

Foundation Skills in the manufacturing industry

In November 2008, the Council of Australian Governments (COAG) agreed to a new National Skills and Workforce Development Agreement. Under the Agreement, one of the four outcomes that the Commonwealth and State governments are working towards achieving is:

- the working age population to have gaps in foundation skill levels reduced to enable effective educational, labour market and social participation¹

A new agreement is expected to be developed between the Commonwealth and state governments in 2012.

In the May 2010 budget, the Australian Government announced an investment of more than \$660 million as part of the Skills for Sustainable Growth Strategy.

The Skills for Sustainable Growth Strategy includes:

- improving and strengthening the Language, Literacy and Numeracy Program (LLNP)
- expanding the Workplace English Language and Literacy Program (WELL)
- the National Foundation Skills Outreach and Leadership Project²

Following on from this in the May 2011 budget, the Australian Government announced an investment of an additional \$182.8 million over four years to improve the language, literacy and numeracy skills of Australian adults.

That investment will be through:

- improving access to the LLNP by providing for an additional 30,000 places over four years from 1 July 2011 and 30,000 places per year thereafter
- expanding the WELL program by providing more than 13,000 additional training places over four years from 1 July 2011
- continuing the current levels of service for the Access Program from 1 July 2012³.

In 2006 over 45% of the manufacturing workforce had literacy skills at a level that was below the level required to function effectively (i.e. **skill level 3**).

Over 50% of workers in manufacturing had inadequate numeracy skills.

Source: ABS, *2006 Adult Literacy and Life Skills (ALLS) Survey*

¹ Council of Australian Governments (n.d) *National Agreement for Skills and Workforce Development* (Fact sheet) http://www.coag.gov.au/coag_meeting_outcomes/2008-11-29/docs/20081129_skills_workforce_development_fact_sheet.pdf accessed December 3 2010

² Department of Education, Employment and Workplace Relations, May 2010 *Media release \$120 million to boost Adult Language, Literacy And Numeracy Skills | Ministers' Media Centre* accessed November 7 2011

³ Department of Education, Employment and Workplace Relations 2011 *Language, Literacy and Numeracy program* <http://www.deewr.gov.au/Skills/Programs/LitandNum/LLNP/Pages/default.aspx> accessed September 28 2011

Foundation Skills have been defined as⁴:

‘Language, literacy, numeracy and employability skills in the information age’

Foundation skills are required at all stages of a person’s working life. Basic foundation skills are necessary when a person first enters the workforce or undertakes a qualification that leads to employment. They are also required as the person’s job becomes more complex and/or when upskilling or reskilling. The foundation skills required over a person’s career will be broader and deeper than the basic skills required at the beginning of that person’s working life.

Public awareness and attitudes towards the importance of foundation skills is an area where further attention is required. In its submission to the National Foundation Skills Strategy, the Australian Industry Group pointed out that “[t]here are significant sections of the Australian population who are not fully aware of the extent of the national problem regarding foundation skills”⁵. This lack of awareness also influences how individuals perceive their own foundation skills gaps. The Industry Skills Council (ISC) 2011 report, *No More Excuses*, discusses this theme by pointing out that people can often develop personal strategies to overcome their individual LLN barriers. The ISC report also points out that the use of these coping strategies in the workplace can mask LLN problems until a change in workplace requirements or job role makes the strategies ineffective⁶.

National Foundation Skills Strategy for Adults

Currently, Australian commonwealth, state and territory governments are working together to develop an over-arching [National Foundation Skills Strategy for adult Australians](#). They have formed a Foundation Studies Working Group (FSWG) to develop a national strategy for this issue. The National Strategy will bring a national focus to improving the foundation skills of Australian adults and open up discussion about priority areas for action over the next 10 years.

The FSWG is developing the National Strategy in consultation with training providers, industry and employers, the community and other key stakeholders.

⁴ Foundation Skills Working Group 2011 *National Foundation Skills Strategy for Adults Consultation Paper* p.2

⁵ Australian Industry Group Submission *National Foundation Skills Strategy for Adults Consultation Paper* May 2011 p.4

⁶ Industry Skills Council 2011 *No More Excuses: An Industry Response to the Language, Literacy and Numeracy*.

The National Strategy will:

- focus on national priorities for improving adult foundation skills
- provide a consistent and coordinated framework of approaches to improving foundation skills across all levels of government for 2012 to 2022
- consist of both systemic and program level responses to identified issues in the area of foundation skills
- complement national initiatives which aim to build foundation skills in the early childhood, schools, VET and higher education sectors⁷.

A national consultation process occurred in early 2011 involving stakeholders such as employers, peak industry groups, training practitioners and research organisations.

It is expected that the National Strategy will be submitted to Ministers for consideration on 25 November 2011, with a view to commence implementation from 2012⁸.

The Foundation Skills Training Package is part of a national, systemic approach to develop units of competency, qualifications and skill sets. Innovation and Business Skills Australia (IBSA) has been funded to develop the Foundation Skills Training Package. During October 2011, IBSA has been consulting widely across Australia to ensure that the development process is informed by the needs of all stakeholders. Further details of this project can be found on the IBSA website:

<http://www.ibsa.org.au/news-and-projects/current-projects/333.aspx>

Current MSA projects

MSA is currently undertaking two projects with the assistance of funding from DEEWR:

1. The mapping of units of competency from MSA Training Packages to the [Australian Core Skills Framework \(ACSF\)](#).
2. Consultation and scoping work to identify particular products for MSA's industry sectors to support the implementation of the new Foundation Skills Training Package.

⁷ DEEWR *National Foundation Skills Strategy for Adults*

<http://www.deewr.gov.au/Skills/Overview/Policy/Pages/NFSSforAdults.aspx> accessed October 4 2011

⁸ Service Skills Australia Taking the Lead *Update Review National Foundation Skills Strategy for Adults*

http://www.takingthelead.com.au/index.php?option=com_content&task=view&id=129 accessed October 12 2011

Employability Skills

Language, literacy and numeracy (LLN) comprise only part of Foundation Skills. Employability Skills are also an integral part of Foundation Skills. Employability Skills describe the non technical skills that a person needs to have to be able to undertake productive employment⁹. They are also referred to as 'generic skills; enabling skills; or key skills'. Employability Skills are embedded within qualifications in Training Packages.

