Australian Social Trends September 2010

Australia's workers: Education and workplace training

www.abs.gov.au/socialtrends

Australian workers: Education and workplace training

Australia's long-term prosperity and the future shape of society are heavily dependent on investments in education and workforce development. Education levels and the ongoing training of workers are key in maximising people's capabilities and increasing productivity and workforce participation.¹

Over recent decades, there has been a steady increase in the proportion of the working age population with higher education or vocational qualifications. While many people obtain formal qualifications before starting their career, others undertake study after joining the workforce to either advance in, or change, their career.

In addition, many employers provide training to their employees as they seek to develop and enhance the skills of their workforce. This article looks at the qualification levels of Australian workers and at the trends in study and workplace training, including characteristics and outcomes.

Qualification trends

In 2009, two-thirds (66%) of all workers aged 15–64 years (or around 6.7 million people) had a non-school qualification, up from 59% in 2001. Over one-third (35%) of workers held a Certificate, and almost one-quarter (24%) held a Bachelor degree.

The proportion of workers with a Bachelor degree has risen five percentage points since 2001. This pattern is consistent with the increased accessibility and demand for higher education in recent decades.

Data source and definitions

Data in this article come from the ABS Survey of Education and Training (SET), the main findings of which can be found in the ABS <u>Survey of</u>. <u>Education and Training Experience</u>, 2009 (cat. no. 6278.0) publication. Data in this article are for employed persons aged 15–64 years. Persons who were still at school are excluded from this analysis.

Workers in this article refers to workers, aged 15–64 years, who were not at school and who were employed full time or part time in the 12 months prior to the survey.

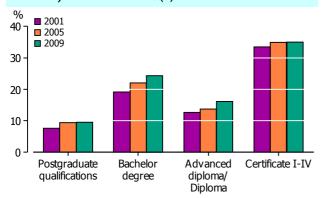
Postgraduate qualifications refers to qualifications above the Bachelor degree level, and includes Postgraduate degrees, Graduate diplomas and Graduate Certificates.

With a non-school qualification refers to persons with qualifications at the Postgraduate degree level, Master degree level, Graduate diploma and Graduate Certificate level, Bachelor degree level, Advanced diploma and Diploma level, and Certificates I, II, III and IV levels.

Many workers have more than one qualification. The proportion of workers with more than one non-school qualification has increased from 22% in 2001 to 28% in 2009. This shows that in addition to increasing qualification levels, there is likely to be a deepening and broadening of skills within Australia's workforce.

Nevertheless, in 2009, 34% of workers were without a non-school qualification.

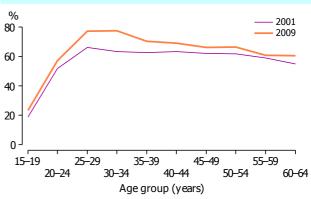
Workers with non-school qualifications(a) — 2001, 2005 and 2009(b)



- (a) People with qualifications at different levels are counted at each level, i.e. graph is not restricted to highest qualification.
- (b) In 2009, data were collected for all qualifications completed (up to a maximum of 15), whereas in 2001 and 2005, the three highest qualifications were collected.

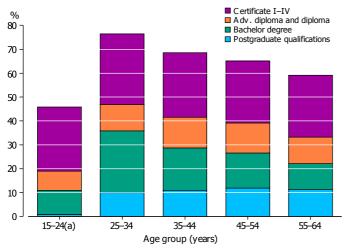
Source: ABS 2001, 2005 and 2009 Surveys of Education and Training

Workers with a non-school qualification, by age - 2001 and 2009



Source: ABS 2001 and 2009 Surveys of Education and Training

Highest non-school qualification of workers, by age -2009



(a) 'Postgraduate qualifications' estimate has a relative standard error of 25% to 50% and should be used with caution.

