to maintain domestic and international competitiveness. In addition, other essential workplace improvements such as safety, environmental compliance and developing a desirable workplace culture are also limited.

This report identifies strategies and makes recommendations that are aimed at improving the participation rate by Australian manufacturing sector workers in basic literacy and numeracy programs. This will facilitate a greater likelihood that employers and workers will participate in further skills development and commence to develop a culture of life long learning.

The results of the Adult Literacy and Life Skills Survey (ABS 2006a) showed very large numbers of adults operating with literacy levels well below what had previously been thought to be the case. Recent data from the Australian Bureau of Statistics tells us that nearly 50% of the manufacturing workforce is not recognised as holding a post-school qualification.

Adding pressure to this is that as well as calls for workers with high level skills, employers have identified a need for more rapid updating of skills in areas of changing technology, whether the technology is new to their enterprise or new to the industry. Other studies highlight the importance of workforce skills to the competitiveness and responsiveness of Australian enterprises and to the productivity of their employees and the Australian workforce. Such findings seem to have alerted governments to a looming crisis in workplace communication skills because the changes taking place in the workplace are demanding higher levels of literacy and numeracy.
There are chronic shortages of skills and skilled labour in the manufacturing sector. Manufacturing Skills Australia (MSA) reports that literacy and numeracy remains an increasing challenge, especially at the lower AQF levels, and one that adds to training need for manufacturing enterprises. The high level of cultural and linguistically diverse (CALD) workers in these industries exacerbates this.

The Australian Government has announced a range of initiatives under its *Skilling Australia for the Future Policy* (Skills Australia 2008), including the funding of additional training places for existing workers, for apprenticeships and for those currently outside or marginally attached to the workforce. This policy is supported by new services, including significantly strengthened Industry Skills Councils that will now be working closely with enterprises to assist them with their workforce development.

Following interviews and case studies of stakeholders, the strategies presented in this report aim to increase the participation by the metals, engineering, chemicals and plastics industries in language, literacy and numeracy training. The report has explored some of the complex workforce and skills development issues across these sub sectors of the manufacturing industries and concludes that skills and workforce development are amongst the most important strategies needed by the industries and by enterprises to remain competitive.

The consultations found that enterprises in the targeted sectors have benefited from language, literacy and numeracy training but such training is not systematic and the support and resources available are not widely accessed. This supports MSA’s finding that training across these industries appears to be focused on specific on-site activity and often lacking a structured approach to competency based training. The national strategy makes strategic and operational recommendations to address this, to underpin the capacity of manufacturing to take advantage of the resources available and position itself to modernise, respond and adapt to rapidly changing circumstances as we approach the second decade of the 21st Century.

The consultations confirmed the findings of *Skilling the Existing Workforce* (Australian Industry Group 2007) that there is an ongoing and escalating requirement for skills at higher levels, that workers will require broader skills and that they will need to be updated more often. In the current economic crisis, the existing workforce has become an even more significant source of new skills. Innovative approaches now play a more important role in equipping enterprises with the agility and responsiveness to address the new challenges that appear at every turn.

This national strategy acknowledges the focus of national vocational education and training policies, and of national and international literature, on the importance of skilling the workforce to increase participation in, and the productivity of, the workforce.

The national strategy encompasses recommendations to:

- Meet the language, literacy and numeracy needs of adult workers and
- Improve the competence of adult workers in workplace communication.
Broadly speaking, the national strategy includes:

- Employing the strategic opportunities presented in existing government policy to encourage language, literacy and numeracy training by targeting the metals, engineering, chemicals and plastics industries.
- Providing practical support for government policy emphasis on a shift to an employer driven training marketplace.
- Building employer awareness of the benefits of workplace language, literacy and numeracy training through advocacy by peak industry bodies and employer associations.
- Encouraging employee participation through trusted organisations such as unions.
- Building employer capability to manage workplace training through strong partnerships with capable Registered Training Organisations.
- Continuing to build a seamless training environment so that access to training and best practice delivery is systematic in the targeted industry sectors.

The consultations and research found that enterprises that have incorporated language, literacy and numeracy into their workplace training have reported:

- Increased employee retention.
- Better team performance.
- Improved labour–management relations.
- Increased compliance with quality and occupational health and safety.
- Increased reliability and productivity.
- Improved capacity to cope with change.

The metals, engineering, chemicals and plastics industries emerge as industry sectors which need to target the development of language, literacy and numeracy skills to successfully benefit from new training initiatives being introduced as part of the National Training Framework.
The following is a summary of the national LLN objectives, strategies and recommendations for improving workplace language, literacy and numeracy participation in the metals, engineering, chemical and plastics industries.

**Objective 1: A strong policy framework**

**STRATEGIES for leadership by government through targeted policy initiatives.**

- Develop comprehensive data base to identify annual WELL participation rates by industry sector, enterprise size and employee category.
- Identify national minimum LLN standards at AQF levels and ensure they are clearly identifiable in Training Packages.
- Integrate minimum LLN workplace standards as prerequisite or complementary eligibility requirements for accessing Government industry support programs.
- Increase employer and employee awareness of the intrinsic link between LLN skills development and total enterprise performance and worker participation.

**RECOMMENDATIONS:**

1. Produce and publish annual WELL participation rates by industry sector, enterprise size and employee category to better target future priority targets.
2. Identify and align minimum LLN levels to industry competency standards framework and national qualifications.
3. Where appropriate, review Government industry support program eligibility criteria to include consideration of workforce standards of LLN and other foundation skills.
4. Initiate promotional programs that aim to improve employer understanding and awareness of the relationship between LLN skills and broader skills development and worker participation.

**Objective 2: Advocacy to stimulate demand for LLN training.**

**STRATEGIES for gaining greater participation in training.**

- Improve accessibility for employers to lead and manage LLN funds directly to:
  i. Align training and delivery decisions to the requirements and operating environment of the enterprise
  ii. Build in-house skills in training support and delivery.
  iii. Deploy a range of ways to promote benefits of LLN training to targeted groups.
  
Provide employer and employee champions with information and resources to promote training.
RECOMMENDATIONS:

5. Refocus WELL and other Government skills development funding eligibility requirements on outcomes to be achieved, not on delivery inputs.

6. Develop a promotional information kit to assist employer and employee champions with information and resources to promote training.

Objective 3: Build employer commitment through good practice in LLN training

Ensure good practice in LLN training so that employer and employee experiences are positive and beneficial and build commitment and engagement for ongoing workplace training.

| STRATEGIES to support the development of enterprises as learning organisations. | - Ensure LLN training programs are grounded in good practice so that outcomes are positive and beneficial for employers and employees.  
- De-stigmatise LLN training in the workplace. |
|---|---|
| STRATEGIES to continuously improve LLN delivery processes to expand participation. | - Develop the partnership skills of the enterprise and the RTO by starting with focused introductory programs.  
- Use peak industry bodies to assist RTOs engage with industry to deliver LLN training.  
- Strengthen the requirements for LLN training to be integrated with broader enterprise skills development.  
- Encourage collaboration and share good practice making better use of the WELL website. |

RECOMMENDATIONS:

7. Implement an end of program reporting process that includes an assessment of training outcomes on operational/business performance.

8. MSA and State ITABs to provide DEEWR with strategic advice identifying high priority LLN training needs by industry sectors and employee classification levels.

9. Improve and update the WELL website as a means of sharing good practice
**Objective 4: Increase the participation of small business in LLN training**

| STRATEGIES to increase viability of small business by participation in LLN training. | - Use peak industry bodies to encourage and facilitate small businesses participation in LLN training.  
- Develop flexible delivery strategies and LLN training resources to address more adequately the needs of small business. |

**RECOMMENDATIONS:**

10. Conduct a pilot program that employs the recommended strategies to increase participation by small business and report on outcomes for further development.

11. Seek out and report on best practice strategies for engaging small and medium enterprises in LLN training.

**Objective 5: Maximise the use of available government funding to support enterprise training**

| STRATEGY for increasing employer awareness of training funds and incentives. | Make greater use of peak industry bodies and training brokers to broaden awareness that funding support for training is available. |

| STRATEGIES for improving WELL Program funding model. | - Strengthen process for feedback to the WELL Program for continuous improvement to the funding model.  
- Encourage blended funding models such as a mix of fee for service and WELL, so that business training needs are met seamlessly and effectively. |

**RECOMMENDATION:**

12. MSA and State ITABs to use newly available Federal Government funds for ISCs to engage brokers to assist enterprises access the WELL Program.

13. Commission a research project to compare and contrast the state differences in DEEWR WELL administration to highlight best practice and suggest ways to overcome approval process inconsistencies.
### Objective 6: Build an adequate training workforce

<table>
<thead>
<tr>
<th>Ensure adequate numbers of skilled trainers are available to meet current and future industry training demand.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>STRATEGIES</strong> to increase supply of skilled LLN workplace trainers.</td>
</tr>
<tr>
<td>- MSA identify existing and future LLN training demand for the manufacturing sector, and develop appropriate strategies to facilitate meeting current and future resource demand</td>
</tr>
<tr>
<td>- Develop skills of enterprises in running their own training.</td>
</tr>
<tr>
<td>- Promote flexible management of trainers within RTOs.</td>
</tr>
<tr>
<td><strong>STRATEGY</strong> to build a skilled training workforce.</td>
</tr>
<tr>
<td>- Confirm the core qualifications required by LLN trainers.</td>
</tr>
</tbody>
</table>

**RECOMMENDATIONS:**

14. MSA seek funds to develop a comprehensive plan to ensure that there are an adequate number of LLN Trainers available to meet current and future industry demand for LLN training.

15. Conduct a national program to skill up trainers in industry.

16. DEEWR to allocate funds for a project to document the processes and outcomes of examples of effective RTO auspice of enterprise based LLN training.

17. Develop an online register of WELL trainers.

### Objective 7: Use existing training resources effectively

<table>
<thead>
<tr>
<th>Ensure that LLN resources (including Training Packages) are effectively deployed meet industry and learner needs.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>STRATEGY</strong> for making better use of existing training resources.</td>
</tr>
<tr>
<td>- Customise Training Package delivery to meet specific training needs of enterprises.</td>
</tr>
<tr>
<td><strong>STRATEGIES</strong> for effective assessment of participants prior to participation.</td>
</tr>
<tr>
<td>- Use the Australian Core Skills Framework.</td>
</tr>
<tr>
<td>- Use an RTO to conduct assessments or auspice enterprises in conducting assessments.</td>
</tr>
<tr>
<td><strong>STRATEGIES</strong> for effective assessment of competence of learners.</td>
</tr>
<tr>
<td>- Provide formal recognition of LLN achievement against the agreed framework.</td>
</tr>
<tr>
<td>- Consider use of the Australian Core Skills Framework.</td>
</tr>
</tbody>
</table>
RECOMMENDATIONS:

18. Monitor introduction of the ACSF by RTOs and enterprises to ensure that the outcomes are documented.

19. Conduct a review of all resources available and prioritise the gaps for WELL resource funding by DEEWR.
SECTION 1: BACKGROUND

1.1 Introduction

This report is a national English language, literacy and numeracy (LLN) strategy for the metals, engineering, chemicals and plastics industries.

The report includes an analysis of the status of and need for workplace English LLN skills in those industries using information gathered from national and international research and consultations with key industry and VET stakeholders, and recommends objectives and strategies to encourage and support the development of those skills as an integral part of industry skills development.

Throughout this report “italics” highlight statements regarded as helpful in illustrating a perspective or recommendation.

1.2 Purpose

This national LLN strategy has been developed to assist industry associations, enterprises, training providers and policy makers implement strategies to ensure that the metals, engineering, chemicals and plastics industries are agile and responsive to future demand.

The focus is on improving the current levels of workplace LLN provision in these industries that employ large numbers of workers with low levels of these basic, essential skills.

1.3 Methodology

The information and conclusions presented in this report are based on the following streams of data gathering undertaken by Tilburg Consulting Pty Ltd:

- A summary of the relevant workplace LLN literature including identification of good practice.
- Extrapolation of comparative statistical data relating to adult literacy and numeracy to develop a profile of the workplace LLN skills of workers in the metals, engineering, chemicals and plastics industries, in the context of vocational education and training (VET) policies related to these industry sectors.
- In-depth interviews with trainers and representatives from Registered Training Organisations (RTOs) who both had and had not worked with workplace LLN programs.\(^1\)
- In-depth interviews with employers who both had and had not worked with workplace LLN programs (Enterprise Briefing Paper see Appendix 4).

\(^1\) RTOs in all states were interviewed.
In-depth interviews with employees who had participated in workplace LLN programs.

In-depth interviews with other key stakeholders:
- Industry Skills Councils (ISCs).
- Industry Training Advisory Boards (ITABs).
- Employer associations.
- Unions.