Employability Skills focus on eight skill domains:

- **communication** skills that contribute to productive and harmonious relations between employees and customers
- **teamwork** skills that contribute to productive working relationships and outcomes
- **problem-solving** skills that contribute to productive outcomes
- **initiative and enterprise** skills that contribute to innovative outcomes
- **planning and organising** skills that contribute to long-term and short-term strategic planning
- **self-management** skills that contribute to employee satisfaction and growth
- **learning** skills that contribute to ongoing improvement and expansion in employee and company operations and outcomes
- **technology** skills that contribute to effective execution of tasks¹⁰

These skills do not stand in isolation, they very often overlap. For example, *communication* is very important in *teamwork* – without good communication a team may not work together well and therefore when problems arise, will be unable to *problem solve*. Language, literacy and numeracy also play an integral part in the development of Employability Skills at all levels of the workforce. Information about the link between Employability Skills and the ACSF can be found on the Department of Education, Employment and Workplace Relations (DEEWR) website:

<http://www.deewr.gov.au/Skills/Programs/LitandNum/ACSF/Pages/employability.aspx>.

Employability Skills are embedded within Training Package qualifications, and are assessed with the technical components of vocational skills. In 2011, DEEWR has funded research to investigate the development of a framework for measuring employability skills. A background paper was released to inform the consultations that were conducted during August 2011¹¹.

⁹ Commonwealth of Australia 2006 *Employability Skills From Framework to Practice*
http://www.training.com.au/documents/Employability%20Skills_From%20Framework%20to%20Practices.pdf accessed December 3 2010

¹⁰ Australian Chamber of Commerce and Industry 2002 *Employability Skills – An Employer's Perspective*

¹¹ Ithaca Group 2011 *Employability Skills and Attributes Framework Background Paper* (available through Service Skills Australia)

Language, literacy and numeracy in the manufacturing industry

Like many other developed countries, Australia is facing a shortage of skilled labour. While literacy represents only a part of an individual's overall skills and abilities, the growing share of skilled and knowledge-based jobs in the economy has increased the importance. (Australian Bureau of Statistics, 2008 Australian Social Trends)¹²

Skills in English language, literacy and numeracy are vital for the ongoing economic growth of Australia. The 2006 Adult Literacy and Life Skills (ALLS) Survey¹³ found that many Australians (over 40%) had language, literacy and numeracy skills at a level lower than the level required to effectively function in today's society.

Functional literacy is defined as

...the ability to understand and employ printed information in daily activities, at home, at work and in the community – to achieve one's goals, and to develop one's knowledge and potential. (OECD 2000, in Productivity Commission 2010 p.9)¹⁴

The 2006 Adult Literacy and Life Skills Survey (ALLS) measured literacy competence in four domains: prose literacy, document literacy, numeracy and problem solving. The results were ranked on a scale from level 1 (lowest) to level 5 (highest). Level 3 was considered the minimum level required to meet the increasingly complex demands of a knowledge society.

Source: ABS, 2008 Australian Social Trends

Furthermore, in a 2010 survey of Australian employers, 75% believed that their businesses were affected by low levels of numeracy and literacy. Issues cited were poor completion of workplace documents and time lost due to the need to repeat work¹⁵.

For employers having the confidence that their staff have the necessary English language, literacy and numeracy skills to carry out their duties is highly important. Quite often employers have to bear the costs of providing additional training and assistance to employees who do not meet basic workplace standards in English language, literacy and numeracy. Poor language, literacy and numeracy skills may contribute to the devaluing of an employee's qualifications¹⁶.

Information relating to the language, literacy and numeracy skills of workers, apprentices and trainees in the manufacturing industry is not readily available. The 2006 ALLS provides the most up-to-date information regarding the skill levels of workers in the manufacturing industry.

Data from the ALLS showed that in 2006 over 45% of the manufacturing workforce had literacy skills at a level that was below the level required to function effectively (i.e. **skill level 3**). In the area of numeracy skills, over 50% of workers in manufacturing had inadequate numeracy skills. The area in which there was a major deficit was in the area of

¹² Australian Bureau of Statistics 2008 *Australian Social Trends* p.1

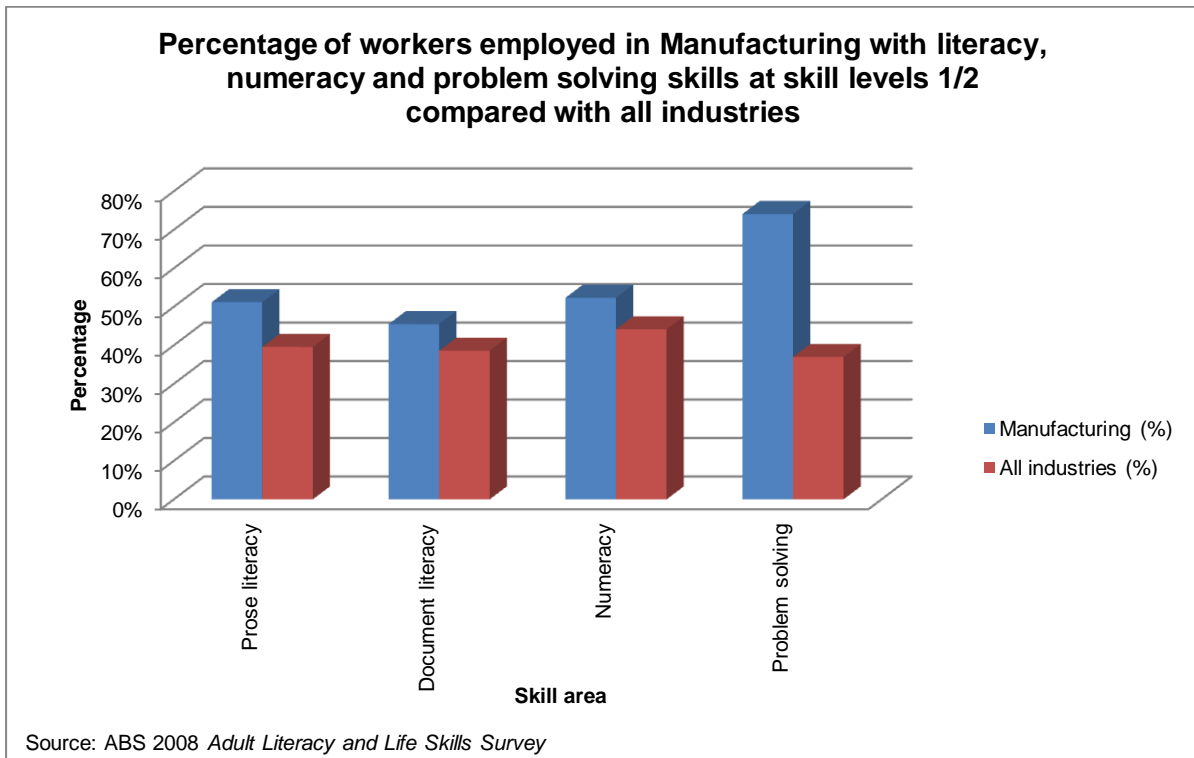
¹³ Australian Bureau of Statistics 2006 *Adult Literacy and Life Skills Survey, Summary Results* p.5