Source: ABS 2009 Survey of Education and Training

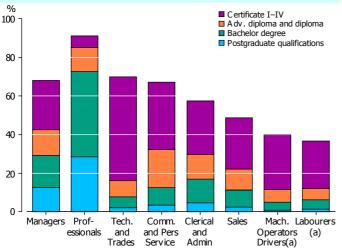
...by sex and age

During the last decade, the likelihood of women having a non-school qualification overtook that of men. The proportion of women with a qualification increased from 58% in 2001 to 67% in 2009, compared with men from 60% in 2001 to 65% in 2009.

In 2009, across the age groups, the highest proportion of workers with a non-school qualification were 25–34 years olds, with 77% having a non-school qualification, including over one-third (36%) whose highest qualification was a Bachelor degree or higher.

Workers in successively older age groups were less and less likely to have a qualification, and of those who did, their highest qualification

Highest non-school qualification of workers, by occupation group -2009



(a) 'Postgraduate qualifications' estimate has a relative standard error of 25% to 50% and should be used with caution.

Source: ABS 2009 Survey of Education and Training

was more likely to be below Bachelor level. For example, 61% of employed people aged 55–64 years had a non-school qualification, with 22% reporting a Bachelor degree or higher.

...by occupation

As might be expected, there are major differences in the highest qualification levels of people working in different occupations. In 2009, nine in every ten (92%) professionals held a non-school qualification, with 44% of professionals holding a Bachelor degree and 28% holding a Postgraduate degree or Graduate diploma as their highest qualification. People in other occupations were less likely to have non-school qualifications, and of those who did have a qualification, they were less likely to be at the Bachelor degree level or higher. Among managers, 69% held a non-school qualification, with 29% holding a Bachelor degree or higher. For technicians and trade workers, 71% held a non-school qualification, with 54% reporting a Certificate level as their highest non-school qualification, and just 8% had a Bachelor degree or higher.

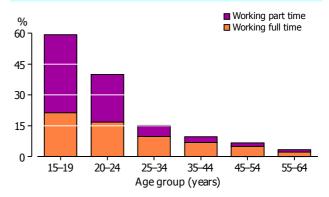
By contrast, the lower demand for non-school qualifications among labourers and machine operators and drivers is reflected in the fact that just 38% and 41% of people employed in these occupational groups had a non-school qualification.

Workers currently studying for a non-school qualification

Many workers undertake study towards non-school qualifications in order to get and keep a job, to seek promotion within their chosen field, or just to keep pace with the changing work environment.

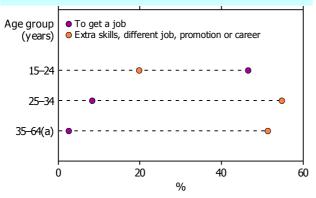
In 2009, 1.5 million workers (or 15% of all employed people) were studying for a formal non-school qualification. Young employed workers aged 15–19 and 20–24 years had the highest rates of participation in study (59% and

Studying for a formal non-school qualification – 2009



Source: ABS 2009 Survey of Education and Training

Selected main reason for formal study, by age -2009



(a) 'To get a job' estimate has a relative standard error of 25% to 50% and should be used with caution.

Source: ABS 2009 Survey of Education and Training

40% respectively). In comparison, 7% of workers aged 45–54 years and 3% of workers aged 55–64 years were participating in formal study.

The majority of young employed people (aged 15–24 years) studying were employed part time (60%), with 43% of these part-time employed students working 11-20 hours per week. For older workers who were studying (aged 25-64 vears), most were employed full time (69%). Over half (54%) of these older full-time employed workers were working 35-40 hours per week. This difference reflects the different life stages and priorities of younger and older workers. While it is common for young people who are studying to work part-time jobs (often in sales and hospitality), people aged 25 years and over who are working full time and studying part time may be doing so to help build on skills for their current career or to maintain their income while they re-skill for a career change.