Two consultations with groups of training sector participants that included representatives from the Department of Education, Employment and Workplace Relations (DEEWR), RTOs, Industry Skills Councils (ISCs) and Industry Training Advisory Boards (ITABs).

A validation meeting conducted in Melbourne with the Manufacturing and Engineering Skills Advisory Board (MESAB) to present and verify the initial survey findings.

Consultations with the Project Steering Group.

Sample selection

The Project Team distributed information about the project along with a questionnaire to the contact list compiled by the Project Steering Group. Responses came from employer associations, representatives of government departments, ISCs, ITABs, enterprises, RTOs, unions and other interested parties.

The consultations included the written responses from the questionnaire, follow up telephone interviews, workshops, site visits and teleconferences.

Employers interviewed and visited were from metropolitan and regional centres in Victoria, NSW, Queensland and South Australia.

Enterprises interviewed represented from all sectors of the metals, engineering, chemicals and plastics industries. Enterprises included small (less than 20 employees), medium (20 – 200 employees) and large enterprises (over 200 employees).

The two employee groups interviewed were from an enterprise in a metropolitan location and one in a regional location. They included people who had a CALD background and people who were refugees.
Limitations

Data

The project team notes that certain information is not provided in this report such as specific VET data about LLN training in the industries that is collected by WELL but not made available. This includes data on:

- employer participation and information on the types of businesses and their location
- participating RTOs
- participating learners
- the programs.

Consultations

There was a limit to the extent of the consultation but the project team attempted to get a snapshot of the workforce development issues encountered by the manufacturing industry and the metals, engineering, chemicals and plastics sub sectors, on which the strategies and recommendations were developed.

1.4 Key terms

The following is an explanation of the key terms used in this report.

English language, literacy and numeracy

Language, literacy and numeracy are core skills that are fundamental to other learning and skills development.

Language

Language is the understanding and use of spoken and written English.

Literacy

Literacy is the integration of listening, speaking, reading, writing and critical thinking. It incorporates numeracy and it includes the cultural knowledge that enables a speaker, writer or reader to recognise and use language appropriate to different situations. Providing literacy training and assistance helps people to fully participate in the labour force, participate in adult education and training, and use literacy at home and in the community.

Literacy includes both skills acquisition and the critical application of these skills in multiple environments for multiple purposes.
Numeracy

Numeracy is the knowledge and skills required to effectively manage and respond to the mathematical demands of work, education, social interaction and the negotiation of everyday living.

Numeracy is widely regarded as being undervalued and is often overlooked in discussions about the provision of LLN training. People who are competent in language and literacy (including LLN trainers) can have low levels of competency in numeracy.

Workplace communication skills

While industry now recognises that LLN skills underpin all areas of work to some extent, there has also been a growing realisation of the importance of relationship skills in team based workplaces. This bundle of skills is often referred to as ‘workplace communication skills’.

Communication is an important part of our daily life. We use communication to let other people know our thoughts and feelings and to convey messages. Workplace communication happens whenever people come together to get things done in the working environment. To have a co-operative, positive working environment, workplace communication must be effective and efficient.

Workplaces require people to communicate in many different ways.

‘They often develop unspoken rules about what to do in particular situations. In this way workplaces develop their own ways or systems of communicating. They develop their own cultures and jargon. The interpersonal and social relationships formed among people who frequently interact influence these behaviours.

Larger companies usually have more formal ways of communicating so that everyone understands the operation and the part they play in it. Sometimes they require more written documentation and electronic systems than in smaller companies where all employees may know each other and see each other frequently to pass on information. On the other hand, smaller enterprise employees may be expected to perform a number of functions and be more multi-skilled. The workplace communication of enterprises can vary considerably’ (TDT 2000).

The term ‘workplace communication’ is inclusive of all employees and does not have the possible worker deficit connotation of ‘language, literacy and numeracy skills’. 
Employability skills

An employability skill is a skill which is not specific to work in a particular occupation or industry, but is important for work, education and life generally such as communication skills, mathematical skills, organisational skills, computer literacy, interpersonal competence, and analytical skills (ANTA 2003).

The *Employability Skills Framework* (Australian Chamber of Commerce 2002) encapsulates a set of generic skills identified as being critical, not only to gaining and maintaining employment, but to operating effectively in personal and community contexts.

**Employer**

An employer is a person or enterprise that employs others.

**Enterprise**

An enterprise is an institution created to conduct business.

**Industry**

An industry is the people or enterprises engaged in a particular kind of commercial enterprise.

**Small business**

A small business is an enterprise that employs 20 people or less.

**Lean manufacturing**

Lean manufacturing is a business and manufacturing management philosophy that aims to improve quality, productivity and supply chain management through the elimination of waste from processes and operations. In lean manufacturing, waste is defined as any consumption of a resource, which does not add value to the customer. *Lean* is regarded as an effective organisational change driver.

**Target group**

A target group is defined by the WELL Program Guidelines as a group of employed individuals with identified English LLN needs, who require support to retain, perform or increase their career prospects in their employment.
1.5 The VET Context

**Vocational Education and Training (VET)**

VET is the attainment of knowledge and skills relevant to employment.

The VET sector gives Australians the opportunity to gain the skills they need to enter the workforce for the first time, to re-enter the workforce, to retrain for a new job or to upgrade their skills for an existing job.

The Department of Education, Employment and Workplace Relations (DEEWR) helps the Australian Government take a lead role in promoting a post-school education and training system that is nationally consistent and coherent; responsive to individual, industry and community needs; and recognised as providing quality outcomes.

*Skilling Australia for the Future* is the Australian Government’s current VET Policy. It places industry needs at the core of the training system. The strategy recognises that the supply of skilled labour represents a major constraint on the capacity of industry to keep pace with increasing demand (DEEWR 2008b).

For more information on The VET Sector see Appendix 3.

**Workplace English Language and Literacy (WELL) Program, www.deewr.gov.au/well**

While the strategies recommended in this report are not confined to the use of the WELL Program to improve LLN in the metals, engineering, chemicals and plastics industries, WELL is nevertheless a significant resource and ‘a unique program that targets existing employees needing to improve LLN skills for sustainable employment and further training’ (DEEWR 2008a).

WELL funds LLN training linked to job-related workplace training and is designed to help workers meet their current and future employment and training needs.

The Australian Government and the employer fund WELL training projects jointly. Funding provided by WELL is granted on a competitive basis and regarded as ‘seed’ funding i.e. it is designed to support employers to cultivate a culture of training in their workplaces. From its inception WELL has contributed to increased productivity, improved workplace communication and greater occupational health and safety for workplaces; and improved job security and career prospects for workers.

For details on the WELL program see Appendix 3.
SECTION 2: STATUS OF WORKPLACE LLN SKILLS

2.1 Overview of the workforce

2.1.1 Non-school qualification by industry

Nearly 50% of the manufacturing workforce is not recognised as holding a post school qualification (ABS 2006).

This finding is confirmed by the ABS data below for the sub sectors of metals, engineering, chemicals and plastics industries.

When matched with the claim that 87% of all available jobs require a post school qualification, there are clear indications of a significant deficiency in recognised skills (MSA 2008).

<table>
<thead>
<tr>
<th>Manufacturing industry subdivision</th>
<th>Basic Chemical and Chemical Product</th>
<th>Polymer Product and Rubber Product</th>
<th>Primary Metal and Metal Product</th>
<th>Fabricated Metal Product</th>
<th>Transport Equipment*</th>
<th>Machinery and Equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate III and above</td>
<td>57%</td>
<td>39%</td>
<td>53%</td>
<td>46%</td>
<td>58%</td>
<td>58%</td>
</tr>
<tr>
<td>No qualifications up to Certificate II</td>
<td>43%</td>
<td>61%</td>
<td>47%</td>
<td>54%</td>
<td>42%</td>
<td>42%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Employees</td>
<td>41,430</td>
<td>44,315</td>
<td>77,442</td>
<td>64,421</td>
<td>56,728</td>
<td>104,610</td>
</tr>
</tbody>
</table>

*Less Motor Vehicle, Trailer & Body Manufacturing

2.1.2 Gender by industry

The table below shows the breakdown of males and females employed by industry subdivision.

The workforce in these industries is overwhelmingly male (between 75% and 87%) apart from Basic Chemical and Chemical Product Manufacturing where 63% of the workforce is male.

The proportion of females employed in the Polymer Product and Rubber Product industry is approximately the same as the Australian manufacturing industry.

The Basic Chemical and Chemical Product Manufacturing industry employs a higher proportion of females compared with the Australian manufacturing industry (Plastics and Chemicals Industries Association 2005).

Table 2: Gender by industry

<table>
<thead>
<tr>
<th>Manufacturing industry subdivision</th>
<th>Basic Chemical and Chemical Product</th>
<th>Polymer Product and Rubber Product</th>
<th>Primary Metal and Metal Product</th>
<th>Fabricated Metal Product</th>
<th>Transport Equipment*</th>
<th>Machinery and Equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>63%</td>
<td>75%</td>
<td>88%</td>
<td>83%</td>
<td>84%</td>
<td>77%</td>
</tr>
<tr>
<td>Female</td>
<td>37%</td>
<td>25%</td>
<td>12%</td>
<td>17%</td>
<td>16%</td>
<td>23%</td>
</tr>
<tr>
<td>Employees</td>
<td>41,439</td>
<td>44,326</td>
<td>77,433</td>
<td>64,421</td>
<td>56,734</td>
<td>104,620</td>
</tr>
<tr>
<td>Total</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

*Less Motor Vehicle, Trailer & Body Manufacturing

Source: Based on 2006 Census of Population and Housing: Employed Persons, ANZSIC 2006, ASCO Version 2, Sex, State of Usual Residence. IND06P Industry of Employment (ANZSIC06)_Client Specified by SEXP Sex for Person Records
2.1.3 Non School Qualification by Occupation

The table below shows the breakdown of workers by non-school qualification by occupation.

73% of the 320,000 production workers (occupation codes 7 & 9,* ASCO:1997) have no qualification or a qualification up to Certificate II.

The workers most at risk in an economic downturn are those without qualifications and those doing the most unskilled jobs.

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Certificate III and above</th>
<th>No Qualification up to Certificate II</th>
<th>Employees</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tradespersons &amp; Related Workers</td>
<td>65%</td>
<td>35%</td>
<td>14,974</td>
<td>100%</td>
</tr>
<tr>
<td>Mechanical &amp; Fabrication Engineering Tradespersons</td>
<td>73%</td>
<td>27%</td>
<td>179,883</td>
<td>100%</td>
</tr>
<tr>
<td>Electrical &amp; Electronics Tradespersons</td>
<td>66%</td>
<td>34%</td>
<td>48,923</td>
<td>100%</td>
</tr>
<tr>
<td>Miscellaneous Tradespersons &amp; Related Workers</td>
<td>53%</td>
<td>47%</td>
<td>36,454</td>
<td>100%</td>
</tr>
<tr>
<td>Intermediate Production &amp; Transport Workers</td>
<td>32%</td>
<td>68%</td>
<td>10,042</td>
<td>100%</td>
</tr>
<tr>
<td>Intermediate Plant Operators</td>
<td>26%</td>
<td>74%</td>
<td>119,500</td>
<td>100%</td>
</tr>
<tr>
<td>Intermediate Machine Operators</td>
<td>27%</td>
<td>73%</td>
<td>51,672</td>
<td>100%</td>
</tr>
<tr>
<td>Other Production &amp; Transport Workers</td>
<td>35%</td>
<td>65%</td>
<td>37,785</td>
<td>100%</td>
</tr>
<tr>
<td>Labourers &amp; Related Workers</td>
<td>18%</td>
<td>82%</td>
<td>21,309</td>
<td>100%</td>
</tr>
<tr>
<td>Factory Labourers</td>
<td>21%</td>
<td>79%</td>
<td>70,997</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Based on 2006 Census of Population and Housing: Employed Persons, ANZSIC 2006, ANSCO Version 2, QALLP, State of Usual Residence. ASCO2_Client Specified Occupations by QALLP Non-School Qualification: Level of Education (T22c) for Person Records
2.1.4 Gender by Occupation

The table below shows the breakdown of males and females by occupation.

This reinforces findings that that the workforce in the industries is overwhelmingly male.