¹⁴ Productivity Commission 2010 *Links between Literacy and Numeracy Skills and Labour Market Outcomes* p.9

¹⁵ Australian Industry Group 2010 *National Workplace Literacy Project* p. 1

¹⁶ Australian Chamber of Commerce and Industry 2008 *Policy Review* no.9 p. 4

problem solving skills. Nearly 75% of workers in the manufacturing industry do not have adequate skills in problem solving. This is more than double the national percentage.



The Australian Bureau of Statistics (ABS) is conducting a survey to collect information about adult literacy, numeracy and problem-solving skills as part of the Programme for the International Assessment of Adult Competencies (PIAAC) coordinated by the Organisation for Economic Cooperation and Development (OECD). PIAAC 2011-12 will be the third in a series of surveys following on from the ALLS surveys conducted in 1996 and 2006.

Factors that impact on language, literacy and numeracy

The ALLS survey found that there was a strong link between educational attainment and literacy levels achieved. Completing a qualification generally led to a higher literacy score with over 60% of people who had completed a qualification achieving a score of 3 or higher. By contrast just over 40% of people without a qualification achieved a score of 3 or higher. It was also found that the greater the number of years of formal education undertaken, the more likely a person was to achieve a score of level 4 or 5 (40% – 43%). However amongst people with 10 or fewer years of formal education (i.e. Year 10 or equivalent), the proportion that scored at level 1 was between 33% and 59%¹⁷.

Not only does the length of time a person participates in formal education impact on their skill level, the recency of undertaking some form of education – whether formal or informal – also has an impact. People who had participated in education in the 12 months prior to the

¹⁷ Australian Bureau of Statistics 2006 *Adult Literacy and Life Skills Survey, Summary Results* p.9

survey were 58% more likely to have a score of level 3 or higher than people who hadn't participated¹⁸.

Coming from a non-English speaking background has also been found to impact on a person's language, literacy and numeracy skills¹⁹. While data relating to Indigenous Australians' literacy, language and numeracy skills was not specifically measured in the ALLS in 2006, Indigenous Australians whose primary language is an Indigenous language are included in the data for people from non-English speaking backgrounds. According to the 2008 National Aboriginal and Torres Strait Islander Survey²⁰, 11.5% of Indigenous Australians speak only an Indigenous language. It is notable also that just over 20% of Indigenous Australians completed year 12 or higher in 2008.

The Fred Hollows Foundation is currently working with remote Indigenous communities to address the literacy needs of their members and enable them to participate in all aspects of the community in which they live, including taking advantage of employment opportunities²¹.

In relation to migrants, data from the ALLS showed that:

Having an English speaking background not only affects literacy and numeracy skills, but also labour market outcomes. For example, the Commission (PC 2006b) found earnings of immigrants to be positively related to their English speaking ability, after controlling for factors such as educational attainment²².

Over 40% of migrants aged 20 – 44 years had literacy skills below level 3. On the self-assessment of their skills, 90% of migrants from non-English speaking backgrounds at level 1 self-rated their reading and writing skills for daily life as "poor"²³.

Statistically, at prose literacy level 1, migrants made up 35.8% of employed persons in 2006²⁴. Yet only 24% of immigrants with literacy skills at level 1 were in employment. A further 53.4% of migrants at level 1 (527,000 people) were not in the workforce²⁵.

Furthermore, while the ALLS provides information on the skill levels of all workers in manufacturing, there is no data available that provides a picture of the skill deficits of Australian-born native English speakers. Anecdotal information received by Manufacturing Skills Australia (MSA) indicates that there are a significant number of Australian-born workers whose first language is English with skills below the level required to perform effectively in the manufacturing industry.

