

How can VET qualifications help beat Australia's skills gap?

Federal and State Governments have turned their focus to vocational education and training to help fix Australia's skills shortage and support economic recovery and growth after COVID – Peter Nikolettatos, TechnologyOne Industry General Manager and Adjunct Professor.

When you hit a certain point in high school, usually during Grade 11, people start telling you to think about your future. What do you *really* want to be when you grow up?

According to the [Australian Bureau of Statistics](#), in the latest education and training census (2021), more than 600,000 people chose vocational education, including TAFEs, as the next step in their student career, whereas more than 1.1 million people chose university. And with a lot of job positions requiring university qualifications, it's no wonder universities attract the lions' share – in the STEM sector alone, this is seen across 90 per cent of advertisements¹.

So, is the VET sector in trouble? The number of vocational education enrolments is not increasing. Quite the opposite. Despite the initiatives, like fee-free TAFE, being implemented across Australia to support more skills in our workforce, [between 2021 and 2022, enrolment in VET courses dropped 3.3 percent](#).

The concern is that we have an increasing demand across the country for skills in critical and growing sectors like energy, digital and care – skills that were often developed via vocational training. For example, in Queensland, it was recently announced the state is now more than 25 per cent powered by renewable energy, and that's only going to increase, so we need skilled workers to keep up with demand.

At the recent National Tech Summit, hosted by the Tech Council of Australia and held in Queensland, it was revealed that with an aim to grow the pipeline of skilled workers and pathways, Australia is expected to achieve 1 million tech sector jobs by 2025.

In the care sector, one of the major challenges impacting the workforce is the growing ageing population due to people living longer. In aged care alone, the increase in demand for services will require a skilled workforce.

There is no doubt energy, digital and care industries are becoming major drivers for Australia's economy. It's clear the VET sector has a major role to play if we are to meet ambitious productivity target and futureproof our economy. Universities are not the ones training the next generation of aged and allied care workers, solar and battery installers or coders and cybersecurity experts.

The Federal Government has already exceeded the 300,000 TAFE VET places funded in the last budget by 214,000 in the first six months. It's clear the effort to encourage enrolment, upskill the country and future-proof our economy is working; however, these organisations now need to be able to keep up with demand and operate efficiently. More students, means more staff, and more data and complexity. And for this reason, the technology at the core of an institution has never been more important. But the reality is, technology used as an answer to solve different specific needs

¹ Accenture's Break Down the Barriers report

and achieve various goals is not as powerful as technology applied as a business enabler of the entire institution's success.

Technology is a way of storing, moving, manipulating and presenting data to support the processes on which TAFEs and other institutions run admissions, enrolments, timetabling, payroll, budgeting, asset and estate management. Put simply, with the right technology, a business can run smoothly and provide a great student and staff experience. Look at the proposed Skills Passport as an example. If people can document and store their qualifications in a single online portal, that will make it easier to apply for future jobs or extended study.

When it is clear that data is the key then it becomes equally clear that running servers and big IT estates is not central to an institution's purpose, in fact it is an expensive and downright risky pursuit. Software as a Service, which allows access to software on a subscription basis using external servers, is the right answer.

It's also evident having data stored in disparate back-office IT systems doesn't help the institution run more effectively, it just serves its singular purpose and clogs the arteries of insight – an integrated system across student management, finance, payroll, asset management can deliver the world-class experience students and staff deserve.

TechnologyOne is the leading vendor of student management solutions to the Australian tertiary education sector. Our software is used by two out of every three Australian TAFEs, and almost half of Australian universities, including La Trobe University and Queensland University of Technology. We offer the only dedicated software solution created specifically for the dual education sector. Since partnering with our first education customers in 1990, we have listened to the needs of the tertiary education sector and come up with solutions to complex problems, so we can make our customers' and their students' and staff's lives simple and ultimately help building a stronger Australia for the future.

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