Table 4: Gender by occupation

<table>
<thead>
<tr>
<th>Occupation</th>
<th>% Male</th>
<th>% Female</th>
<th>Employees</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tradespersons and Related Workers</td>
<td>96%</td>
<td>4%</td>
<td>14,971</td>
<td>100%</td>
</tr>
<tr>
<td>Mechanical and Fabrication Engineering Tradespersons</td>
<td>99%</td>
<td>1%</td>
<td>179,886</td>
<td>100%</td>
</tr>
<tr>
<td>Electrical and Electronics Tradespersons</td>
<td>97%</td>
<td>3%</td>
<td>48,942</td>
<td>100%</td>
</tr>
<tr>
<td>Miscellaneous Tradespersons and Related Workers</td>
<td>94%</td>
<td>6%</td>
<td>28,308</td>
<td>100%</td>
</tr>
<tr>
<td>Other Miscellaneous Tradespersons and Related Workers</td>
<td>65%</td>
<td>35%</td>
<td>8,161</td>
<td>100%</td>
</tr>
<tr>
<td>Intermediate Production and Transport Workers</td>
<td>85%</td>
<td>15%</td>
<td>10,041</td>
<td>100%</td>
</tr>
<tr>
<td>Intermediate Plant Operators</td>
<td>97%</td>
<td>3%</td>
<td>119,492</td>
<td>100%</td>
</tr>
<tr>
<td>Intermediate Machine Operators</td>
<td>87%</td>
<td>13%</td>
<td>51,670</td>
<td>100%</td>
</tr>
<tr>
<td>Other Intermediate Production and Transport Workers</td>
<td>82%</td>
<td>18%</td>
<td>37,781</td>
<td>100%</td>
</tr>
<tr>
<td>Labourers and Related Workers</td>
<td>88%</td>
<td>12%</td>
<td>21,313</td>
<td>100%</td>
</tr>
<tr>
<td>Factory Labourers</td>
<td>76%</td>
<td>24%</td>
<td>71,021</td>
<td>100%</td>
</tr>
</tbody>
</table>

2.2 Context of the need for LLN training

2.2.1 The Australian workforce

The Australian workforce must have adequate LLN skills if it is to meet the needs of competitive industry and sustainable communities in the 21st century. In recognition of this requirement, Shaping our Future (ANTA 2003), incorporates LLN into its key objectives so that all Australians will have the opportunity to:

- Participate fully in the labour force.
- Use literacy skills at work.
- Participate in adult education and training.
- Use literacy at home and in the community.

The Adult Literacy and Life Skills Survey (ABS 2006a) found that between 46% and 70% of adults in Australia had poor or very poor skills across one or more of the five skill domains of prose literacy, document literacy, numeracy, problem-solving and health literacy. This means they did not attain skill level 3, the level regarded by most experts as a suitable minimum for coping with the increasing and complex demands of modern life and work.

Specifically:

- 46% of people have low levels of literacy (below Level 3).
- 52% have low levels of numeracy.
- 70% of people have low levels of problem solving.

Internationally, Australia ranks in the middle of the countries that participated in the Adult Literacy and Life Skills Survey.

2.2.2 Manufacturing in Australia

A prosperous manufacturing sector is vital to the long-term sustainability of the Australian economy. Manufacturing is the driver of innovation, productivity and training in the economy, has a key role in the maintenance of high-wage, full-time jobs, and is the most integrated of our industries. It is the second largest segment of the Australian economy, and employs 1,052,000 persons in 981,300 full time jobs (ABS June 2006) representing 12.8% of people in full time employment (AMWU 2008).

Despite recent increases in employment in some sectors of manufacturing, the Department of Education, Employment and Workplace Relations (DEEWR) forecasts that the longer term trend of declining employment in the industry will continue.

2 Several programs have migrated to the new Federal Department of Education, Employment and Workplace Relations (DEEWR) website: www.deewr.gov.au. References to material found at prior sites including the Department of Education, Science and Training (DEST), Department of Employment, Education, Training and Youth Affairs (DEETYA) and the Department of Employment and Workplace Relations (DEWR) are referenced accordingly.
next five years. However, the aging workforce means that retirements over the next five years could easily absorb the projected reduction in employment and still leave the industry with a shortage of workers. Therefore, the projected reduction in manufacturing employment is unlikely to translate to a reduced need for recruitment and/or training (DEST 2007).

The Australian Industry Group found that skilled employees in the metal-based sectors were particularly hard to find and that the largest numbers of skills shortages were in the petroleum, coal, chemical and associated products, transport equipment, and machinery and equipment sectors (AIG 2006).

The Australian Manufacturing Workers Union argues that the stalling of growth in the manufacturing sector in the last decade indicates clearly that interventionist policies are required to drive growth, and that it cannot be left simply to deregulation and the application of the “free” market model (AMWU 2008).

The manufacturing industry will continue to face change that includes:

- Changing roles and nature of work with increasing levels of accountability at the operator level.
- Flatter management structures.
- Emphasis on customer service.
- Introduction of management systems such as for contractors, environment, safety, quality and training.
- Introduction of new technologies.

This climate of continuous change will place increasing pressure on many workers to engage in training and will directly impact on the sorts of communications skills they will require in the future.

2.2.3 Skills needs in the manufacturing industry

Manufacturing industries cannot afford an inability to move forward and pick up on losses when the financial storm clears, because they have an inadequate skill base to do so (MSA 2009).

Manufacturing Skills Australia (MSA) has identified that the skill levels of the manufacturing industry are of concern. The MSA prime goal for 2008 – 2011 is to lift the measurable mean skills of Australia’s manufacturing one step in the AQF (MSA 2008).

The Australian Industry Group found that what employers valued most of all were non-technical skills, the things that made people useful and valuable employees such as communication and team work. In addition, as workplaces are becoming more and more culturally diverse, this in itself creates a need for language, literacy, numeracy and communication skills (Australian Industry Group 2007).

Skills and knowledge in materials and lean manufacturing processes must be improved for Australia to remain competitive in the global market.
A comprehensive report on the current status of industry skills in the metals, engineering, chemicals and plastics sectors of the manufacturing industry can be found in the *Manufacturing, Industry Skills Report* (DEST 2007).

### 2.2.4 Implications for training

The consultations routinely emphasised the growing sophistication of communication needs in the industry. These included the documentation for compliance and customer services required, evidence of new forms of communication including use of technology and expectations of multi-skilling.

Workers who are employed in production work are the largest target group for LLN training in the engineering, metals, chemicals and plastics industries. Other target groups include lab technicians, clerical staff, customer services staff and warehousing staff. Production work covers a range of skills in machine operation, process work and plant operation. The more than 210,000 production workers in the manufacturing industry generally make up over 30% of the workforce (DEST 2007). Upskilling is a major issue for many production workers as enterprises seek to increase cost efficiencies by improving skills, multi-skilling and improving their performance through strategies such as lean and agile manufacturing practice.

Approximately 27% of employees in these industries have no qualification or are studying for their first qualification. A further 10% hold a Certificate I or II (ABS 2006). Up to 30% of employees in these sectors do not have English as their main language at home (ABS 2006).

The extrapolation from the *ABS Non School Qualifications by Occupation* data (ABS 2006) confirms this profile. It shows that between 65% and 82% of the predominantly male target group have no qualifications or a qualification up to Certificate II. The *Adult Literacy and Life Skills Survey* (ABS 2006a) clearly shows that significant numbers in the industry have poor literacy and numeracy skills. About 50% of the manufacturing workforce performs at level 1 and 2 on the prose and document literacy scales with about 40% performing at level 3 (Certificate level I). On the numeracy scale, slightly more than 50% perform at Level 1 and 2 with approximately 30% performing at Level 3. The workers most at risk in an economic downturn are those without qualifications and those doing the most unskilled jobs. Analysis of the international comparative data confirms this trend.

While training expenditure is likely to face significant reductions in the current environment, encouragingly, despite the economic difficulties, MSA has found that 45% of companies plan to maintain training expenditure (MSA 2009).

The support and incentives provided through the VET system including new and existing worker development programs, will be essential in encouraging employers to keep focusing on the development of the manufacturing workforce in 2009. The global financial crisis appears to have added new momentum to this with many employers seeing this as a time to consolidate and upskill workers rather than strive for market growth (MSA 2009).

### 2.2.5 Key features of the metals and engineering industries

Key features:
Metals/engineering and related manufacturing is by far the largest sector of the manufacturing industry employing 429,000 people.

The metals and engineering industry workforce is overwhelmingly male.

22% of the workforce in this industry has no post school qualification (ABS 2006).

Analysis of the industry need for training indicates that the metals and engineering industries have ongoing skill development and training needs and current training delivery is insufficient to meet the industry need for skill development.

### 2.2.6 Key features of the plastics and chemicals industries

*Increased technological advances in all areas of Process Manufacturing requiring ongoing upskilling training* (Process Manufacturing ITC 2006).

**Key features:**

- 134,000 people are employed in process manufacturing that incorporates the plastics and chemicals sectors.

- While the workforce is overwhelmingly male (63%), more females are employed in the chemicals industry than the other manufacturing industries. The number of females employed in the chemicals industry is also higher than in manufacturing generally (ABS 2006).

A comprehensive overview of the chemicals and plastics industry is included in *Underpinning Australia’s Industrial Growth* (Chemicals and Plastics Industry Steering Group 2001) and the *Plastics and Chemicals Industries Skills Needs Research Project* (Plastics and Chemicals Industries Association 2005) which found that:

‘Overwhelmingly employers in the plastics and chemical industries report skills gaps and recruitment difficulties rather than skills shortages. They have the most difficulty with process workers/plant operators. These occupations are not represented in current initiatives to address skills shortages. In the absence of adequately skilled and experienced candidates, employers endeavour to fill vacancies with those who have generic employability skills but not the required job task skills, with the intention of upskilling them. However, many employers report difficulties in achieving adequate upskilling while maintaining efficient operations under conditions of increasing global competitiveness.’

(Plastics and Chemicals Industries Association 2005).

*Underpinning Australia’s Industrial Growth* (Chemicals and Plastics Industry Steering Group 2001) found that ‘an alternative approach is warranted to arrest the serious decline in industry training standards’ that is industry-led and concentrates on arresting the decline in the plastics processing industry where the decline is currently more apparent.
SECTION 3: KEY FINDINGS FROM THE LITERATURE

3.1 Workplace communication skills training

Australia has a long history of active participation in programs promoting workplace communication skills. Both here and internationally, workplace communication skills program funding is found across a spectrum ranging from predominantly state-funded to private provision. The reasons for such programs range between economic benefits for all or some of the parties involved to broad societal and equity benefits. The operation of these programs encompasses among others formal classroom lessons, group work, IT expedited training and informal training scenarios. The curriculum can vary between tight, instrumental training and broader, life skills education. The trainers can be teachers, short-course (3 days) trained manufacturing workplace trainers, qualified adult educators or specialist workplace literacy/numeracy educators.

Other parties involved in provision of workplace English language, literacy and numeracy training include unions, the business sector and all levels of government. The time allocated to workplace communication skills education usually involves a cocktail of employer’s time and employee’s time but can be also either all employee time or all employer time.

The Adult Literacy and Life Skills Survey (ABS 2006a) showed very large numbers of adults operating with literacy levels well below what had previously been thought to be the case. In Australia’s case, the 2006 survey found 46% of Australians aged 15 to 74 years were at Level 1 or 2 on the prose scale and 47% of Australians at Level 1 or 2 on the document scale. On the numeracy scale, approximately 53% Australians were found to be at Level 1 or 2 (ABS 2006a).

Such findings seem to have alerted governments to a looming crisis in workplace communication skills because the changes taking place in the workplace are demanding higher levels of literacy and numeracy (Holland 2006).

A summary of the international models of workplace communication skills programs found key elements include:

- Federal funding.
- Tri-partite partnerships between industry, training providers and government.
- Union learning representatives to encourage employee participation.
- Incorporation of eLearning.
- Multi-modal and multi-site delivery to meet individual workplace requirements.

3.2 Benefits for employers and employees

Key findings of research carried out in Australia, Canada, New Zealand the and UK can be summarised as:

Issues that block employer engagement are:

- A view that it is the Government’s job to educate school leavers to minimum levels of LLN.
- A narrow task-specific view of training.
- Wanting immediate pay-off.
- Training is too costly.
- A widespread lack of awareness of training available.

Issues that block employee engagement are:

- Fear of ridicule.
- Poor school experiences.
- Unfamiliarity with information technology.
- Costs.
- Intrusion on family time.

Successful means of engaging employees are:

- Embed LLN in vocational training.
- Mentoring.
- Employer and union sponsorship.
- Prospects of promotion and wage rise.

Benefits of LLN training to employees include:

- Increased confidence and satisfaction in their work.
- Improved performance.
- Increased productivity.
- A greater understanding of their work.

In addition, employees may:

- Gain higher income and be promoted.
- Retain employment.
- Improve their ability to learn.
- Improve their confidence outside work.

Benefits of LLN training to employers include:

- Increased employee retention.
- Employees with the skills required by the enterprise.
- Better team performance.
 Improved labour–management relations.

Employers will achieve improved compliance through:
- Consistent and understood company processes.
- Increased quality.
- Increased occupational health and safety.

Employers will increase profitability through:
- Understanding of and commitment to company goals and targets by all employees.
- Increased reliability and productivity.
- Improved capacity to cope with change.