¹⁸ Australian Bureau of Statistics 2006 *Adult Literacy and Life Skills Survey, Summary Results* p.10

¹⁹ Australian Bureau of Statistics 2006 *Adult Literacy and Life Skills Survey, Summary Results* p.13

²⁰ Australian Bureau of Statistics 2008, *National Aboriginal and Torres Strait Islander Social Survey* Table 05

²¹ Fred Hollows Foundation 2011 *Indigenous Literacy Project* <http://www.hollows.org.au/get-involved/indigenous-literacy-project> accessed November 7 2011

²² Productivity Commission 2010 *Literacy and Numeracy Skills and Labour Market Outcomes* p 28

²³ Australian Bureau of Statistics 2006 *Adult Literacy and Life Skills, Summary Results* Table 19

²⁴ Australian Bureau of Statistics 2006 *Adult Literacy and Life Skills, Summary Results* Tables 12 and 19

²⁵ Australian Bureau of Statistics 2006 *Adult Literacy and Life Skills, Summary Results* Table 19

The impact of low language, literacy and numeracy skills in the workplace

In 2008, the National Skills Policy Collaboration released a short paper which examined the need for increased quality of skills and increased number of skilled workers. It found that “Currently 87 percent of available jobs require post-school qualifications, but 50 percent of the workforce lacks these qualifications.”²⁶

“The consequences of inadequate literacy and numeracy are significant both in terms of the number and depth. Poor completion of workplace documents and time wasting through repeated work are the most reported impacts at over 40%. But there is a long list of other important consequences including ineffective work teams, materials wastage, ineffective training, financial miscalculations, workplace injuries and unsafe work practices and recruitment difficulties. It is clear that inadequate levels of workplace literacy and numeracy are having negative impacts on productivity and workplace safety.” (Heather Ridout, Ai Group May 2010)

In 2010, the Australian Industry Group (Ai Group) undertook the National Workforce Literacy Project. This project found that more than 75% of Australian employers surveyed reported that their businesses were affected by low levels of literacy and numeracy. Low levels of literacy and numeracy were not limited to low skilled employees, it impacted employees at all levels of the business.

Since then the Ai Group has undertaken further research into the delivery of LLN programs within enterprises. The report on this research is due for release later this year.

Impact on the worker

Employers reported worker issues such as:

- inability to read Standard Operating Procedures
- perform manual calculations
- select correct parts
- mistakes in ordering
- using appropriate email language with external customers
- using appropriate language in written material for websites and publications
- using appropriate communication methods for team based approaches to problem solving
- difficulty translating technical documentation into commercial language consistent with business needs²⁷

One area of particular concern is apprentices. Approximately 25% of employers reported that apprentices were affected by low levels of literacy and numeracy especially in the engineering industry. Numeracy is reported as being the main area of difficulty with employers reporting that apprentices and other school leavers struggle with the numeracy requirements of both training and the workplace and display a very limited ability to problem-

²⁶ National Skills Policy Collaboration 2008 *Facing up to Australia's Skills Challenge: Setting Priorities and Delivering Results*

p.1

²⁷ Australian Industry Group 2010 *National Workforce Literacy Project* p.5

solve without the aid of a calculator²⁸. Anecdotal feedback gather by MSA as part of its consultations into support resources for the Foundation Skills Training Package supported these findings.

There is no statistical data available from the National Centre for Vocational Education Research (NCVER) on the literacy and numeracy skill level of apprentices and trainees. Information is available on the participation in vocational education and training (VET) of various equity groups, such as Indigenous Australians, students from non-English speaking backgrounds and students with disabilities. While these groups are under-represented in VET, there may be factors other than LLN which impacts on their participation.

Impact on the enterprise

According to the report, the impact of low level literacy skills on enterprises can be seen in a variety of ways. Some of the impacts reported were:

- poor completion rates of workplace documents
- time wasting through work needing to be repeated
- materials wastage due to incorrect calculations or misinterpreted instructions
- recruitment difficulties
- injuries
- poor workplace relationships due to poor communication skills
- reluctance to undertake training
- resistance to workplace change
- inability to benefit from workforce development opportunities
- inability to participate in quality circles or team-type approaches used in lean manufacturing

One example cited in the report reflects the impact that low language, literacy and numeracy skills have in the manufacturing industry –

“We ran a competitive manufacturing course for eight people where they had to come up with solutions to present to the GM but there was too much fear of presenting due to their communication skills. The whole task was seen as too big and overwhelming for them – it was abandoned and so was the idea of introducing competitive manufacturing principles into that part of the workplace.”

Source: Ai Group 2010 *National Workforce Literacy Project* p.10

Currently the Ai Group are undertaking industry-based research into effective models for the delivery of foundation skills within enterprises. It is anticipated that this research will be released in late 2011.

The Productivity Commission estimated that by improving literacy and numeracy skills from level 1 to level 3, there would be a corresponding increase in workforce participation and hourly wage rates. For women, this would result in a 15% increase in participation and 25%

²⁸ Australian Industry Group 2010 *National Workforce Literacy Project* p.8

increase in hourly wages, while for men, there would be a 5% increase in participation and a 30% increase in wages²⁹.

Skills Australia identified that for Australia to maintain and improve its economic standing in the world, it needs to raise productivity by increasing and deepening skills³⁰. One of the key messages from Skills Australia was the need to “Lift the unacceptably low level of adult language, literacy and numeracy to enable effective education, labour market and social participation”³¹.

Skills Australia made two recommendations:

1. the development of a national adult language, literacy and numeracy strategy
2. substantially expand the Workplace English Language and Literacy (WELL) and Language, Literacy and Numeracy (LLNP) programs

In its 2011 report, *Skills for Prosperity – a roadmap for vocational education and training*, Skills Australia has argued that foundation skills need to be developed in conjunction with work-based experience, not just at preparatory levels of learning. Skills Australia commented that:

“As people move through their working lives they may experience varying and challenging communication pressures. They will need the adaptability to deal with changing workplaces, new technology, environmental sustainability and career transitions”³².

Skills Australia has also argued for an additional investment to expand the scope of foundation skills programs to include workplaces and the unemployed.

Skills Australia made two recommendations:

1. acknowledge the role and importance of ACE providers as a pathway for individuals undertaking foundation skills programs in the next intergovernmental resourcing agreement
2. prioritise the development of a dedicated national bank of foundation skills units and qualifications at a range of Australian Qualifications Framework levels

²⁹ Productivity Commission 2010 *Links Between Literacy and Numeracy and Labour Market Outcomes* p. viii

³⁰ Skills Australia 2010 *Australian Workforce Futures* p.2

³¹ Skills Australia 2010 *Australian Workforce Futures* p.4

³² Skills Australia 2011 *Skills for prosperity and a road for vocational education and training* p.25

Australian Government initiatives

DEEWR funds two best-practice language, literacy and numeracy (LLN) programs aimed at specific sections of the adult population.