These differences are also reflected in people's reasons for studying. Almost half (47%) of all workers aged 15-24 years who were currently studying reported that their main reason for study was 'to get a job'. On the other hand, older workers were more interested in furthering an existing career. Among workers aged 25-34 years who were currently studying, over half (55%) said they were studying for extra skills, a different job or promotion, or a change in career. Not surprisingly, the proportion of employed people who study for a career declines as they approach retirement age. For people aged 55–64 years, only 35% were studying for career reasons, while 22% were studying for personal interest or enjoyment.

Level of current study

Of those workers who were currently studying, most were studying for qualifications at the Certificate level (36%) and Bachelor degree level (35%). Diplomas and Advanced diplomas were being studied for by 13% of workers, while 13% were doing Postgraduate courses.

Workers without a non-school qualification made up 40% of the 1.5 million people studying. Most (76%) workers currently studying who were without non-school qualifications were aged 15–24 years – many working part time and studying full time – with the intention of getting a job relating to their field of study. Over one-third (37%) of workers aged 15–24 years did not have a non-school qualification but were studying towards a Bachelor degree or higher qualification, and close to one-quarter (23%) were studying for a Certificate level qualification.

Many younger people worked in less skilled occupations as a way to support themselves while studying. In 2009, many young sales workers (54%) and hospitality workers (63%)

Workers currently studying - 2009

	Has non-school qualification	Does not have non- school qualification	Total studying	Total studying
Level of non-school qualification for which currently studying	%	%	%	('000)
	WORKERS AGED	15-24 YEARS		
Bachelor degree or higher	18.0	36.9	54.9	387.4
Advanced diploma and diploma	4.6	4.9	9.4	66.4
Certificate I-IV	11.0	23.1	34.1	240.1
Total workers currently studying(a)	34.3	65.7	100.0	705.1
	WORKERS AGED	25-64 YEARS		
Bachelor degree or higher	38.1	2.7	40.8	325.1
Advanced diploma and diploma	14.5	2.4	16.9	134.7
Certificate I-IV	25.2	12.6	37.8	301.0
Total workers currently studying(a)	82.0	18.0	100.0	797.3

⁽a) Total includes 'Level not determined'.

Source: ABS 2009 Survey of Education and Training

were studying for a non-school qualification. Of workers who were studying for their first qualification, most sales workers (81%) and hospitality workers (77%) were studying for a Bachelor degree.

In contrast, around eight in every ten technicians and trade workers (83%) aged 15–24 years, who were studying for their first qualification, were studying towards a Certificate level qualification. Most (92%) of these workers were apprentices or trainees.

Conversely, current study by older workers aged 25–64 years, tended to be in order to benefit careers rather than to get a job. Many older workers who were studying already had a prior non-school qualification (82%). Half of these workers (who already had a non-school qualification) already had a Bachelor degree or higher qualification. Of these workers, 34% were studying for a Postgraduate degree, 12% were studying for a Graduate diploma/Gradate certificate and 17% were studying for another Bachelor degree. Nearly three-quarters (71%) of these older workers with Bachelor degrees or higher were professionals or managers.

Another 29% of workers aged 25–64 years who already had non-school qualifications had a Certificate as their highest qualification. Of these workers, over half (55%) were studying for another Certificate and 20% were studying for a Bachelor degree.

...fields of study

The most popular fields of study for formal qualifications were business and management, human welfare studies and services (which includes social work, youth work, and aged and residential care), teacher education, accounting, and nursing. However, the choice of fields of study was different for different age groups.

Younger workers tended to be studying across a broad range of fields. Business and management was the most popular field of study (8% of 15–24 year old workers), but building, communications and law were also amongst a range of fields that were widely studied.

Among 25–64 year old workers that were currently studying, almost one in five (19%) were studying towards a qualification in business and management. Many of these workers (80%) already had a qualification and were looking to add a management qualification to their skill set.

Younger people studying for a Bachelor degree level qualification were most likely to be studying teacher education (11%), while younger people studying for a qualification below Bachelor level were most likely to be studying qualifications that lead to careers in

Learning definitions

Formal learning refers to learning which is structured, taught in institutions and organisations and leads to a recognised qualification issued by a relevant body. A learning activity is formal if it leads to a learning achievement that is possible to position within the Australian Qualifications Framework (AQF) and includes workplace training if such training results in a qualification.