3.3 Manufacturing skills – the future

Reports on the status of workplace communication skills training in Australia and more specifically the metals, engineering, chemicals and plastics industries, focus on the increasing need to upgrade skills, the skills drivers, the shift in skills needed and the emergence of unique skills required.

Key observations include:

- The changing workplace.

  More skills are required of people at each occupational level. Process and production workers have now taken on more of the maintenance and diagnostic skills once the domain of the tradesperson. Employees need to be able to cope with increasingly rapid change in the ‘technical’ side of work.

- The changing employee.

  Employers are faced with a decreasing pool of younger entrants into skilled occupations and general difficulties in recruiting skilled workers into vacancies. Strategies are need to assist industry investment in existing workers, recognizing that employees need some form of upskilling every two years simply to remain relevant.

- The changing skills/attitudes.

  The focus of required skills is shifting from a reliance on technical capability to recognition of the importance of the generic skills of language, literacy and numeracy, team work, problem solving, commitment, and a willingness to learn.
SECTION 4: KEY OBSERVATIONS AND FINDINGS FROM THE CONSULTATIONS

Tilburg Consulting Pty Ltd distributed information about the project to the industry contacts supplied by the Project Steering Group. They also consulted with relevant groups about the project and conducted a literature review. During the consultations, which included the written responses from the questionnaire, follow up telephone interviews, workshops, site visits and teleconferences and feedback from the Project Steering Group, issues were raised that were both generic to the manufacturing industry as a whole as well as those that were specific to particular enterprises.

A number of general issues and trends emerged from the consultations and literature review that are relevant to the metals, engineering, chemicals and plastics industries. This section discusses the key observations and findings.

4.1 Leadership by Government is important

‘Employer support for workplace literacy is evident in countries where national governments take a strong leadership role on workplace literacy training.’ (Plett 2007:65)

Employer participation in LLN training requires leadership by government through targeted policy initiatives that:

- Highlight minimum LLN standards in training programs
- Integrate minimum LLN standards with access to government funds
- Increase employer and employee awareness of the importance of LLN

OBSERVATIONS AND FINDINGS

The targeted industry sectors have low participation rates in LLN training. At the same time, there is unmet current and future demand for skilled labour.

Lack of clarity in identification of national minimum LLN standards.

While LLN levels are now identified in Training Packages, consultations revealed that they could still be masked or hidden so that employers are not necessarily aware of the LLN competencies required.

The National Training System has encouraged incorporation of information about LLN skills into Training Packages. Built In, not Bolted On (ANTA 2000) identified the inclusion of LLN information as a major contribution to the richness, explicitness and fairness of information about exactly what it takes to be competent in a workplace task.
The Transport and Distribution Training (TDT) Strategy, *Well Communicated* noted that:

‘Workplace communication issues are now recognised as being important in industry training. Acknowledgment of this came in 1995, when Commonwealth, State and Territory Ministers for Vocational Education and Training agreed that English language, literacy and numeracy competencies must be incorporated into competency standards’ (TDT Australia 2000).

In recommending the incorporation of LLN into Training Packages, *Workplace Communication in National Training Packages: A Practical Guide* (DETYA 1997) noted that without explicit reference to these skills, ‘it is possible that the specific demands of particular tasks may be overlooked in the development of standards.’

However, the consultations found that these requirements are now so embedded that this is not clear to either trainers or industry and the ‘explicit reference’ needs to be re-visited.

**Minimum workforce standards of LLN are not prerequisite for access to Government funded programs.**

Substantial Government funding each year is directed to support enterprises achieve/maintain international competitiveness by supporting world best practice including adopting new technology and efficient workplace practices. Industry support funding should be linked to a commitment by the recipient enterprises to also ensure employees are sufficiently skilled to fully participate and contribute to the productivity improvements.

**There is a mixed degree of employer awareness of the importance of LLN.**

There is room to improve employer awareness of government policy directions and the employer’s role in developing workforce LLN skills.

The research shows that this is effective when government policy:

- Directly funds workplace LLN training.
- Provides incentives to employers accessing workplace LLN training.
- Provides incentives to workers participating in workplace LLN training.
- Invests in a public education system that includes an adult learning system.
- Develops national adult education and training strategies. (Gray 2007, Plett 2007).
Barriers to participation.

‘WELL isn’t systematic. It relies on the employer to require it.’ (Training Provider).

A range of barriers was identified arising from a lack of government policy that specifically targets the needs of the metals, engineering, chemicals and plastics industries.

1. With reference to employers:
   - Employers may not recognise the link between LLN competence and the ability of workers to participate in and contribute to productivity improvements.
   - Employers may not be aware of the resources and assistance available such as the WELL Program, the Productivity Places Program and Australian Apprenticeships (an outline of these programs is at Appendix 3).
   - Employers report having skilled personnel capable of delivering foundation skills training but who are excluded from providing workplace LLN funded training because they lack the mandatory qualifications.
   - Employers routinely reported finding the paperwork for funded programs onerous.
   - Employers can be frustrated where there is a lack of recognition by an RTO about the importance of customising programs to best suit their workplaces.

2. With reference to employees:
   - Employees may be unaware of the impact of poor LLN on their career prospects.
   - Employees are largely unaware of the workplace LLN training opportunities that are available to them inside and outside the workplace.
   - Sometimes employees report feeling stigmatised and even subject to harassment and bullying by being identified as being illiterate or innumerate.

3. With reference to RTOs:
   - ‘RTOs will go where they can readily get business, (the ‘low hanging fruit’) not where the need necessarily is.’ (Industry representative).
   - There is no strategic targeting of the WELL program or other LLN workplace initiatives to the metals, engineering, chemicals and plastics industries.
   - RTOs will respond to business opportunities created by government policy (such as the priority funding for the aged care sector).
   - RTOs will continue to build business in industry sectors they are familiar with, rather than proactively seek new business in other sectors.
   - Some TAFEs noted the constraints of operating in a very competitive environment which does not readily collaborate on good practice, methods of recruiting employers and resources (including human resources).
Some TAFEs can be protectionist rather than collaborative and may be missing out on the potential available through partnerships with other RTOs. The protectionist approach by TAFEs was evident during attempts by this project to gain access to industry clients for consultation purposes.

Providing training under the WELL Program has limited appeal to some RTOs. The consultation revealed examples of RTOs that have withdrawn from delivering WELL training because it is regarded as too costly and demanding.

4.2 Advocacy is required to stimulate widespread demand for LLN training

‘Employers and individuals will be at the centre of vocational education and training.’ (ANTA 2003).

Greater participation in training can be achieved by:

- Increasing the number of employers accessing LLN funding directly
- Using RTOs to support employers to manage and deliver government funded training
- Using successful participants to promote the benefits of training

OBSERVATIONS AND FINDINGS

The consultations revealed:

Widespread reliance on the RTO to manage the LLN training environment.

Perceptions that management of funds to assist with LLN training is onerous for employers.

Australian VET Policy (ANTA 2003) aims to make vocational education and training fully client-driven and responsive. Small, medium and large businesses, and people of all ages and backgrounds, should have easy access to products and services customised to their particular needs. They should know what they can expect from vocational education and training, what it offers them, and how to use its pathways. The policy aims to strengthen industry’s role in anticipating skill requirements and developing products and services to meet them.
In order to achieve an effective demand driven system, its consumers must be well informed. MSA is committed to widespread communications strategies to continue to inform and educate manufacturing stakeholders about their options in using VET for their skill development.

‘The benefits of training for the company are immeasurable. I am surprised that more employers don’t know about what is available to support training. You have to contribute and I am happy to go and talk to others about our experience.’ (Employer).

Employees can be reluctant to participate in LLN programs.

Research and the consultations report on reluctance on the part of employees to take part in these programs because of fear of an inability to cope, of being stigmatised and even bullied.

4.3 Good practice in LLN training provides positive outcomes for enterprises and learners

‘...then the teaching takes care of itself. If people embrace learning and respect each other, things will improve.’ (LLN Enterprise Based Trainer).

Increased employer commitment can be achieved by:

- Ensuring good practice in workplace LLN training.
- Creating high quality partnerships between RTOs and enterprises to deliver successful training.

OBSERVATIONS AND FINDINGS

There are critical conditions for effective workplace LLN training which are met in a learning organisation:

- Senior management in an enterprise is supportive and contributes energy and commitment to the program and ensure that training is aligned to business goals.
- A learning culture in the workplace motivates employees to participate in LLN. An employer can be assisted in fostering a learning culture by a competent RTO. Australian VET Policy aims to foster a learning culture in business so ‘clients will be enticed to learn throughout life and will know that their skills and qualifications are accepted by all parties across Australia’ (ANTA 2003).
- Available resources (human, financial, material) are effectively brought together when an employer and an RTO work in partnership, capitalising on the skills and expertise of each partner.
Good practice LLN training benefits enterprises.

‘Introducing the training program has shown that our employees now know what the company targets are and do their job effectively.’ (Employer).

Employers remain committed to training when they see an improvement in the bottom line. Over time, employers develop a capacity to pay for training as they develop an awareness of its value.

Good practice LLN training benefits employees.

‘The teacher was great. She helped me to understand the instruction booklets and I was able to do my job better.’ (Employee).

‘Before, I wouldn’t say anything but I feel much more confident around my workmates now and I have my say in team meetings.’ (Employee).

Employees report that training results in them being able to do their job more confidently and being able to participate more effectively.

Improvement in career prospects is a strong motivator to participate in training. Unions can assist with negotiating this.

- **Effective program delivery** engages the learner requires a range of delivery strategies. Examples include:
  - Multi-modal delivery.
  - On-the-job training.
  - Workshops.
  - One-to-one training.
  - Specialist programs.
  - eLearning.
  - Group work.

- **Effective program content** is purposeful, relevant and engaging for learners. Examples include:
  - Systematic identification of LLN needs during new employee induction and orientation.
  - Computer training.
  - Occupational Health and Safety.
  - Quality processes.
The individual’s engagement in learning is developed when training incorporates an appreciation of the benefits of lifelong learning.

‘I can now help my kids with their homework. I never thought I wouldbe able to do that.’ (Participant in workplace LLN program).

In addition to improved workplace communication skills, adult learners also report improvement in personal confidence. This includes:

- Enthusiasm of further learning in their own time.
- Encouragement of others to participate in learning.
- Increased confidence in assisting their children with their schoolwork.

The quality of partnerships between enterprises and RTOs is critical to effective LLN training.

‘Business benefits when a competent RTO with strong processes is a partner in delivering LLN training.’ (LLN Enterprise Based Trainer).

The consultations found that while there were excellent individual examples, there is still a long way to go in building a widespread employer driven training environment in the targeted industry sectors.

There were many reports of the work that has to be done to overcome poor experiences of training conducted in the past in individual companies.

In developing and implementing a training program with an employer, the RTO workplace assessor and trainer:

- Listens carefully to the employer to identify employer and employee needs.
- Develops an understanding of the individual workplace.
- Acknowledges and adjusts to the workplace constraints and culture.
- Customise delivery methods to best suit the needs of the participating employees.
- Approaches their work as a problem solver, not a problem creator.

Workplace trainers work best when they are integrated into a company team. This enables them to monitor and adjust training to get company needs and to build up relationships with management, supervisors and learners (DEST 2006).

‘The employer needs to see that this person is trying to think through what our needs are – and will make our business better.’ (Employer).
Employers describe the features of a competent RTO.

‘There is a skill required to manage WELL effectively, to learn from it and add to it.’ (RTO Training Manager).

Flexible RTOs have organisational behaviours and approaches that demonstrate a commitment to the training program being client driven, not RTO driven.

- Ability to submit a high quality application for funds.
- Ability to smooth over the systemic hurdles.
- Ability to trouble shoot on the job.
- Awareness of and provision other support the employer may need (such as completing paper work, assessment, on the job training for supervisors, bringing in of specialist services).
- Design of integrated programs based on blended sources of funds (such as WELL and fee for service).
- Ability to demystify different guidelines and frameworks that can be confusing for employers and manage these different arrangements efficiently.
- Assistance to the employer to meet all compliance for training and funding.
- The flexibility to meet the workplace needs.

RTOs are keen to increase business opportunities.

RTOs reported that they have considerable capacity to increase their business client lists and are open to assistance in this.

Suggestions to assist with this include:

- heightened relationships with industry peak bodies
  
  Peak industry bodies are sources of business. They are also influential in promoting the value and importance of workplace LLN training and the consultations recommended their heightened involvement
  
  For example, MESAB is acknowledged as being particularly proactive in Victoria and nationally.
  
  ‘They’ve been the standout in Victoria.’ (WELL Practitioner).