1. The WELL program is a workplace based program designed to *assist organisations in training workers* in the English language, literacy and numeracy skills required to function effectively at work³³. In 2009-10, 16,500 workers completed WELL training³⁴. However, the ALLS identified that over four million people in employment had literacy levels below level 3³⁵.
2. The other program managed by DEEWR is the LLNP. This program is aimed at addressing the language, literacy and numeracy skills of *jobseekers* at a national level³⁶.

Further details of both programs can be found on DEEWR's website under Skills/Programs (<http://www.deewr.gov.au/Skills/Pages/default.aspx>).

Another Commonwealth funded program is the Adult Migrant English Program (AMEP). This program provides up to 510 hours of free English language training for migrants with English language skills below the functional level. It is administered by the Department of Immigration and Citizenship (DIAC). In 2008-09, AMEP provided English language tuition to 52,720 clients³⁷.

In the 2010 budget, funding was announced for a Foundation Skills Taster Course Program which aims to tackle gaps in adult foundation skills³⁸. The training measures funded under this package build on existing Australian Government foundation skills programs, namely, the WELL and the LLNP, and introduce new innovative community-based places based on the Foundation Skills Taster Courses pilot.

Another key strategy announced in the May 2010 budget was funding to enable the mapping of Training Packages and qualifications to the ACSF. This work is currently being undertaken by the Industry Skills Councils in 2011.

In the 2011 budget, the Commonwealth government announced the *Building Australia's Future Workforce* package³⁹. Five initiatives were announced as part of this package, including two addressing foundation skills. The foundation skills initiatives in this package are:

³³ Department of Education, Employment and Workplace Relations 2010 *Workplace English Language and Literacy Program* <http://www.deewr.gov.au/Skills/Programs/LitandNum/WorkplaceEnglishLanguageandLiteracy/Pages/default.aspx> accessed December 8 2010

³⁴ Skills Australia 2010 *Australian Workforce Futures* p.39

³⁵ Australian Bureau of Statistics 2006 *Adult Literacy and Life Skills Survey, Summary Results* Table 12

³⁶ Department of Education, Employment and Workplace Relations 2010 *Workplace English Language and Literacy Program* <http://www.deewr.gov.au/Skills/Programs/LitandNum/LLNP/Pages/Overview.aspx> accessed December 8 2010

³⁷ Department of Immigration and Citizenship *Adult Migrant English Program* <http://www.immi.gov.au/living-in-australia/help-with-english/amep/facts-figures/client-demographics.htm> accessed December 16, 2010

³⁸ Department of Education, Employment and Workplace Relations 2010 *Foundation Skills Taster Courses* <http://www.deewr.gov.au/skills/programs/litandnum/fstc/Pages/FoundationSkillsTasterCourseProgram.aspx> accessed December 9 2010

³⁹ Department of Education, Employment and Workplace Relations 2011 *Building Australia's Future Workforce* http://www.deewr.gov.au/Department/Budget/Documents/20112012/Skills_To_Promote_Increased_Participation.pdf accessed September 30 2011

1. Improved access to the Language Literacy and Numeracy Program (LLNP) through expanding the number of places made available to job seekers and the inclusion of a more targeted work experience component.
2. The expansion of the WELL program. The program comes with the requirement for pre and post training assessment of LLN skills of a sample of participants to measure progress against the Australian Core Skills Framework (ACSF)⁴⁰.

State programs

Each state and territory in Australia has developed strategies to improve the skills of both existing workers and people not currently in the workforce. These strategies address a number of issues such as pre-apprenticeship training, up-skilling existing workers and addressing language, literacy and numeracy deficits. Within each state and territory's strategic plans are identified "priority groups". These groups vary for each state and territory and reflect the perceived needs of the government of the respective state or territory.

New South Wales

In New South Wales, strategies to address skill issues are included in the NSW Strategic Skills Program 2011 – 2012⁴¹. Research undertaken in the preparation of this list identified LLN skills as an area where funding for training is required⁴². TAFE NSW and the New South Wales Adult and Community Education (ACE) colleges are the largest suppliers of language, literacy and numeracy training in the state.

Victoria

The Victorian Skills Commission (VSC) is the government department with responsibility for providing information to the minister regarding skills and training needs in Victoria. VSC's vision is "A Victorian workforce with the mix and enhanced level of qualifications, skills and knowledge required to meet current and emerging needs of employers, employees, industry and the community."⁴³ There are four main objectives, one of which includes addressing skill deficits including language, literacy and numeracy skill needs. Skills Victoria has responsibility for the implementation of initiatives and programs to meet the objectives outlined by VSC⁴⁴. TAFE, registered training providers and ACE providers offer courses in basic literacy and numeracy⁴⁵

⁴⁰ Department of Education, Employment and Workplace Relations *2011 Workplace English and Language Literacy Program* <http://www.deewr.gov.au/Skills/Programs/LitandNum/WorkplaceEnglishLanguageandLiteracy/StratProjects/Pages/ExpansionontoWELL.aspx> accessed September 30 2011

⁴¹ New South Wales Government State Training Services, *2010 Strategic Skills Program* https://www.training.nsw.gov.au/forms_documents/industry_programs/business_services/tmt_3_3_ssp_overview.pdf accessed December 8 2010

⁴² New South Wales Government State Training Services, *2011-2012 NSW Skills Priority List* https://www.training.nsw.gov.au/forms_documents/industry_programs/business_services/2011_2012_skills_priorities_list.pdf accessed October 4 2011

⁴³ Victorian Skills Commission *2009 Vision, Mission and Objectives* http://www.vsc.vic.gov.au/about_vsc/vsc_objectives_and_strategies accessed December 9 2010

⁴⁴ Skills Victoria *2009 Programs and Initiatives* <http://www.skills.vic.gov.au/corporate/programs-and-initiatives> accessed December 9 2010

⁴⁵ Victorian Skills Commission *Annual Report 2010-11* http://www.vsc.vic.gov.au/_data/assets/pdf_file/0004/365206/201011vscannualreport.pdf accessed October 4 2011

Queensland

The Queensland Skills Plan 2008 aims to build the capability and skills of the state's workforce through a range of measures including the Skilling Queenslanders for Work⁴⁶ initiative which is aimed at engaging people not currently participating in the workforce. There are a variety of programs under this initiative.

