



Department of Premier and Cabinet

# **Future Directions for Human Capital**

*International Symposium on Career Development and Public Policy*

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# ***Overview***

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- **The Australian context: the need for human capital development**
- **The National Reform Agenda**
- **Human Capital Reform**
- **Lifelong Learning**
- **Human Capital and Career Development**

# ***The Australian context: the need for human capital development***

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- **The Victorian Government:** since mid 2005 has pursued a sustained campaign to build a consensus for a 'third wave' of national reform
- **The Case for a Third Wave of Reform:** economic growth following the first two waves of reform
- **New Challenges:** international competition; demographic changes
- **February 2006:** the Council of Australian Governments agrees to pursue an ambitious new national reform agenda

# ***The National Reform Agenda***

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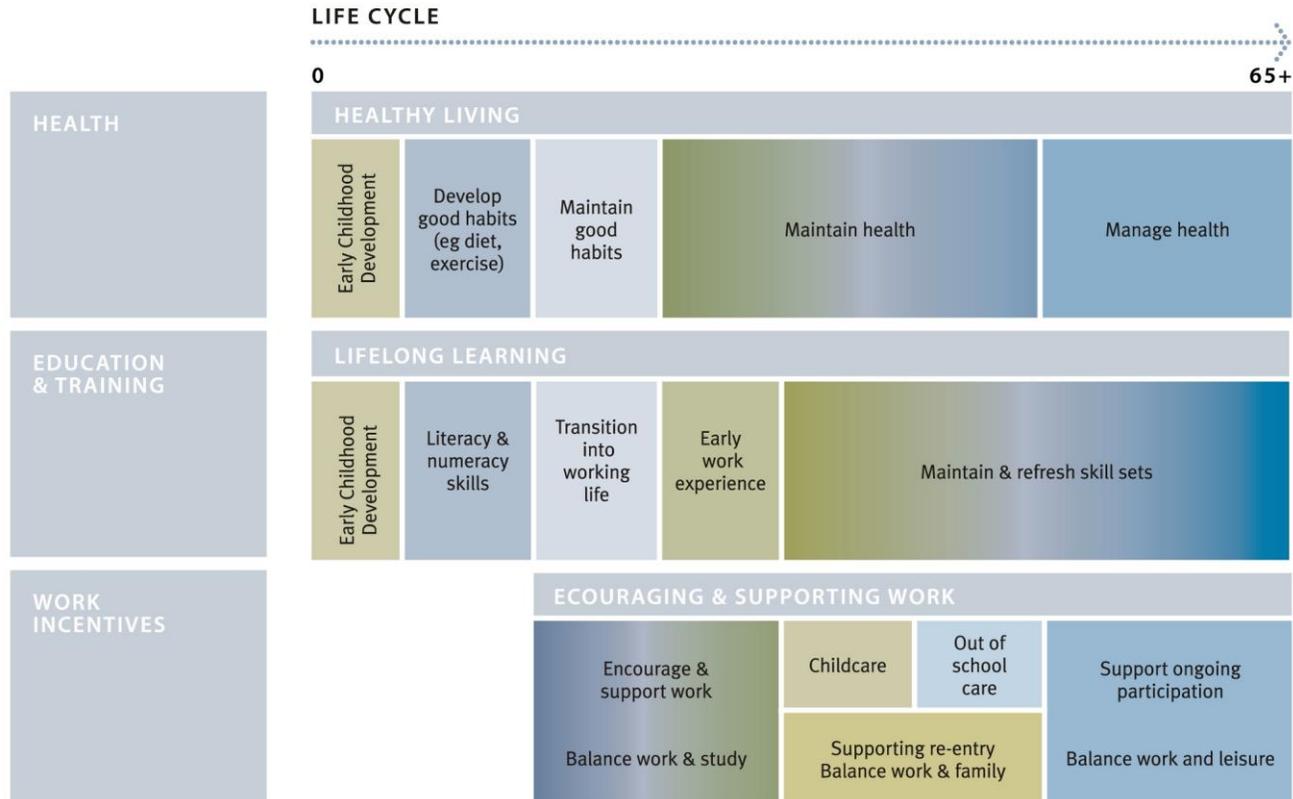
- To increase **productivity** and **participation**, we need to improve the **competitiveness of our businesses** and build the **capabilities of our people**
- New reform programs required in the areas of competition, regulation and human capital
- OECD (2005): human capital is the *'fundamental building block of growth strategies in the knowledge-based economy'*.

# *The National Reform Agenda*

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# Human Capital Reform



# ***Human Capital Reform***

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## **The National Reform Agenda: Education and Training**

Increase the proportion of *children* entering school with basic skills for life and learning

Increase the proportion of *young people* meeting basic literacy and numeracy standards, and improve overall levels of achievement

Increase the proportion of *young people* making a smooth transition from school to work or further study

Increase the proportion of *adults* who have the skills and qualifications needed to enjoy active and productive working lives

# *Lifelong Learning*

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## **Smooth Transitions from School to Work/Further Study**

- Australian Governments have initiated a host of reforms and service improvements
- Notwithstanding these efforts, the past two decades have seen little change in the proportion of young people not engaged in full-time education, training or employment
  
- **COAG agreement: relevant Ministerial Council to report back to COAG by June 2006 on strategies to ensure that policies and programs relating to transition pathways from school to work are developed and delivered to achieve nationally agreed objectives, and to ensure that information is collected to track youth transitions**

# *Lifelong Learning*

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## **Increasing the Proportion of Adults with the Skills/Qualifications Needed to Enjoy Active and Productive Working Lives**

. Important that policy supports people to attain the skills and qualifications demanded by business and the economy

. **COAG: accepted the principle that improvements in workforce productivity and participation require continuing skills development from the early childhood years – through school and working life – to retirement**

# ***Human Capital and Career Development***

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- The National Reform Agenda in relation to education and training: policy needs to support people to take a lifelong view of their workforce participation
- In my view, career development policies an implicit part of achieving this goal – including information, tracking, advice, labour market matching

## ***National Reform Agenda: Further Information***

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**Victorian Department of Premier and Cabinet website:**

[www.dpc.vic.gov.au](http://www.dpc.vic.gov.au)

**Council of Australian Governments' website:**

[www.coag.gov.au](http://www.coag.gov.au)