AAH Policy

Employment White Paper, November 2022

The *Australian Academy of the Humanities* is the voice for the humanities in Australia, championing their unique role in understanding the past, explaining the world we live in, and imagining and shaping the future. As one of the nation's five Learned Academies, we are a unique resource for government, working to ensure cultural, creative and ethical perspectives inform Australia's plans for now and into the future.

1. A major stake in Australia's skills agenda

A recent report from the Productivity Commission concludes that "almost all new jobs over the next 5 years will require tertiary education" and that "non-routine cognitive skills are increasingly demanded".[1]

In 2020, the humanities, together with the arts and social sciences – the SHAPE[2] disciplines – trained and graduated 143,752 of Australia's university students, representing 63% of the system.[3]

Humanities graduates equal or outperform science and maths graduates in full-time employment and labour force participation;[4] and are in demand in sectors projected for substantial growth and expected to resist automation.

Yet these graduates have been invisible to date in discussions about workforce opportunities for Australia. They are integral to any "roadmap for Australia to build a bigger, better-trained and more productive workforce."

Australians should be encouraged to pursue educational and training interests in which they will thrive, and at the same time encouraged to build skills in areas of demand. This is why the Jobs Ready Graduate Package was a public policy failure.

[1] Productivity Commission (2022) 5-year Productivity Inquiry: From Learning to Growth. Interim Report. https://www.pc.gov.au/inquiries/current/productivity/interim5-learning/productivity-interim5-learning.pdf

[2] SHAPE is a new collective term to describe the humanities, arts, and social science disciplines, and originated from a coalition of organisations in the UK, including the British Academy, the London School of Economics, and the Arts Council England. It's the new name for the SHAPE Futures Network for early and mid-career researchers in the humanities, arts and social sciences, see https://shapefutures.com.au Data from ….

[3] Based on 2020 student data from the Department of Eduaction's Higher Education Statistics Collection – where SHAPE fields are: Architecture, Education, Management and Commerce, Society and Culture, Creative Arts.

[4] Gradudate outcomes survey data at https://www.qilt.edu.au/surveys/graduate-outcomes-survey-(gos)

2. Lift participation and reduce barriers to employment

We focus on two areas to address workforce participation and reduce barriers to employment: gender equity and workforce diversity, and disability workforce and responsiveness.

2.1 Gender equity

According to Workplace Gender Equality Agency data, the gender pay gap remains persistent both in Education and Training, and across other industries that are common career destination for humanities graduates, such as Arts and Recreation Services, Professional, Scientific and Technical Services, or Public Administration and Safety.

This is the case even in industries where women represent the majority of the workforce.[5]

When read alongside the Productivity Commission report about demand for graduates, this presents a major challenge to our higher education sector.

2.1.1 Time to move on from the 'pipeline approach'

To date national approaches to address gender inequity in higher education and research have focused exclusively on science, technology, engineering and mathematics (STEM) fields, where stark differentials in demographic composition drove a focus on the 'pipeline'.

Yet the composition of the humanities workforce, in which women work predominantly in roles that are typically less senior and less secure, demonstrates a need to move on from the simple 'pipeline' approach, which presumes that greater number of women within a workforce translates into balanced workforce profile down the line.

As we wrote in our submission to the Work and Care inquiry, we urge the Government to see past mere participation in the workforce, to the more difficult issues around empowerment to address systemic and cultural barriers to recruitment and career progression.[6]

We need a whole-of-sector approach to gender equity and diversity in higher education – which encompasses humanities, together with the arts and social sciences (SHAPE) together with STEM.

2.2 Disability responsiveness

The Royal Commission on Violence Abuse and Neglect and Exploitation of People with Disability has heard evidence "that disabled people are un-valued or under-valued as workers – if they are amongst the just 53.4% of disabled Australians who participate in the workforce."[7]

[5] Workplace Gender Equity Agency, WGEA Data Explorer, https://data.wgea.gov.au/industries/1
[6] Australian Academy of the Humanities (2022), Submission to the Senate Inquiry into Work and Care, https://humanities.org.au/wp-content/uploads/2022/10/220921-AAH-Work-and-Care-submission-final.pdf
[7] Bree Hadley and Gerard Goggin (2022), Disability Training: Transforming Professions or "Not Seeing Us" Yet Again? Australian Academy of the Humanities 'Five-Minute Friday' series, November. https://humanities.org.au/power-of-the-humanities/disability-training-transforming-professions-or-not-seeing-us-yet-again/

A recent report by the Australian Council of Learned Academies (ACOLA) for the Department of Social Services examined the training needed for workforces to become more responsive to disabled people.[8] The report makes clear that a holistic approach is required, that "this transformation begins with visibility – ensuring disabled people are valued, prominent leaders in organisations." And "it continues with strategic, program, and operational planning – ensuring disabled people are genuinely consulted, and, indeed, leading co-design processes to ensure policy, strategy, operations, infrastructure, and systems are designed to be universally accessible."[9]

2.2.1 Lessons from the creative sector

Lessons from other sectors are instructive. An input report from the Australian Academy of the Humanities by Professor Bree Hadley to the ACOLA report focused on exemplary approaches from the creative sector. What the creative sector gets right is it:

- values Australians with disability as a visible part of its culture
- adopts an evidence-based approach
- adopts a 'disability-led' approach
- self-articulates varied policy, protocol, and training approaches
- is suited to self- and social- entrepreneurship work models.[10]

We commend the ACOLA report to Treasury as they consider ways to ensure that people with disability benefit from the outcomes of this process.