South Australia

The Department of Further Education, Employment, Science and Technology (DFEEST) provides support for young and disadvantaged people to engage in their communities, education, training and work, provides services for apprentices and trainees and their employers, and helps with questions and concerns about the training system⁴⁷. DFEEST's Strategic Plan includes addressing gaps in foundation skills⁴⁸.

In 2011, a strategic directions paper for vocational education and training entitled *Skills for All* was released. In this document, recognition was given to the importance of foundation skills being accessible for supporting VET pathways. The South Australian Government announced that it will invest \$6.4 million over the next six years in additional funding for foundation skills. This will create 6,000 additional training places for South Australians who want assistance to improve their literacy and numeracy skills⁴⁹.

Western Australia

In Western Australia, the Department of Training and Workforce Development⁵⁰ has responsibility for both training initiatives and workforce development initiatives. As outlined in its Strategic Plan 2010 – 2013, one of the key outcomes is "Improved standards of language, literacy and numeracy within the workforce". Further detail on how Western Australia is planning to achieve this is outlined in "Training WA: Planning for the Future 2009-2013"⁵¹. This document sets a target that "33,000 Western Australians will be enrolled in Certificate I foundation training during 2009 and 2010".

In 2010, the Department of Training and Workforce Development released the report *Skilling WA- A workforce development plan for Western Australia*. One of the key recommendations of the report called for the Department to "develop initiatives and targeted programs to improve the level of adult literacy and skills development in the workplace". The report

⁴⁶ Department of Employment, Economic Development and Innovation 2010 *Skilling Queenslanders for Work initiative* <http://www.employment.qld.gov.au/programs/sqw/index.htm> accessed December 9 2010

⁴⁷ Department of Further Education, Employment, Science and Technology 2009 *Employment programs* <http://www.dfeest.sa.gov.au/Services/Employmentprograms/tabid/143/Default.aspx> accessed December 9 2010

⁴⁸ Department of Further Education, Employment, Science and Technology 2010 *DFEEST Strategic Plan* <http://www.dfeest.sa.gov.au/AboutDFEEST/Strategiesplanspolicies/DFEESTStrategicPlan/tabid/101/Default.aspx> accessed December 9 2010

⁴⁹ Government of South Australia *Skills For All: The Strategic Direction for Vocational Education and Training in South Australia 2011-2014* <http://www.dfeest.sa.gov.au/LinkClick.aspx?fileticket=c7XGLnOx9Do%3d&tabid=267> accessed October 4 2011.

⁵⁰ Department of Training and Workforce Development 2010 <http://www.dtwd.wa.gov.au/dtwd/detcms/apprenticeships-and-training/training-and-workforce-development/binary-files/strategic-plan-2010-2013.en?oid=com.arsdigita.cms.contenttypes.FileStorageItem-id-10755253> accessed December 9 2010

⁵¹ Department of Education and Training 2009 *Training WA: Planning for the Future 2009-2013* p.2 http://www.stb.wa.gov.au/SiteCollectionDocuments/Training_WA.pdf accessed December 9 2010

recommended that these initiatives and programs should be implemented through the development of a State workplace language, literacy and numeracy strategy⁵².

The State Training Board released its state training plan for 2011-2013. The plan supports training aimed at enhancing the language, literacy and numeracy skills of new workforce entrants and existing workers. This training is considered an important component of the board's training purchasing mix⁵³.

Tasmania

One of the prime foci of the Tasmanian Skills Strategy 2008 – 2015 is to build the literacy skills of Tasmanian adults and families⁵⁴. This involves developing an Adult Literacy Action Plan which will build on the Community Literacy Coordinator Network and the extension of the successful literacy and numeracy support program for apprentices under the Additional Tutorial Assistance scheme. In the 2010 report card on this strategy, a key action identified to be conducted in 2011 is to launch an Employer Pledge Program for workplace literacy to encourage employers to pledge to improve the literacy skills of their employees⁵⁵.

Northern Territory

The Department of Education and Training's Strategic Plan 2011 - 2014 aims to provide access to workplace literacy and numeracy and work-ready programs for the post-school labour force that will lead to employment in the Northern Territory⁵⁶.

Australian Capital Territory

The ACT Annual Vocational Education and Training Priorities 2010 identify skills ("enabling skills") that transcend industries⁵⁷. These skills are required across industries and sectors to "facilitate generic skills development" and include both employability skills and literacy and numeracy skills.

Further information relating to state-supported programs can be found in the report commissioned by the Innovation Business Skills Australia (IBSA) for the ISC WELL Network. This report provides information on language, literacy and numeracy support available in the VET sector at state level and to support the implementation of the Productivity Places Program (PPP). A copy of the report is available via MSA's Foundation Skills website.