- improving the profile of LLN training within RTOs
  
  The consultations found that WELL and LLN delivery was often hidden or marginalised in an RTO, particularly in some larger TAFE institutions, so cross-departmental business opportunities are being overlooked.
• Commercial considerations hamper sharing of good practice.

The consultations identified a perception that the TAFE sector can be protectionist and doesn’t collaborate well. This means that processes and experiences are not routinely shared and runs the risk of duplication and the perpetuation of average practice.

4.4 Participation of small business in LLN training is very low

“We have programs and information available especially to support small businesses but nobody turns up.” (Regional Business Association Leader).

Participation by small business in LLN training can be achieved by:

• Promoting the benefits of LLN training to small business
• Addressing barriers to participation
• Targeting appropriate resources for LLN training in small business.

OBSERVATIONS AND FINDINGS

Small businesses miss opportunities to increase viability by not participating in LLN training.

“We have used our professional association to promote training and provide employers with advice on how to go about it. There is a lot of assistance out there but employers often don’t know where to look.” (Employer).

The consultations with small business and RTOs delivering training to small business found that the participation rate by small business in LLN training is exceptionally low. Participation is somewhat higher in metropolitan areas where clusters of small businesses can form viable groups for training.

Peak industry bodies have expressed willingness to assist small business to participate in training.

“Unions can assist with negotiating workers’ rights to training, including a workplace LLN component, in their agreements with employers.” (Union representative).

Barriers to participation identified for regional small businesses included:

• Instances where RTOs that have delivered LLN training to small businesses in regional areas have now withdrawn from delivering the WELL Program. Reasons for this included:
  • Being unable to retain a critical mass of trainers.
  • Running out of businesses that they can approach in small centres.
  • The WELL Program has run its course in stable communities with small populations.
  • Loss of capability - once a small RTO stops delivering workplace LLN training, they can lose the expertise and resources, which makes it difficult to enter this training arena again at a later stage.
- Trainer costs and overheads are too high for small groups.
- Clustering of several small businesses in one program is more difficult in regional areas – sufficient numbers of participants and distance both pose problems.
- Small businesses report feeling swamped by the demands of everyday survival that constrains their ability to think about training.
- Small businesses in regional locations face additional costs in releasing employees for workplace LLN training, such as travel time.

**Issues raised about access to available resources included:**
- Distance/online delivery, while available, is only useful as an adjunct to face to face delivery, not a substitute for it.
- Technology infrastructure in regional settings is often unreliable and inadequate.

### 4.5 More employers could be using available Government funding to support training

Increased employer participation in Government funded training can be achieved by:
- Broadening awareness that funding support is available.
- Continuously improving available Government funded programs to better meet the needs of business.

**OBSERVATIONS AND FINDINGS**

**Employer awareness of incentives is limited.**

Incentives for workplace LLN training encourage employers to invest in the programs. Nevertheless, many employers are unaware of these incentives.

There are advantages and disadvantages with the current processes for the WELL Program, the major workplace LLN program.

- **Advantages of the WELL funding model:**

  ‘The WELL Program is a terrific program.’ (RTO Training Manager).
  - It is the only national major and consistent source of funding support for LLN training in the workplace.
  - RTOs report that it is an effective strategy for starting a relationship with an employer.
  - It enables flexible deployment of human resources. In a business that is using WELL as part of a comprehensive training regime, the WELL trainer can be deployed to provide the LLN support for trainees for example, as part of a certificate program.
- The Adult Literacy and Life Skills Survey (ABS 2006) identifies accessing WELL to support apprentices in skill shortage areas as good practice. The WELL Guidelines provide advice for avoiding duplication of funding.

- It is well established and it achieves results. Where programs and initiatives have been introduced as one-off stand alone programs by employers or RTOs as fee for service, they are often short-term and therefore have minimal impact on the business or the learner. There is sometimes even a backlash effect where participants become disgruntled or cynical about unfulfilled expectations.

- The WELL funding model also has disadvantages.

  Many evaluations of WELL have repeatedly identified that the employer contributions component presents a barrier to employer engagement. This includes the requirement for the employer to pay an escalating contribution towards WELL and the requirement to release staff during working hours. Staff release is exacerbated when travel time has to be factored in, as is the case for training arrangements in clusters – and clustering is often posed as a solution for small businesses and for regional employers.

  RTOs reported various issues with WELL processes that hampered the efficient delivery of training and sometimes the quality of the relationship with the employer.

  The consultations found that the WELL application process was generally handled by RTOs and the issues that arose with WELL were therefore provider issues.

  As already identified, the relationship between the RTO and the employer is crucial. Once a program has been negotiated, an employer will not necessarily wait for the funds to flow. Where there is a considerable lag time between a RTO negotiating a training program with an employer and the approval of the funds, RTOs report that the commitment from the employer may evaporate and the arrangements lapse. While WELL processes vary from state to state, the time between the meetings to make funding decisions has a critical impact. Some RTOs suggest that the WELL processes could continue to be improved for consistency and reliability.

  Some RTOs report perceptions that WELL administrators act as gate-keepers and don’t understand the sensitivity and critical nature of the relationship between the employer and the RTO.

  RTOs more generally commented that changes to the priorities of WELL have been made without sufficient preparation time, without logic and without consultation.

4.6 There are insufficient skilled LLN trainers to meet current and future demand

An adequate supply of LLN trainers can be achieved by:

- Developing and using the in-house training skills of an enterprise.

- Developing RTO skills in recruiting and retaining quality LLN trainers.

- Building a framework for developing high quality trainers.

OBSERVATIONS AND FINDINGS
There are not enough skilled and qualified LLN trainers available.

The availability of skilled and appropriate LLN trainers for RTOs and for enterprises to use was repeatedly cited as problematic. The supply of a training workforce requires policy, planning and resources to address the serious risk this poses for the development of LLN training in industry.

Enterprises are interested in running their own training.

The use of in-house enterprise trainers is very limited in these industry sectors yet is routinely reported by employers as a very effective way of building a workplace training culture. RTOs can support enterprises develop in-house skills to deliver ongoing LLN and other foundation skills training. The role of RTOs in supporting enterprise based trainers through an auspice arrangement could be developed much more extensively.

RTOs benefit from flexible management of trainers.

‘Experienced RTOs develop good instincts about what to look for in an effective trainer and are flexible in the required qualifications.’ (RTO Training Manager).

RTOs report difficulties in recruiting and maintaining a sufficient number of appropriate trainers who are readily available when LLN programs are implemented in individual enterprises.

If RTOs are flexible in their management of workplace training programs, it may be possible to attract and retain a larger pool of trainers who are attracted to flexible employment conditions.
The trainer needs to ‘fit’ the enterprise.

‘Not all trainers are suited to it – they need to have a particular complex skill set that includes their attitude and communication skills.’ (RTO Training Manager).

Experienced RTOs look for intangible qualities in trainers, reporting that trainers need to be adaptable, flexible and tolerant. They need to have the interpersonal skills to interact with senior management of an enterprise as well as with people on the shop floor. They need to be able to build trust by working intensively with those who have been targeted. They need business awareness and customer service skills, for instance by promoting good news stories in the company. They need to be able to think on the spot.

An agreed framework of core qualifications, attributes and professional development will support the development of high quality trainers.

All accredited training requires trainers to have Certificate IV in Training and Assessment. Beyond this, qualification requirements for trainers vary considerably. Some are insistent on formal qualifications in adult LLN and workplace training, while others do not require high level expertise in LLN.

RTOs report improved retention of LLN trainers where they are supported by good practice in human resource management, including induction, regular meetings, professional development for new and experienced staff, mentoring and a team approach.

An agreed framework is required for the core qualifications and attributes for WELL Practitioners and the underpinning professional development so training quality is assured.

4.7 Existing training resources can be used more effectively

Effective use of existing training resources can be achieved by:

- Making better use of the flexibility available in existing training resources.
- Ensuring assessment strategies are deployed flexibly and appropriately.

OBSERVATIONS AND FINDINGS

The range of Training Packages for the targeted industry sectors covered by this report incorporate LLN competencies in different ways.

The Training Packages are:

- MEM05 Metals and Engineering Training Package.
- PMB07 Plastics, Rubber and Cablemaking Training Package.
- PMA08 Chemical, Oil and Hydrocarbon Training Package.
- MSA07 Manufacturing Training Package
There are structural differences between the various training packages as well as differences in the way core competencies such as literacy and numeracy are integrated and expressed. Writers of training packages have been encouraged to ‘build in’ not ‘bolt on’ core competencies (ANTA 2000). What is not always obvious is the level of core competency required to underpin a skill to allow for full use of that skill in the workplace.

Employers can find assessment and accreditation confusing.

‘Participants need to be competently assessed to ensure they are placed in appropriate programs.’ (Enterprise Based Trainer).

Employers reported that they found the assessment and accreditation environment confusing.

Certificate standards do not align with the standards in the LLN frameworks.

Many employers do not have the skilled personnel or the time to navigate the requirements of the training system.

As LLN programs are not usually accredited, participants do not always receive any formal recognition of their participation.

LLN training doesn’t usually deliver qualification outcome and this has implications for how participation and achievement of improved levels of LLN is recognised. This can be important for learners who often have had no prior success in educational attainment.

The positive experience of participation in the LLN Program is reinforced by formal recognition of achievement by the employer.
SECTION 5: NATIONAL LLN OBJECTIVES, STRATEGIES AND RECOMMENDATIONS

The key observations and findings were analysed and developed into seven

NATIONAL LLN OBJECTIVES:

Objective 1: Improve policy framework

Improve policy framework to promote maximum participation by key industry sectors, industry bodies and enterprises.

Objective 2: Advocacy to stimulate demand for LLN training

Increase advocacy to stimulate demand for LLN training by developing and strengthening effective working partnerships with key industry bodies.

Objective 3: Build employer and employee commitment through good practice in LLN training

Ensure good practice in LLN training so that employer and employee experiences are positive and beneficial and build commitment and engagement with ongoing workplace training.

Objective 4: Increase the participation of small business in LLN training

Ensure policies and guidelines for the funding and delivery of LLN cater for full participation by enterprises of all sizes and in all locations.

Objective 5: Improve awareness within industry of available government funding to support training

Ensure employers are aware of available funding incentives to support LLN training and that implementation guidelines are relevant to support employers operational circumstances.

Objective 6: Build an adequate training workforce

Ensure the supply of adequate numbers of skilled and appropriate trainers to meet current and future industry training demand.

Objective 7: Use existing training resources effectively

Ensure that LLN resources (including Training Packages) are effectively deployed to meet industry and learner needs.
STRATEGIES AND RECOMMENDATIONS

The following section presents LLN strategies and recommendations for action against each objective, developed from the project research, consultations, observations and findings, to support the effective implementation of LLN training in the future.

5.1 Objective 1: Improve policy framework

*Improve policy framework to promote maximum participation by key industry sectors, industry bodies and enterprises.*

5.1.1 STRATEGIES for leadership by government through targeted policy initiatives:

- **Develop a comprehensive data base to identify annual WELL participation rates by industry sector, enterprise size and employee category.**

  Considerable emphasis is currently placed on training providers to identify industries and enterprises for participation in WELL and other government supported foundation skill development programs. An annual review of data showing where funded LLN and other foundation programs are being delivered will better focus future funding direction to support Government and industry priorities and initiatives.

  Information about participation in the WELL Program is not readily available. Implementation of a reporting policy that is publicly available will assist with increasing employer awareness. This strategy recommends that the initial report should cover the last seven years. The profile should include specific VET data about LLN training in the industries that is collected by WELL but not made available, such as:

  - the number of employers, breakdown by state, regional/metropolitan enterprises, industry sectors, business size, business need
  - the number of RTOs, RTO type and location
  - the number of learners, their NRS level, gender, ATSI/CALD status
  - program hours delivered, dollars per project, and dollars per person compared with other industries

- **Identify national minimum LLN standards at AQF levels and ensure they are clearly identifiable in Training Packages.**

  The identification of minimum LLN standards aligned to the AQF to provide employers and training providers with a common base on which to identify LLN training needs. Alignment of LLN to competency skill levels also reinforces the importance of LLN skills and other foundation skills to the overall concept that skill training is both the development of understanding and performance.

  The pending *VET Products for the 21st Century* report currently being considered by the National Quality Council includes recommendations for more explicit LLN requirements in Training Packages (COAG 2009).
Integrate minimum LLN workplace standards as prerequisite or complementary eligibility requirements for accessing Government industry support programs.

Annually Government supports a large number of enterprises to modernise and or introduce competitive manufacturing processes. This strategy ensures funding directed at industry support programs is underpinned by ensuring existing and new workers are adequately positioned to fully participate and where necessary take up new skills and improved work methods.

Increase employer and employee awareness of the intrinsic link between LLN skills development and total enterprise performance and worker participation.

The metals, engineering, chemicals and plastics industries needs to target language, literacy and numeracy to successfully benefit from new training initiatives being introduced as part of the National Training System.

