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BUSINESS NSW WELCOMES VET REVAMP TO TACKLE SKILLS CRISIS

The state's peak business body has welcomed the NSW Vocational Education and Training (VET) Review Final Report, released during National Skills Week.

Business NSW CEO Daniel Hunter said the report was a game-changer for addressing the skills shortage.

"Its recommendations are exactly what we need to strengthen our vocational education system and better align training with industry needs, ensuring we build a skilled workforce for the future," he said.

"Our state is confronting significant challenges in housing, manufacturing, and other sectors that rely on diverse skills and expertise. This report marks an important milestone in meeting those needs."

Mr Hunter highlighted some of the report's key focus areas:

1. **Industry Compacts:** Create partnerships between industries where they commit to working together, investing jointly, sharing information, and doing research to meet skill needs and training targets.
2. **Regional Skills Approach:** Support a plan that lets local areas make their own decisions, puts funding into a shared Regional Skills Fund, uses data for better planning, and strengthens regional training through TAFE NSW.
3. **NSW Skills Plan:** Back a clear plan for skills development that includes a way to measure progress, a system for tracking and planning workforce needs, and better data to guide funding and planning.
4. **Revitalising TAFE NSW:** Promote strategies to restore TAFE NSW as a key player in vocational education, focusing on industry alignment, local engagement, and high-quality training.

Mr Hunter said the emphasis on stronger collaboration between government and industry was a welcome development.

"It's essential that we build these partnerships to drive effective skills development and create pathways from high school to further training.

"Ensuring all students in NSW, especially those in regional areas, have access to quality vocational education is a key priority.

"Our members are committed to creating pathways to employment through education and training, especially in apprenticeships and traineeships."

Business NSW's latest *Business Conditions Report* highlights that skills shortages are hindering business growth.

"Thirty-five percent of business owners told us that skills shortages were a major obstacle to expanding their operations," Mr Hunter said.

Over the past year, Business NSW has played a pivotal role in the VET review, driving essential improvements in vocational education and training to better align with business needs.

The release of the final report coincides with a transformation in the national skills landscape and federal efforts to elevate the effectiveness and recognition of vocational education and training.

Mr Hunter said Business NSW looked forward to working with the NSW Government, TAFE NSW, and other key stakeholders to implement the recommendations.

"Together, we aim to develop a world-class vocational education system that effectively serves students, industry, and the wider community," he said.

About Business NSW

Formerly the NSW Business Chamber, **Business NSW** is the peak policy and advocacy body which has been representing businesses in NSW since 1826. We represent almost 50,000 businesses.

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