⁵² The Department of Training and Workforce Development 2011 *Skilling WA - a workforce development plan for Western Australia* p. 113 <http://www.dtwd.wa.gov.au/dtwd/detcms/apprenticeships-and-training/training-and-workforce-development/binary-files/skilling-wa/skilling-wa---a-workforce-development-plan-for-western-australia.en?oid=com.arsdigita.cms.contenttypes.FileStorageItem-id-11078286> accessed September 28 2011

⁵³ State Training Board 2011 *Western Australia State Training Plan 2011-2013* p.8 <http://www.stb.wa.gov.au/SiteCollectionDocuments/State%20Training%20Plan%202011-2013.pdf> accessed September 28 2011

⁵⁴ Skills Tasmania *Tasmanian Skills Strategy 2008 – 2015: Themes and Actions (2009 – 2012)* p.10-11 <http://www.skills.tas.gov.au/skillstas/tasskillsstrategy/tasmanianskillstrategy09to15themesandactions.pdf> accessed December 9 2010

⁵⁵ Skills Tasmania 2010 *The Tasmanian Skills Strategy 2010 report card*

<http://www.skills.tas.gov.au/skillstas/tasskillsstrategy/2010reportcard.pdf> accessed September 29 2011

⁵⁶ Department of Education and Training 2011 *Delivering a Smarter Territory through Quality Education and Training* http://www.det.nt.gov.au/_data/assets/pdf_file/0013/4126/DET_strategic_plan2011_2014.pdf accessed September 29 2011

⁵⁷ Department of Education and Training *ACT Annual Vocational Education and Training Priorities 2010* p.10-11 http://www.det.act.gov.au/_data/assets/pdf_file/0016/102904/VET_Priorities_2010.pdf accessed December 9 2010

Other programs

A Google search for Foundation Skills programs and courses in Australia returned over four million results. The Foundation Skills programs/courses being offered in Australia are very varied in their purpose and target groups. Below is a sample of some of the programs currently on offer and also a case study from an organisation that ran two Foundation Skills Taster Courses.

Within the VET sector, foundation skills programs are often delivered through stand-alone, state accredited courses. These programs accounted for approximately 12% of publicly funded VET activity in 2008⁵⁸. Many of these courses are pre-Australian Qualification Framework (AQF) level courses (i.e. below Level 1 courses).

Community Colleges Australia was funded by DEEWR to run a pilot program of Foundation Skills Taster Courses. The pilot program offered courses in cooking and gardening only.

<http://www.cca.edu.au/article/foundation-skills-taster-program>

The University of Sydney offers Foundation Skills courses to students as part of its Graduate Attributes Project. These courses cover a variety of areas ranging from English language, Information Literacy, to Communications, etc.

<http://www.itl.usyd.edu.au/graduateattributes/foundation.cfm>

The Investment Banking Institute runs a Foundation Skills program over five days which is aimed at producing work-ready applicants for the financial services sector. Topics include resume writing and interview skills, communication and teamwork skills and time management skills as well as vocational specific skills for the financial services sector.

<http://www.ibi.edu.au/professional-programs/foundation-skills-program.html>

Australian research

There is quite a significant body of research into adult language, literacy and numeracy and generic/employability skills both in Australia and overseas. The reports below are a few examples of the work that has been undertaken and include examples of strategies and best practice in use in Australia.

Employability Skills in Australia

In 2002, the Australian Chamber of Commerce and Industry (ACCI) in conjunction with the Business Council of Australia (BCA) undertook a research project to provide the Commonwealth Government with a detailed understanding of the employability skills needs of industry. The outcome was the Employability Skills Framework that is embedded in all Training Packages. The report can be found at:

<http://www.deewr.gov.au/Schooling/CareersandTransitions/EmployabilitySkills/Documents/EmpSkillsForTheFuture.pdf>

⁵⁸ Roberts, A and Wignall, L (n.d.) *Briefing on Foundation Skills for the National VET Equity Advisory Council* p.5

Much of the research into language, literacy and numeracy also includes employability skills.

The 2008 research report “*Whose responsibility?: Employers’ views on developing their workers’ literacy, numeracy and employability skills*” examined a group of employers’ understanding of the provision of literacy, numeracy and employability skills and the continuing development of these skills in the workplace. One of the major issues highlighted was that employers need support with the ongoing provision of training in literacy, numeracy and employability skills. The research also found that training for these skills was most successful when embedded in the normal cycles of skills training and continuous improvement. <http://www.ncver.edu.au/teaching/publications/1992.html>

The 2001 report “*Outcomes from enabling courses*” provides information on the results of enabling courses for learners from a variety of equity groups, including learners from non-English speaking backgrounds and learners with disabilities. Enabling courses are lower-level preparatory course and pre-vocational courses. While the research is over ten years old, the data showed that only approximately one third of learners undertaking enabling courses continued their studies once the course was complete. Graduates in the 15 - 19 age group were more likely to be in employment six months after completing their course unlike graduates aged 50 - 64 who were more likely not to be in employment. <http://www.ncver.edu.au/students/publications/581.html>

Language, literacy and numeracy in Australia

In 2011 MSA was a participant in the joint Industry Skills Councils’ research project “*Developing a world class response to the language, literacy and numeracy challenge*”. A key output of this research has been the publication of the report “[*No More Excuses: An Industry Response to the Language, Literacy and Numeracy*](#)”. This report has been influential in promoting discussion of foundation skills and in shaping government policy responses to this issue.

The National Centre for Vocational Education Research (NCVER) has published a discussion paper outlining research presented and outcomes from an adult language, literacy and numeracy search conference hosted on behalf of the Department of Education, Employment and Workplace Relations (DEEWR) in September 2010. The discussion paper presents questions surrounding LLN such as the extent of adult language, literacy and numeracy provision in Australia, and whose responsibility it is to fund such provision in the workplace. The paper also presents a summary of these discussions and recommendations. <http://www.ncver.edu.au/publications/2345.html>

In 2011 Black and Yasukawa published a paper on the provision of Language and Numeracy (L&N) services to students in the vocational education and training (VET) sector. The paper is based largely on semi-structured, taped interviews with a total of fifty-three L&N teachers, vocational teachers and VET managers across most Australian states and territories. <http://avetra.org.au/wp-content/uploads/2011/05/62.00.pdf>

Black and Yasukawa's 2010 paper discussed the idea of developing a National Skills Strategy to address adult literacy and numeracy in Australia. In the paper four dimensions of adult literacy and numeracy are covered: social capital, cross-sectoral partnerships, integration of literacy and numeracy in the delivery of VET courses, professional learning and partnerships with universities. Discussion also covered how the field of adult literacy and numeracy could be revitalised.

