



MEDIA RELEASE

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Critical Role of Blue Tech and Digital Skills in Australia's Economic Recovery

A report by Cisco, Optus, and TAFE Directors Australia (TDA) identifies more action is needed to meet the explosion in blue tech jobs – tech-intensive jobs requiring vocational qualifications – as part of Australia's economic recovery.

"Blue tech jobs are highly paid and in-demand in areas like cyber security, data analytics, and the Internet of Things (IoT). Like traditional blue-collar jobs these types of roles require diploma rather than degree level qualifications," TDA Chief Executive Officer Craig Robertson said.

"Over the next decade, the pace of technological change will be highly disruptive to the workplace and will impact workers and the skills they need to thrive in the Australian economy. This has been accelerated by the pandemic, leading to further demand for digital skills. We see the TAFE sector as best placed to prepare young as well as mature learners for these new, tech-intensive jobs," said Ken Boal, Cisco Vice President of Australia & New Zealand.

"Cisco has been operating its Networking Academy program in over 180 countries for more than 20 years. Cisco has invested in educating and upskilling students and graduates right across Australia with the most relevant digital skills to prepare them for careers in the digital economy."

"Optus has seen the profile of its talent pool change over time but there has been a surge in demand for blue tech roles, particularly in areas like cyber security and cloud related services, which is going to be a cornerstone of the Australian economy," Chris Mitchell, MD of Optus Business said.

The Australian Government is being urged to work with industry and TAFEs to make the acquisition of blue tech - and the development of digital skills more broadly - an urgent priority. Digital skills will help people make the transitions required in response to COVID-19. Every job role is being impacted by digital technologies, but our traditional training packages have not necessarily kept pace. Rather than teaching digital skills as traditional courses, there is an opportunity to take advantage of the growth of micro-credentials to provide relevant, practical, and accessible content.

The report has two recommendations for the Australian Government to:

- provide funding to assess the size of the blue tech market; and
- provide funding to develop and deliver courses for one or two micro credentials for digital skills as a model for a new approach to building Blue Tech capabilities.

The submission to Government, *Critical Role of Blue Tech and Digital Skills in Australia's Economic Recovery*, notes the recent statement from the Treasurer, the Hon Josh Frydenberg MP, that the pathway back from the COVID crisis will be by growing the economy through productivity-enhancing reforms rather than through a higher taxation burden. Building Blue Tech is a step along this journey.

As we move into the recovery phase post-COVID, transformation of work practices and job roles due to digital technologies is only going to accelerate.

The increase in demand for technology workers between 2018 and 2024 was about 100,000 before COVID. In addition to the core technology workforce there is a broader group of Australian workers who rely on technology skills to perform their work and therefore require digital capabilities.

The pre-COVID demand for this broader group of workers was forecast to increase by around 303,000 between 2018 and 2024. Cisco and Optus said, "This demand is being amplified by COVID which is fuelling new business models, agile operating models, and big investments in digital infrastructure and skills."

"Highly-paid and sustainable 'blue tech' jobs will more than offset jobs being lost due to automation and will be critical as businesses quickly mobilise to recover and return to profitability."

"TAFEs are the ideal partner of government for applied knowledge and skills acquisition; even more so when seeking an enhanced blue tech and digital skilled workforce. TAFE qualifications are closely aligned and integrated with employer needs."

"Despite uncertain times, TAFEs remain the key partner of choice for industries and individual learners wanting to thrive in the digital economy."

Mr Robertson said, "TAFEs are able to align curriculum, learning tools, pedagogies and credentials to meet industry trends. Close connections with local businesses also provide a feedback loop that helps contextualise courses to local needs."

"This submission to government has been developed with significant input from Cisco and Optus, and their industry partners such as Oxford Economics."

Optus Business analysis shows "Most successful businesses in Industry 4.0 will be those that empower employees through greater experimentation and risk taking, have flatter hierarchies fuelled by collaboration and knowledge sharing, and that utilise real-time data capture and analysis."

Optus and Cisco have a strategic partnership with TAFE Directors Australia recognising that the skills challenges facing Australia demand a collaborative response between industry and the training sector. The partnership has a number of elements including an annual study tour program to visit progressive vocational training systems, support for the TDA annual conference, and joint development of thought leadership material such as the Blue Tech report.

See further details in Cisco, Optus, and TDA's submission to Government, [*Critical Role of Blue Tech and Digital Skills in Australia's Economic Recovery*](#).

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TAFE Directors Australia is the peak national body representing 28 TAFE institutes, including six dual sector universities with TAFE divisions and nine TAFEs that are also Non-University Higher Education Providers.