Non-formal learning refers to structured, taught learning, but differs from formal learning in that it does not lead to a qualification within the AQF. It includes non-accredited workplace training, that is, training that does not lead to a recognised qualification. Non-formal learning includes adult education courses (such as introduction to computing), hobby and recreational courses, personal enrichment courses (such as public speaking), first aid courses, bridging courses, statements of attainment and work-related courses.

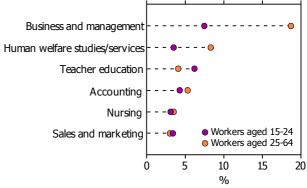
Non-formal work-related learning refers to a work-related course if the main purpose for participating in the learning is for one of the following: to get a job, to get a different job or promotion, it was a requirement of their job, wanted extra skills for their job, to start own business, to develop existing business or to try for a different career.

Informal learning refers to unstructured, non-institutionalised learning activities that are related to work, family, community or leisure. Activities may occur on a self-directed basis, but are excluded from scope if there is not a specific intention to learn.

trades and technical occupations, such as building (10%), electrical and electronic engineering and technology (9%) and mechanical and industrial engineering and technology (9%).

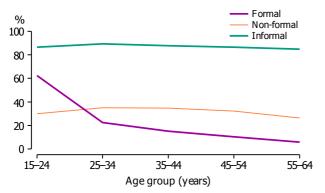
Of the workers who already had a non-school qualification and were studying in 2009, nearly half (47%) were studying for a qualification in the same broad field as their current qualification. The broad fields of study which had the highest proportions of workers studying in the same field were engineering and related technologies (55%), health (58%), and management and commerce (53%). Among

Workers studying for non-school qualifications, selected fields of study — 2009



Source: ABS 2009 Survey of Education and Training

Type of learning participated in during the 12 months prior to the survey — 2009



Source: ABS 2009 Survey of Education and Training

workers staying in the health field, many (59%) were studying a higher level qualification, while less than half (45%) of workers doing their study within the management and commerce field were studying for a higher level qualification than their previous qualification.

In contrast, almost three-quarters (72%) of workers studying teaching already with a qualification had their previous qualification in another field. This represents those workers studying teacher education after completing previous qualifications.

Participation in learning

Aside from formal education, many workers participate in other forms of training that do not necessarily lead to a recognised qualification. In 2009, almost all workers (91%) aged 15–64 years, took part in some form of learning during the last 12 months prior to the survey.

Around one-third (32%) of workers aged 15–64 years took part in non-formal learning. Non-formal learning is structured and taught in educational institutions or other organisations and includes workplace training. Non-formal learning does not lead to a recognised qualification. In 2009, 24% of all employed workers aged 15–64 years, or 2.5 million people, participated in non-formal work-related learning.

Informal learning is by far the most commonly reported form of learning. Regardless of age, well over 80% of workers took part in this type of learning. Informal learning consists of unstructured learning such as on the job training or reading manuals, reference books, journals or other written materials.

Work-related training

Work-related training refers to courses undertaken to obtain, maintain or improve employment-related skills or competencies. Deepening the skill set of workers across all occupations, and responding to Australia's labour market needs and future training requirements, is viewed as crucial for ensuring Australia's long-term productivity growth. 1

Public sector workers were more likely to be involved in work-related courses than private sector workers (36% compared with 22%), and persons employed full time were more likely to participate in work-related learning than persons employed part time (27% compared with 19%).

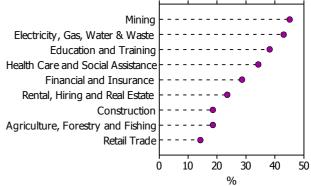
Workers in the mining industry (45%) and workers aged 25–44 years (27%) were more likely to have participated in work-related courses than workers in other industries and other age groups. Workers in the construction industry (19%), agriculture, forestry and fishing industry (19%) and retail trade industry (14%) were the least likely to be involved in work-related courses.