This can be achieved by policy support for targeted raising of awareness:

- Nationally through peak industry bodies including ISCs, ITABs, professional associations and unions.
- Locally through local government and local employer associations such as chambers of commerce and business networks.

RECOMMENDATIONS

1. Produce and publish annual WELL participation rates by industry sector, enterprise size and employee category to better target future priority targets.

2. Identify and align minimum LLN levels to industry competency standards framework and national qualifications.

3. Where appropriate, review Government industry support program eligibility criteria to include consideration of workforce standards of LLN and other foundation skills.

4. Initiate promotional programs that aim to improve employer understanding and awareness of the relationship between LLN skills and broader skills development and worker participation.

5.2 Objective 2: Advocacy to stimulate demand for LLN training

Increase advocacy to stimulate demand for LLN training by developing and strengthening effective working partnerships with employers.

5.2.1 STRATEGIES for gaining greater participation in training:

- Improve accessibility for employers to lead and manage LLN funds directly to:
  - Focus decision making on the prevailing enterprise circumstances
While WELL funds and other Government skills development support funding can be applied for by employers, our research indicates that it is broadly perceived by employers that training providers are mandatorily required and lead the funding application process. Improved direct access/management of support funding by employer will ensure skills and training delivery are aligned to operational and workers needs, improving the likelihood of management and worker support.

Employers can be ably assisted by RTOs or training brokers in applying for and managing government funded programs.

- Build/recognise in-house skills in training support and delivery.

Many enterprises have in-house expertise capable of providing frontline support to those employees with low levels of LLN skills. This existing capability is currently underutilized in delivering foundation skills training at enterprise level.

- Deploy a range of ways to promote benefits of LLN training to targeted groups.

  o Trusted sources can encourage employee participation.
  o Employer organisations and unions can participate in brokering the arrangements with employees and further encourage participation in training.
  o Skilled trainers from RTOs can often negotiate employee participation by being an objective third party.
  o Employees who have completed training can be effective in encouraging their peers to participate.
  o Existing employees can be used as mentors and ‘buddies’ to support new learners.

- Provide employer and employee champions with information and resources to promote training.

Employer and employee champions can assist in the dissemination of good practice. The consultations identified employers who were keen to assist in talking to others about the positive experiences of building a training culture in their organisations.

Employer and employee champions should be supplied with a kit that may include already available materials, for employers who are willing to assist with implementation of the strategy to promote LLN training.

**RECOMMENDATIONS**

5. Refocus WELL and other Government skills development funding eligibility requirements on outcomes to be achieved, not on delivery inputs.
6. Develop a promotional information kit to assist employer and employee champions with information and resources to promote training.

5.3 Objective 3: Deliver good practice in LLN training

Ensure good practice in LLN training so that that employer and employee experiences are positive and beneficial and build commitment and engagement with ongoing workplace training.

5.3.1 STRATEGIES to support the development of enterprises as learning organisations:

- Ensure LLN training programs are grounded in good practice so that outcomes are positive and beneficial for employers and employees.

  Good practice in LLN training delivers benefits for enterprises and the workforce. Employers benefit when training is aligned to enterprise targets. Employees perform their jobs more effectively.

  Effective training that engages the learner requires a range of delivery strategies and programs must be purposeful, relevant and engaging for learners.

- De-stigmatise LLN training in the workplace.

  This can be achieved by embedding LLN training in the wider industry training program so LLN participants are not singled out.

  LLN training at appropriate levels can be incorporated into all training in an enterprise, including high level programs.

5.3.2 STRATEGIES to continuously improve LLN delivery processes to expand participation:

- Develop the partnership skills of the enterprise and the RTO by starting with focused introductory programs.

  The use of an LLN assessment, training needs analysis and/or a skills analysis can begin a training partnership with a client. It provides an opportunity to look at the workplace culture in partnership and consider the structure required to support learning. This initial work then leads to customised program provision.

  The needs analysis and program provision when used as separate stages of the same long term process have the potential to develop an understanding of an organisational learning culture linked to improvement in productivity. Good practice demonstrates that using one to develop the other is a deeper and more sustainable approach than providing one-off programs as quick fixes, or stand alone LLN programs that don’t fundamentally change the way the workplace operates.

  These practices are mandatory for a successful WELL tender.
- Use peak industry bodies to assist RTOs engage with industry to deliver LLN training.
  - Peak industry bodies (including ITABs, employer associations and unions) can be used to connect employers and RTOs where LLN skill development needs are identified.
  - Promote LLN training within their industry coverage.
  - Encourage a stronger employer-driven LLN training environment.
  - Assist individual RTOs and employers to develop LLN training partnerships.
  The recent allocation of management of the annual WELL Conference to MESAB provides an excellent opportunity to carry these recommendations forward and report on their effectiveness.

- Strengthen the requirements for LLN training to be integrated with broader enterprise skills development.

  There are opportunities to grow business for RTOs while making LLN training more relevant to the needs of the enterprise and the students.

  Guidelines for RTOs could include:
  - Improving the profile of workplace LLN training programs in RTOs.
  - Developing a consistent location of workplace LLN training in RTOs.
  - Demonstrating liaison with other programs within a RTO.
  - Demonstrating good practice in human resource management of trainers (that includes ongoing professional development and appropriate working conditions).

- Encourage collaboration between providers to share good practice by making better use of the WELL website.

  It is currently difficult to get up to date information about which organisations are involved in WELL Programs and the lessons learned from their experiences. The ‘commercial in confidence’ considerations override the opportunities to share good practice and ways of overcoming these constraints should be investigated.

  The WELL website is an obvious resource that can be better developed to encourage collaboration and share good practice.
  - Continue to improve the currency of the WELL website so that it becomes a valuable site for users (RTOs, employers and employees), not just the funding application process.
  - Include a list of eligible WELL providers, with contact details.
  - Develop use of the WELL website as a clearing house for sharing good practice.
  - Maintain the publication of current case studies on the WELL website.
- Increase the use of feedback. This might include an online system for clients of RTOs to provide feedback on the services they have received and view the feedback from other clients (This strategy was recommended in Plastics and Chemicals Industries Association 2005)

RECOMMENDATIONS

7. Implement an end of program reporting process that includes an assessment of training outcomes on operational/business performance.

8. MSA and State ITABs to provide DEEWR with strategic advice identifying high priority LLN training needs by industry sectors and employee classification levels.

9. Improve and update the WELL website as a means of sharing good practice

5.4 Objective 4: Increase the participation of small business in LLN training

An intensive effort is required to increase the low participation rates of small business in LLN training.

5.4.1 STRATEGIES to increase viability of small business by participation in LLN training:

- Small businesses, especially in regional areas, too often operate at the margins and do not avail themselves of the opportunities to increase viability through training.

- Use peak industry bodies to encourage and facilitate small businesses participation in LLN training by:
  - promoting the benefits of LLN training to small businesses
  - providing information on funded programs
  - assisting with overcoming barriers to participation

- Develop flexible delivery strategies and LLN training resources to address more adequately the needs of small business.

A large proportion of Australia’s manufacturing sector is made up of small and medium enterprises (SME). Our research indicates that SME are least positioned to participate in structured training that does not have an immediate or direct impact on business performance. Further, SME are less likely to be in a position to allocate operational time for employees to participate in training during normal scheduled work times.

Case studies focussed on successful engagement of small business can be promoted through resources such as the WELL website and the WELL Practitioners’ Conference. Case studies could include:
- Individual organisations (RTOs, unions, ISCs) that have developed expertise in delivery of workplace LLN training to small businesses in regional areas.

- The lessons to be learned from models of small business clusters that work well in metropolitan settings.

- Profiling organisations that are especially effective in delivering programs to clusters of small business in regional settings.

- Profiling of emerging evidence that in some instances, new RTOs are moving into regional delivery of WELL, seeing a niche market for flexible delivery with small groups of participants.

**RECOMMENDATIONS**

10. Conduct a pilot program that employs the recommended strategies to increase participation by small business and report on outcomes for further development.

11. Seek out and report on best practice strategies for engaging small and medium enterprises in LLN training.

**5.5 Objective 5: Maximise the use of available government funding to support enterprise training**

*Ensure available government funded training is used in most optimum way to benefit industry*

**5.5.1 STRATEGY for increasing employer awareness of training funds and incentives:**

- Make greater use of peak industry bodies and training brokers to broaden awareness that funding support for training is available.

  Even if employers recognise the value of LLN training in improving productivity, they may not be aware of incentives for training through Government funded programs. Peak industry bodies and brokers can promote and assist available programs.

  - Strengthen process for feedback to the WELL Program for continuous improvement to the funding model.

  - Introduce blended funding models such as a mix of fee for service and WELL, so that business training needs are met seamlessly and effectively.

**5.5.2 STRATEGIES for improving WELL Program funding model:**

WELL funding approvals will benefit from recent moves to a more fluid, anytime lodging process so proposals can be considered as they are negotiated.
• **Strengthen process for feedback to the WELL Program for continuous improvement to the funding model.**

The different States employ contrasting processes with mixed views on their effectiveness. The WELL Program would benefit from a process to overcome inconsistencies and systematically achieve good practice.

• **Encourage blended funding models such as a mix of fee for service and WELL, so that business training needs are met seamlessly and effectively.**

Employers can also arrange customised fee for service programs with RTOs – these may be stand alone programs or funds that support additional components of subsidised programs.

While blended funding sources may appear to be strategically desirable, consultations report that TAFEs could improve opportunities for mixing programs across internal departments.

**RECOMMENDATIONS**

12. MSA and State ITABs to use newly available Federal Government funds for ISCs to engage brokers to assist enterprises access the WELL Program.

13. Commission a research project to compare and contrast the state differences in DEEWR WELL administration to highlight best practice and suggest ways to overcome inconsistencies between the states.

5.6 Objective 6: Build an adequate training workforce

*Ensure adequate numbers of skilled trainers are available to meet current and future industry training demand.*

5.6.1 STRATEGIES to plan for future LLN training demand

- MSA identify existing and future LLN training demand for the manufacturing sector, and to develop appropriate strategies to facilitate meeting current and future resource demand. This could include:
  - A framework of required qualifications, skills and competence of workplace LLN trainers in the manufacturing sectors
  - Projections of the required training workforce to meet demand
  - Identification of the resources required for recruitment, professional development and maintenance of the workplace LLN training workforce.

5.6.1 STRATEGIES to increase supply of skilled LLN workplace trainers:

- Develop skills of enterprises in running their own training.

RTOs can assist to equip employers with the skills for identifying LLN gaps and through auspice, support them in developing expertise in providing in-house training services, such as contextualised educational design. Where appropriate
circumstances prevail within an enterprise, RTOs can mentor and up-skill industry based trainers to deliver all or part of the training. This will improve the training capability by an enterprise and increase employer and employee commitment to training.

- **Promote flexible management of trainers within RTOs.**

Access to competent training at appropriate times to suit LLN training arrangements is often difficult. LLN is highly focused program and it is difficult for RTOs to maintain a cohort of teachers specifically for this purpose. Fluctuations in demand for LLN programs make it difficult for many RTOs to justify retention of expert staff for this area alone. RTOs with an interest in delivering LLN programs must manage expert training staff so as ongoing work is available during periods of low LLN training demand. In part this may be better accommodated by broadening the skills of LLN expert training staff or providing LLN training skills to technical training staff of the RTO. This will also support and encourage better integration of LLN training with boarder vocational skills.

5.6.2 STRATEGY to build a skilled training workforce:

- **Confirm the core qualifications required by LLN trainers.**

Skills mapping for the WELL Practitioner carried out in 2008 has identified that the core qualifications for effective WELL trainers are:

- Certificate IV in Training and Assessment.
- Competencies from the Diploma of Frontline Management.
- Language, literacy and numeracy specific competencies

There are opportunities for RTOs to deliver professional development programs to improve the qualifications of:

- LLN trainers employed by RTOs.
- On-site personnel in enterprises so they can conduct LLN training.
- Trainers experienced in the industry but without LLN delivery competencies

5.6.3 RECOMMENDATIONS

14. MSA seek funds to develop a comprehensive plan to ensure that there are an adequate number of LLN Trainers available to meet current and future industry demand for LLN training.

15. DEEWR to allocate funds for a project to document the processes and outcomes of examples of effective RTO auspice of enterprise based LLN training.

16. Develop an online register of available competent casual WELL trainers for access by RTO as required.
5.7 Objective 7: Use existing training resources effectively

Ensure that LLN resources (including Training Packages) are effectively deployed meet industry and learner needs.

5.7.1 STRATEGY for making better use of existing training resources:

- Customise Training Package delivery to meet specific training needs of enterprises.

  There is the capacity and flexibility within the relevant Training Packages to adjust the courses delivered to enable all trainees to achieve competence.