http://www.acal.edu.au/downloads/Time_for_national_renewal_2010.pdf

The 2010 briefing paper "*Early post-school outcomes of indigenous youth: the role of literacy and numeracy*" explores the impact of literacy and numeracy levels on the educational gap between Indigenous and non-Indigenous youth. The report found that raising the literacy and numeracy skill levels of Indigenous students contributed significantly to increasing Indigenous students' educational levels. However there were other factors, such as access to education and training and personal health that impacted on a student's educational ability. <http://www.ncver.edu.au/publications/2308.html>

In 2009, Ryan and Sinning undertook a research project that examined the importance of literacy and numeracy skills in the workplace, with a particular focus on the 'older worker' (aged 40 and over). The research found that the importance of literacy and numeracy skills does not decrease with age and that older workers make as much use of their skills as do younger workers. <http://www.ncver.edu.au/publications/2184.html>

"*Adult literacy and numeracy: At a glance 2005*" provides a good overview of adult literacy and numeracy in Australia. <http://www.ncver.edu.au/publications/1584.html>

The Western Australian Department of Education and Training (2005) commissioned a report to investigate barriers to apprenticeships and traineeships for people from culturally and linguistically diverse backgrounds (CaLD). Among the findings was that a lack of cultural knowledge, both on the part of the migrant and the employer was a major barrier. http://www.vetinfonet.det.wa.edu.au/accessequity/docs/cald_report.pdf

In recent years, there has been an increase in the number of migrants coming from African countries. Many of these immigrants are from highly oral cultures. The publication "*Teaching learners from highly oral cultural backgrounds: Good practice guide*" provides tips and strategies for supporting such learners.

<http://www.ncver.edu.au/students/publications/1804.html>

The Adult and Community Education (ACE) sector is a major provider of non-accredited language, literacy and numeracy education. A 2007 study investigated the provision of non-accredited LLN education through community colleges. The study found that thousands of people choose to undertake non-accredited training each year. Many participants chose non-accredited training because they believed they would struggle in an accredited training program. The study found that there was a strong link between the development of LLN skills and self-confidence. <http://www.ncver.edu.au/publications/1796.html>

International research

Australia-Canada-New Zealand-USA

A 2011 study investigates skill matches to job requirements for workers in Australia, New Zealand, the United States and Canada. Data from two cross-sections surveyed about ten years apart as part of international studies coordinated by Statistics Canada and the Organisation for Economic Co-operation and Development (OECD) were used as part of the research. A main finding from the research was that the broad match of workers with skills to jobs that use them were quite similar across the four countries investigated.

<http://www.ncver.edu.au/publications/2428.html>

Australia-Canada

A 2008 Organisation for Economic Co-operation and Development (OECD) report into youth labour markets found that in Canada, 50% of young people aged 20 – 24 held post-school qualifications. In Australia only 38% held post-school qualifications. A joint Canadian-Australian research project investigated the reasons for this difference. One of the findings was that the Australian VET is not viewed as an educational pathway of choice.

<http://www.ncver.edu.au/publications/2286.html>

Canada

A 2010 report into adult literacy in Canada found that one in three of Canadians aged 26 to 35 and over 40% of people aged 36 to 45 have low literacy skills. The report argues that economic and social cost of low literacy skills will hit hard in the next decade when labour force growth will decelerate, selected labour shortages will stall economic growth, and growing inequality in incomes and employment will magnify social exclusion and promote an underclass. The paper proposes a strategy to reboot adult education in the community and in the classroom in Canada.

http://tamarackcommunity.ca/downloads/index/Time_to_Reboot.pdf

New Zealand

A report prepared by Ministry of Education looks at the use of literacy and numeracy skills at work, and how this relates to the skills and education of employees. It uses data from the Adult Literacy and Life skills (ALL) survey to look at how well employees' skills match the literacy and numeracy practices that they undertake at work. It also identifies which groups of employees are more likely to have a skills shortfall or skills excess, and some of the barriers to further training for those with a skills shortfall.

http://www.educationcounts.govt.nz/_data/assets/pdf_file/0007/88846/Use-of-skills-at-work-23052011.pdf

United Kingdom

The results of a longitudinal study of the provision of basic workplace skills programs published in 2010 in the United Kingdom found that basic skills tuition did not have an impact on performance in the workplace.

http://www.voced.edu.au/search/index.php?title=%60The+rise+and+fall+of+workplace+basic+skills+programmes%3A+lessons+for+policy+and+practice%60&searchtype=full&quantity=1&sort_by=d_publication_year_tx&hitstart=1

Various countries

McKenna and Fitzpatrick (2004) undertook an extensive study of the policies and practices of adult literacy and adult basic education provision in six countries including Australia. They found that Australia had achieved considerable success in integrating literacy and numeracy provision into VET. However there is a need to pay closer attention to the training and professional development of LLN practitioners.

<http://www.ncver.edu.au/publications/1515.html>

MSA supported research

Currently MSA is supporting two research studies.

Recognising the Skill in Jobs Traditionally Considered Unskilled, is being undertaken by researchers from the University of Ballarat and the University of New South Wales and the trade union United Voice. The project, which is funded through the Australian Research Council's Linkage program, investigates unidentified and undervalued skill in people's jobs through research in nine occupations in manufacturing industries and service industries. It aims to provide evidence that can be used to improve government policy, qualification-based training for work, companies' management practices that relate to skill, skill levels and the perception of skill. Specifically, it will suggest improvements in the development of vocational education and training qualifications (through Training Packages) and in companies' use of skills. It will investigate the current perceptions of skill in Australian jobs, and will hope to assist in providing individuals with better life chances and improving self confidence in the labour market.

Further information about the project can be found at

<http://www.ballarat.edu.au/schools/education-and-arts/research/education/rave/current-research/recognising-skills>

MSA is also supporting research being undertaken by the University of Technology Sydney of production workers' literacy and numeracy practices in 'lean' manufacturing firms. They are examining what is beneath the current crisis discourse about workers literacy and numeracy. The research will seek to capture views of and ways in which workers and their supervisors, trainers and managers negotiate and make sense of literacy and numeracy demands that are embedded in production work.

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