...outcomes

Of the workers who took part in work-related courses in the last 12 months, 85% reported gaining new skills or knowledge from at least one of the courses they undertook. However, there were varying degrees to which this knowledge was put to use. Workers reported that they applied the skills and knowledge learnt from 36% of courses 'a lot', 26% 'a fair amount', and 14% 'very little'. However, for nearly one in four courses that workers undertook, they either didn't learn any new skills or knowledge, or didn't use that knowledge.

Of those who participated in work-related training, less than one in five (18%) said that

Workers who participated in non-formal workrelated courses, by selected industries — 2009



Source: ABS 2009 Survey of Education and Training

they would like to participate in further courses. Many reported either a lack of time (22%) or heavy workloads (22%) as main reasons for not wanting to take part in more courses. A further 12% said that they were 'not interested in studying' and 11% reported that they had 'no need for study'. Workers at the very beginning and at the end of their careers (15–24 and 55–64 year olds) were least likely to want to participate in more work-related courses. Alternatively, workers looking to build careers – those aged 25–44 years – were more likely than others to want to seek further participation.

Proportionally more women (19%) than men (13%) had wanted to participate in more work-related courses, but had not participated in one in the last 12 months. Both women and men reported that a lack of time and workloads were the main barriers to participating in more work-related courses.

Support from employers

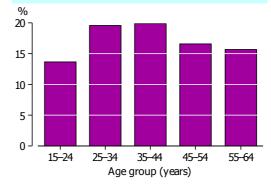
Many employers actively encourage workers to participate in further education or provide workplace training to keep workers up-to-date and informed about workplace changes or technological advances. Employers also recognise that workers who continue with education are more skilled and able to contribute to the workforce in the longer term.

In 2009, about 7 in 10 courses undertaken by employed people (71%) were delivered entirely within paid working hours, with 29% delivered, at least in part, outside paid hours. Workers employed in the private sector were more likely than those in the public sector to have attended a work-related course outside paid hours in the last 12 months, 39% compared with 31%.

Almost half (47%) of all workers who had participated in work-related courses in the 12 months prior to the survey, reported that they had attended courses that were organised by their employer. These workers attended courses that were delivered by hired or contracted consultants, rather than by existing staff members.

As well as providing work-related training internally, many employers also financially support their employee's participation in work-related learning conducted by external training providers. In the last 12 months, two-thirds (66%) of workers reported that their employer had financially supported their participation in a non-formal work-related training course run by an external provider. The most common forms of financial support by employers for external courses were paying the course fees (84%), providing paid time off or study leave (47%), and paying for study materials (25%).

Workers who wanted to participate more in work-related courses, by age – 2009



Source: ABS 2009 Survey of Education and Training

Looking ahead

According to projections by Skills Australia, over the next 15 years, the Australian workforce will grow by an average of 2.1% a year, reaching 15.3 million by 2025. It is also projected that around 4.6 million additional qualifications will be required over the next 15 years due to employment growth.¹

Recent industry and government partnership agreements, such as the Enterprise Based Productivity Places Program (EBPPP) announced in November 2009, aim to respond to Australia's labour market needs and future training requirements. The EBPPP will provide up to 90% of the cost of training for workers wishing to increase their skills at the Certificate III to Advanced diploma level. This program forms part of the larger Productivity Places Program, and aims to deliver training and skills needs, create training pathways, recognise existing skills of workers and provide training places for Australian workers.²

Endnotes

- 1 Skills Australia, <u>Australian Workforce Futures</u>, <u>A National Workforce Development Strategy</u>, Department of Education, Employment and Workplace Relations, viewed 2 August, 2010 <u>www.skillsaustralia.gov.au</u>
- 2 Department of Education, Employment and Workplace Relations (DEEWR), media release, November2009, <u>Government partners with industry</u> <u>to provide additional training places</u>, viewed 14 July 2010, <u>www.deewr.gov.au</u>