  RTOs will need to continue to adjust their practice to exploit the flexibility of this new system in meeting learners' needs before the full benefits will be felt in the industry.

5.7.2 STRATEGIES for effective assessment of participants prior to participation:

- Use the Australian Core Skills Framework (ASCF).

  The system has been streamlined so that the Australian Core Skills Framework (DEEWR 2008) is now the only framework used for assessment.

  An outline of the ACSF is at Appendix 3.

- Use an RTO to conduct assessments or to auspice enterprises in conducting assessments.

  RTOs have the personnel with the skills to conduct assessments.

  Where an employer and RTO are working in an effective partnership, there are instances where the assessment skills of key company personnel have been developed so they can perform or assist in performing these functions.

5.7.3 STRATEGIES for effective assessment of competence of learners:

- Provide formal recognition of LLN achievement against the agreed framework.

  The positive experience of participation in the LLN Program can be reinforced by formal recognition of achievement.

- Consider use of the Australian Core Skills Framework.

  The new Australian Core Skills Framework aims to provide a consistent national approach to the identification of core skill requirements (DEEWR 2008:2). There are areas of overlap between the Employability Skills and the 5 core skills of the ACSF.

As the ASCF is just being introduced, it is untried and untested beyond the pilot.
5.7.4 RECOMMENDATIONS to use existing training resources effectively:

17. Monitor introduction of the ASCF by RTOs and enterprises to ensure that the outcomes are documented and its potential to overcome confusion is developed.

18. Conduct a review of all resources available and prioritise the gaps for WELL resource funding by DEEWR.

Where there is an overlap between the recommendations of this report and existing policies and procedures efforts should be made by the responsible organisation to ensure implementation is being fully and effectively implemented.
IN CONCLUSION

Far too many manufacturing sector workers have not as yet participated in any form of structured vocational training. Many workers lack basic foundation skills like literacy and numeracy that are necessary to effectively participate in other forms of vocational skills development. The low levels of foundation skills by workers in the manufacturing sector will continue to directly affect the ability of the sector to introduce efficiencies through the use of technology and work methods in order to maintain local and international competitiveness. In addition, other essential workplace improvements such as safety, environmental compliance and developing a desirable workplace culture are also limited.

This report has identified strategies and made recommendations that are aimed at improving the participation rate by manufacturing workers in basic literacy and numeracy programs. This we believe will facilitate a greater likelihood that employers and workers will participate in further skills development and commence to develop a culture of life long learning.
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## APPENDIX 1 - ACRONYMS

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<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>ABS</td>
<td>Australian Bureau of Statistics</td>
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<td>ALLS</td>
<td>Adult Literacy and Life Skills Survey</td>
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<td>ANTA</td>
<td>Australian National Training Authority</td>
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<td>AQF</td>
<td>Australian Qualifications Framework</td>
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<td>ARF</td>
<td>Australian Recognition Framework</td>
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<td>CALD</td>
<td>Culturally and Linguistically Diverse</td>
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<td>DEEWR</td>
<td>Department of Education, Employment and Workplace Relations</td>
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<td>ISC</td>
<td>Industry Skills Council</td>
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<td>ITAB</td>
<td>Industry Training Advisory Board</td>
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<td>LLN</td>
<td>Language, Literacy and Numeracy</td>
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<td>National Reporting System</td>
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<td>NTF</td>
<td>National Training Framework</td>
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<td>Occupational Health and Safety</td>
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<td>Registered Training Organisation</td>
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<td>TDT</td>
<td>Transport and Distribution Training</td>
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<td>VET</td>
<td>Vocational Education and Training</td>
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<td>WELL</td>
<td>Workplace English Language and Literacy Program</td>
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APPENDIX 2 - CONTRIBUTORS

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WELL Practitioners, WELL Network Meeting, Melbourne, Victoria, 18 July 2008.
Participants, WELL Conference Workshop, NSW, 12 Nov 2008
APPENDIX 3 – THE VET SECTOR

Skills Australia
The Australian Government is implementing its strategy for VET through its major policy statement *Skilling Australia for the Future* which places industry needs at the core of the training system. The strategy recognises that the supply of skilled labour represents a major constraint on the capacity of industry to keep pace with increasing demand. The strategy adopts a demand-driven approach to training delivery, with areas of skills to be identified through consultation with industry, and then addressed by delivering training in those areas. *Skills Australia*, an independent high level body, has been established to advise the Government about the future skills needs of the country and to help to inform public investment in training. These measures will increase, improve and deepen the skills capacity of the Australian workforce, by ensuring that the national training system delivers the skills that industry requires (DEEWR 2008b).

The VET sector is a national system.

Under the *2005-2008 Commonwealth-State Agreement for Skilling Australia’s Workforce* (DEEWR 2005), the Australian Government is providing almost $5 billion to the States and Territories to support their training systems over 2005-08.

Australian Quality Training Framework (AQTF), www.training.com.au
The AQTF is the nationally agreed recognition framework for the vocational education and training sector. The AQTF is based on a quality assured approach to the registration of training organisations seeking to deliver training, assess competency outcomes and issue Australian Qualifications Framework qualifications and/or statements of attainment.

The Australian Qualifications Framework (AQF), www.aqf.edu.au
The AQF is a unified system of national qualifications in schools, vocational education and training and the higher education sector. The AQF links all these qualifications and is a highly visible, quality assured national system of educational recognition that promotes lifelong learning and a seamless and diverse education and training system.

The Australian Core Skills Framework (ACSF), www.deewr.gov.au
The ASCF was introduced in 2008 and replaces the NRS (see below) and describes levels of performance in the 5 core skills of learning, reading, writing, oral communication and numeracy.

These skills are essential for people to participate in our society. People need to communicate effectively in many different ways, for diverse purposes, in a variety of contexts and to think critically about information and ideas.

While the NRS was primarily designed as a reporting tool, the ACSF has been designed as a framework with applications for a range of contexts. For example, it provides
benchmarks against which performance can be described in detail in each of the core
skills and can also be used to describe the core skills needed in a particular context,
such as in the workplace.

The ACSF has a broad range of applications, including:

- Assessing core skills performance.
- Describing core skills in the workplace.
- Mapping curricula to the ACSF.
- Informing decisions regarding funding and referrals.

**National Reporting System (NRS), www.nrs.dest.gov.au**

The NRS is a nationally recognised mechanism for assessing and reporting outcomes of
adult LLN programs. RTOs involved in LLN programs report on the language, literacy
and numeracy outcomes using this tool. The NRS is being phased out in 2009 and
replaced with the ACSF.

**Registered Training Organisations (RTOs)**

An RTO is a training provider registered by a state/territory training authority to deliver
training and/or conduct assessments and issue nationally recognised qualifications in
accordance with the AQTF.

**Industry Skills Councils (ISCs)**

ISCs are national organisations funded to provide industry intelligence and advice to
Skills Australia, government and enterprises on workforce development and skills needs
and develop industry based Training Packages. In the metals, engineering, chemicals
and plastics industries, Manufacturing Skills Australia (MSA) is recognised as the peak
industry organisation fulfilling this role.

**Industry Training Advisory Boards (ITABs)**

ITABs are state/territory based organisations recognised as representing a particular
industry and providing advice to government on the vocational education and training
needs of that industry at the state/territory level.

The Manufacturing and Engineering Skills Advisory Board (MESAB) is the authoritative
source of information about education and training for the Manufacturing and
Engineering Industry in Victoria. Its aim is to provide the Victorian government with up to
date advice on the skill development needs of the industries covered by MESAB.

MESAB also convenes the annual national WELL Practitioners Conference and
facilitates the WELL Practitioners Network.
A Training Package is an integrated set of nationally endorsed standards, guidelines and qualifications for training, assessing and recognising skills, developed by industry to meet the training needs of an industry or group of industries.

Training Packages are developed by ISCs with extensive consultation with industry and RTOs. Training Packages can be tailored within the rules to suit individual learners and describe the outcome, or the standard, the rules for assessment and give advice on the how the skills can be learned.

A Training Package has three ‘endorsed’ components:

- Competency Standards for all areas of work within a particular industry. These standards include a description of the critical underpinning skills required to perform at various levels.
- Qualifications for the industry made up from combinations of these competency standards corresponding to levels of the AQF.
- Assessment Guidelines, the formal ‘endorsed’ rules about what qualifications you need as an assessor and guidance on how to assess competence in the industry.

The skills described in Training Packages can be acquired in many ways including:

- Learned from life experience.
- Gained from years of experience in the job.
- Learned as you work.
- Learned in a classroom and/or other formal setting.
- Acquired through engagement with self-paced flexible learning materials such as virtual learning or CD rom.

Training Packages also contain ‘unendorsed’ designed components to meet the needs of individuals and industry engaged in assessment and training. These include:

- Professional development materials to assist trainers and assessors to understand and apply the industry standards.
- Industry specific assessment materials that support fair, flexible and reliable assessment methods.
- A variety of learning strategies to assist employers, trainers and assessors to develop programs suitable for workers to gain competency and achieve qualifications.
OUTLINE OF GOVERNMENT FUNDED PROGRAMS

The WELL Program (www.deewr.gov.au/well)

The WELL Program (WELL) was announced in the Australian Language and Literacy Policy (Adult Literacy Information Office 1991), in response to the then increasing recognition that LLN training was needed in Australian workplaces.

WELL funds LLN training linked to job-related workplace training and is designed to help workers meet their current and future employment and training needs.

The Australian Government and the employer fund WELL training projects jointly. Funding provided by WELL is granted on a competitive basis and regarded as ‘seed’ funding i.e. it is designed to support employers to cultivate a culture of training in their workplaces. From its inception WELL has contributed to increased productivity, improved workplace communication and greater occupational health and safety for workplaces; and improved job security and career prospects for workers.

Participating employers reported that WELL training supports the development of a more skilled workforce leading to benefits such as:

- Reduced skill shortages.
- Reduced staff turnover.
- Improved safety performance.
- Improved productivity.

Participating employees reported gaining a range of work-related and personal benefits from WELL training including:

- Improved confidence and communication skills.
- Better information technology skills.
- Greater understanding of OH&S obligations.
- Better negotiation skills.
- Increased willingness to undertake further training.

WELL priorities include the delivery of training that develops skills to improve productivity, engage workers and develop career pathways. These include training in information technology, communication and record keeping, all of which have been identified as priorities of employers.

WELL funds are also used to develop resources and national strategies.

WELL resources developed to support LLN training in the workplace can be found at www.Literacynet.gov.au
WELL resource development

Resources are available to help raise employer awareness of the WELL Program and the benefits of developing workplace LLN skills. For example the Innovation and Business Skills Australia Industry Skills Council (IBSA) has developed information packs and booklets to assist RTOs in discussing LLN with employers. They identify key issues and then provide information about how to talk about it. This material is available from www.ibsa.org.au and includes:

1. *The Real Deal* - customisable slides and notes explaining the relevance of LLN skills in the workplace
2. Core Skills for Business
3. Developing a training plan
4. Choosing an RTO
5. Building a training partnership
6. Advice on tackling LLN in the workplace: *Up to Speed.*

**Productivity Places Program** (www.skillsaustralia.gov.au)

This is an increasingly important source of training funds available for job seekers and exiting worker. While it is not intended to provide specialist language, literacy and numeracy training or employability skills, these skills are required to be embedded and delivered effectively where required in training under the program.

The government has allocated 645 000 training places over five years to ensure that Australians develop the skills that industry needs. The training places will be delivered in an industry-driven system, ensuring that training is more responsive to the needs of enterprises and individuals.

Of the total training places, 253,000 will be allocated to job seekers. More information will be provided on the arrangements for Productivity Places for existing workers and apprentices in the near future.

The training started in April 2008, with 20,000 training places being allocated for job seekers. Training for job seekers during this stage will be at the Certificate II and III levels (Skills Australia 2008).

**Australian Apprenticeships** (www.australianapprenticeships.gov.au)

An Australian Apprenticeship combines time at work with structured training that can be undertaken on the job, off the job or a combination of both. LLN training can be integrated with the vocational training program if required.

**Other information**

Assistance is also available through sites such as www.training.gov.au to engage stakeholders and develop a process that quickly and efficiently responds to their needs.
APPENDIX 4 – ENTERPRISE BRIEFING PAPER

LANGUAGE, LITERACY AND NUMERACY TRAINING FOR MANUFACTURING INDUSTRIES

Tilburg Consulting Pty Ltd NLLN Project 2008/09

Invitation to provide valuable industry feedback

Executive Summary

The Manufacturing and Engineering Skills Advisory Board (MESAB) has been funded to develop a national strategy to support the development of language, literacy and numeracy skills in the manufacturing sector to inform Government, training providers, employers, ITABs and Skills Councils for planning and implementation purposes.

Tilburg Consulting Pty Ltd has been commissioned by MESAB to undertake the project and as such is seeking industry feedback with respect to workplace language, literacy and numeracy skills in relation to its effect on business performance and the current quality of training provision.

Our research so far tells us that low levels of workplace language, literacy and numeracy skills may negatively impact safety performance, compliance, product quality, productivity, direct and indirect costs and labour flexibility. These are serious impediments if organisations want to be competitive in an increasingly difficult economic climate.

The project wishes to talk directly to employers to find out more about the relevance of workplace language, literacy and numeracy skills in your business and whether training providers are or are not providing the appropriate program support for businesses. Your feedback will help inform the Australian government and training providers about how to better meet your needs. Your organisation has been recommended as one that we should contact.

We estimate that the time we required to gather feedback will include a face to face or telephone interview with the relevant manager/supervisor and were appropriate a short interview with one or two employees. We understand that your time is valuable so a commitment to participate in either format will be most appreciated. We will contact you shortly to see if you are willing to participate and arrange an appropriate interview process.

Maintaining confidentiality is important. No names of individuals or the organisations that they represent will be individually identified in the body of the report without your permission. Access to completed surveys will be restricted to the project team. When the project is written up, each participant will be acknowledged as having made a contribution to the process.
Attached for your information is a briefing paper that identifies a number of preliminary issues and raises the type of questions we will be asking.

Please feel free to contact us if you require further information.

Casey van Berkel                      Shanti Wong

This project has been funded through the Department of Employment Education and Training’s WELL Program and aims to develop a National Language, Literacy and Numeracy strategy for the metals, engineering, chemicals and plastics industries.
ABOUT THE PROJECT

The Manufacturing and Engineering Skills Advisory Board (MESAB) has gained a Commonwealth WELL\(^3\) grant to develop a national strategy to improve access to language, literacy and numeracy training for the manufacturing industry sectors of metals, engineering, chemicals and plastics.

An understanding of the needs and restrictions on enterprises and their employees, in an industry context, is a key starting point for the project.

Below we have provided an overview of issues and perceptions surrounding access to and participation in the WELL Program.

INTRODUCTION

Employers are looking for assistance to improve the literacy and numeracy of their employees.

Studies show that the issues posed for employers in the manufacturing sector by workers with low LLN levels include:

- higher risk of non compliance of health and safety policies and procedures resulting in an increased risk
- increased costs associated with requirement to provided more direct supervision
- difficulty in setting up self managed teams
- a lack of competent personnel to take up leadership roles
- increased costs in implementing and monitoring quality compliance
- increased costs in setting up, monitoring and validating documentation and records
- the need to spend extra time and money instructing staff to perform required tasks - unable to use Standard Operating Procedures.
- difficulty in developing a learning culture
- customer relation issues

Employers also faced structural and competitiveness issues including:

- building desirable corporate values and culture
- limiting the introduction of new technology
- difficulty applying “Lean” manufacturing techniques and more efficient work methods
- limiting options for succession planning

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\(^3\) Workplace English Language and Literacy program funded by Department of Education, Employment and Workplace Relations
reducing staff turnover

All these issues impact on productivity and the implications for financial viability and plans for growth.

Addressing these issues poses challenges for employers, training providers and governments. It is not simply a matter of providing more literacy or numeracy. The challenge is in identifying and designing appropriate cost-effective and innovative ways for skill development to continue within the context of the workplace.

For employers, the challenge is to building effective learning organisations that promote and enable the development of necessary skills, including how to learn. This involves developing enabling and facilitation skills amongst managers, supervisors and team leaders, as well as enhanced learning capability amongst shop floor employees.

For education and training providers, there are challenges in how educational services can be integrated into workplace activities. This requires trainers who can interpret the operational requirements and then contextualise educational programs, including literacy, numeracy and employability skills for work and life.

For governments, the challenges lie in finding and funding ways to support diverse approaches to skill development. At least some employers are indicating that they recognise and accept their responsibilities for the continuing development of these skills. However, while employer requirements are important, it is naïve to assume that these will always correspond to the needs of their employees. Ideally, policy should reflect the understanding that these skills are necessary for the wellbeing of the individual as well as the Australian economy in general.

THE MANUFACTURING SECTOR

The context

Production workers account for 30% of the metals, engineering and related manufacturing industry workforce but there is a longstanding and chronic shortage of labour in these sectors. Training for this group of workers is focussed on raising skills in competitive manufacturing techniques.

WELL in the workplace

Consultations and research for the Project to date indicate that employers in the Manufacturing Sector raise these issues in relation to WELL in the workplace:

Training

- They don’t know about incentives and funding available under the WELL Program
- There are mixed views about the motive and capability of training providers
- Some training providers have difficulty relating the workplace application of skills with the requirements of the training package.
Training in the manufacturing sector is primarily focused on improving productivity and quality systems and not to have a highly literate or numerate workforce.

Company commercial imperatives take precedence over training programs

Many companies that are capable of conducting their own training, including the WELL Program, are reluctant to get involved in the formal qualification and recognition process because of the complex and onerous reporting requirements of the education and training system.

WELL training on its own does not work – it needs to be embedded in relevant workplace learning.

Recruiting

There is an ongoing shortage of appropriately skilled labour

Recruits do not have the necessary literacy and numeracy skills required for today’s manufacturing sectors.

Many recruits do not generic skills such as learning and problem solving skills.

A company invests in training and then the employees move on.

Small Business

Small and medium businesses (especially in regional and rural communities) face additional challenges:

Limited, if any, available management staff with expertise or time (HR or training department) to apply for and/or coordinate training programs

Businesses are focused on day to day survival and training is seen as a cost not an investment

Where training is undertaken by small business it is normally in lots of only one or two employees at a time. It can be difficult to coordinate enough people from several businesses to put together class sizes required for a viable program.

One to one training in the workplace is too expensive.

Most small employers cannot release employees during work time to participate in training.

The availability of services by training providers can be limited and don’t always align to the practical needs of small business.

WHAT IS NEEDED FOR A WELL PROGRAM TO WORK?

A good working relationship between the employer and an effective training provider is crucial and is helped by:

Commitment by the CEO and the site leadership team for a workplace learning culture
- A proactive HR manager who understands the positive impact of upskilling workers and raising employee expectations
- Alignment of the outcomes of the training program to business goals. Measurable improvements in OHS, reduced WorkCover claims, worker participation, improved productivity
- Experienced trainers who ‘can really pinpoint what is needed and what will work.’
- A total review of organisational training needs through a structured training needs analysis and skills analysis process. This is an opportunity to look at the workplace culture and consider how the workplace learning can be integrated into broader workplace activities
- Flexibility to adopt a range of delivery strategies – workshops, one to one training, specialist programs.
- Training providers that are customer focused and can provide the flexibility to respond to operational needs.

Questions to consider:
- Do you use a training provider and why/why not?
- What do you look for in a training provider? How do you choose one?
- If you are working with a training provider, how do you maintain the relationship?
- What do you expect the trainer to know about your business?
- What makes for an effective trainer?
- What are the advantages and disadvantages of managing the training yourself?
- Would you consider putting a proposal for programs together yourself and invite a training provider to support you?
- What other training options would you consider or recommend? (Industry Training Ambassadors, training conducted by Industry/Employer Bodies and/or Unions)
- If relevant, what suggestions do you have to extend participation in training by small business?
- How important is it to you (as an employer) (as a employee) to have skills/training recognized by the national qualification framework?

WHAT MAKES A GOOD TRAINING PROVIDER?
A competent Training Provider is one with the processes in place to partner an enterprise in the development and delivery of training programs. This means that:
- A training provider that is seen as a problem solver
- A training provider who can submit a high quality application for funds and can work through the systemic hurdles.
- A competent training provider is able to trouble shoot on the job.
- A training provider who is aware of and can provide other support the employer may need (such as completing paper work, assessment, on the job training for supervisors, bringing in of specialist services).
- A training provider who is capable of designing integrated programs based on blended sources of funds (such as WELL and fee for service).
- The training provider who is capable of managing the different guidelines and frameworks on behalf of the employer.

Questions to consider:
- Do you seek out training providers or wait till they come to you?
- Where do you start if you are looking for a training provider?
- What do you look for in a training provider?
- Are there attributes a training provider must have for you to engage them?
- What level of reporting do you require from a training provider?
- How open are you to exposing your Intellectual Capital or processes to a training provider?
- How do you assess the success or otherwise of a training program outcome?

WHAT ENCOURAGES EMPLOYERS TO DEVELOP A LEARNING CULTURE?

The principle reason for employers to engage in employee training is the skill needs of the business both now and in the future. Other factors include:

- Improving Safety
- Building corporate values and culture
- Retention of good employees
- Meeting quality systems
- Improving productivity
- Succession planning
- Government incentives
- Employee welfare
Questions to consider:

- What is the minimum level of literacy and numeracy that you require in your business for:
  - Entry level?
  - Process operator
  - Production supervisors?
  - Tradesperson?
  - Is literacy and numeracy identified in your corporate training plans? If so how?
  - Does your organisation budget for literacy and numeracy training?
  - Does your organisation measure the impact of training? If so how?

WELL programs are a major initiative of the Commonwealth Government to improve the levels of language, literacy and numeracy of the Australian workforce. The perceived advantages and disadvantages of the WELL Program are:

Advantages of WELL

- It is the only major and consistent source of funding support for literacy and numeracy training.
- It is often a way for a business and a training provider to get started.
- In a business that is also using WELL, the WELL trainer can be deployed to provide the literacy support for trainees for example, as part of an integrated service.

Disadvantages/limitations of WELL

- The delay in approval for funds after negotiating a training program can mean that momentum and enthusiasm is lost.
- WELL competes with funding models where there are incentives (such as traineeships).
- The requirement for the employer to pay an escalating fee towards the cost of the program over time
- The perceived cost of releasing staff during working hours
- The complexity of the paperwork for application and reporting is cumbersome and difficult for employers to complete
- The restrictive mandatory criteria required in delivering a WELL funded program
- An inconsistent approach to fund applications across state managers of WELL
Questions to consider:

- If you have had WELL Programs, what do you think are the advantages and disadvantages?
- What would encourage you to undertake a WELL Program?
- Do you understand the WELL funding model? If so, are the current incentives appropriate?
- What other incentives could be offered?
- Is the current range of WELL Program options sufficient?
- How could training be better delivered under a WELL Program?
- Should the government provide funding for WELL training for the existing workforce?
- What other comments would you make about WELL Programs?

**Employer experiences of literacy and numeracy training are positive and beneficial.**

It is imperative that literacy and numeracy training be seen as valuable by both employer and employee. It would appear that work has to be done to overcome poor experiences of training conducted in the past in individual companies. This includes employers who do not see the economic gains of training and reluctance on the part of employees to take part in these programs because of fear of an inability to cope, of being stigmatised and even bullied.

Good practice in literacy and numeracy training shows it must be:

- Purposeful, relevant and engaging for employers and learners.
- Embedded in a broader industry training program so participants are not stigmatised.

**Questions to consider:**

- How do you identify that you need training in your business?
- What type of training delivery do you think will work best for your organisation?
- How do you ensure the training is integrated with your operational requirements?
- If you are delivering training, is it working? How do you know?
- How are improved skills recognised within your workforce structure?
- What are the outcomes for your employees?
- Are there wage implications for undertaking training programs for your business?
TRAINING PROVIDERS

Summary of views from training providers consulted for this project:

- all training providers reported no major problems with their WELL or other industry training.
- all training providers reported no particular issues with the engineering, metals, chemicals or plastics industries as distinct from other industry sectors.
- training providers believe that government has a role to play in building and developing workplace literacy and numeracy.
- training providers say the level of WELL funding is adequate for the programs they run.
- training providers believe that more user friendly information about WELL and other resources would be useful for employers
- all training providers stated that a partnership with the employer was imperative to a successful WELL application. Where employers make the application prior to meeting with a provider, unrealistic and unachievable targets are often set.

Consultations indicate that successful businesses have a strong commitment to lifelong learning and an understanding that ‘learning to learn skills’ are important. They recognise that trust and confidence are keys in developing learning skills, of which employability, literacy and numeracy form part.

Your views are important

We are seeking the opportunity to interview employers to test the validity of our initial findings and most importantly to understand the industry context and its language, literacy and numeracy requirements. So far, our research has involved a desktop investigation of language, literacy and numeracy, both in Australia and abroad. We have interviewed training providers to gain an overall perspective and to find employers with WELL Programs. Your contribution of informing us of what works and what doesn’t will be invaluable to development of practical strategies that can be used by the employers in manufacturing and particularly the metals, engineering, chemicals and plastics industries.

For further information or to make arrangements to be interviewed please contact one of the project team listed below:

| Mr. Casey van Berkel | Dr Shanti Wong |

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