3. Skills, training and migration pathways

We focus on two areas for Treasury's consideration: develop and sustain Australia's China knowledge and capability, and review the Job Ready Graduates policy – the latter the subject of the upcoming University Accords process.

3.1 Asia knowledge and capability

To achieve the Government's goal of full employment in a sustainable economy, while remaining a high-wage economy, we must diversify but also deepen our integration in regional and global markets.

In the lead-up to the Skills Summit, the Assistant Minister for Foreign Affairs Tim Watts MP hosted an Asia Literacy roundtable. This is a welcome high-level commitment which speaks to the importance of the cross-portfolio agenda needed to achieve step-change across education and training, industry and government sectors.

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[8] ACOLA (2022), Ensuring Occupations are Responsive to People with Disability. https://acola.org/wp-content/uploads/2022/10/ACOLA-Disability-Responsiveness-Full-Report-2022.pdf

[9] Bree Hadley and Gerard Goggin (2022), Disability Training: Transforming Professions

[10] Bree Hadley (2022), *Disability and the Arts, Creative, and Cultural Industries in Australia*. Australian Academy of the Humanities. Report for the Australian Council of Learned Academies https://acola.org/wp-content/uploads/2022/11/AAH-ACOLA-DSS-Final-220502_updated.pdf The full ACOLA report can be accessed at https://acola.org/disability-responsiveness/

To open doors in our region, Australia needs to better deploy humanities capabilities. We need to move decisively to fill capability gaps, which amount to a credibility gap, in the cultures and languages of Indonesia.

Even as we diversify trade, China will remain Australia's most important market. The Academy is finalising a major report, *Australia's China Knowledge Capability*, funded by the National Foundation for Australia-China Relations, focused on the role of the higher education sector in building a sovereign China knowledge capability of the kind required for our national interests now and as they evolve into the future.[11]

Investment in understanding China will send a signal that Australia is a welcoming destination for the highly mobile and highly-skilled Chinese talent that may be considering Australia for employment opportunities.

3.2 Job Ready Graduates (JRG)

The Productivity Commission recently concluded that "Students appear to make good choices of their own volition. They have the best information about their own abilities and interests, making them well placed to make decisions about what they will enjoy — and benefit from — studying."[12]

The Academy was a vocal opponent of the JRG legislation which was based on flawed assumptions about employability and workforce needs; disproportionately impacted women; made it far harder for students from low SES backgrounds, including in the regions, to aspire to and succeed at university in subjects of social, economic, cultural and community value; and, incomprehensibly made the study of Indigenous culture and history more expensive than medicine.

The University Accords process offers an opportunity to redress the failures of the discredited Jobs Ready Graduates Package[13].

4. Maximise opportunities in the industries of the future

Australia's future workforce requires knowledge of our global context, linguistic diversity, critical understanding and analytical skills, and making innovation and technology ethical, accessible and sustainable. These are skills provided by the humanities.

The most sustainable jobs of the future will require skills acquired through the humanities.

4.1 Abandon the siloed approach to digital skills

There remains an entrenched view that digital skills and literacy are the province only of STEM. Some of Australia's leading AI researchers are in the SHAPE disciplines, and digital innovators exist across the disciplinary divides.

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[11] Australian Academy of the Humanities, Australia's China Knowledge Capability project https://humanities.org.au/our-work/projects/australias-china-capability/

[12] Productivity Commission (2022), *From Learning to Growth,* p. 56.

[13] Productivity Commission, *From Learning to Growth,* pp. 52-56.

Expertise from philosophy and ethics, cultural studies, media and communications, sociology, law, economics and ethnography is needed to ensure the benefits from digital transformations flow equitably and safely across society and industry.

SHAPE disciplines graduate more students than STEM; exclusing or side-lining SHAPE from digital literacy and skills development initiatives is both myopic and unproductive.

Harnessing the capacity of the SHAPE sector does not mean reducing the opportunities for STEM. It does though require a comprehensive approach to research priority setting, and removing discipline-based barriers to SHAPE involvement in government programs designed to translate the benefits of research for the nation.

4.2 Recognise the cultural and creative economy in industry policy

As automation and digital media transform the workforce, the proportion of Australian jobs generated in the creative and cultural economy is increasing.

Pre-COVID-19, employment in Australia's creative economy was growing at twice the rate of the general economy.[14] In 2018, it employed more than 600,000 workers, either directly in creative occupations in creative industries, or embedded in creative roles across other industry sectors.[15]

Humanities graduates comprise 63 per cent of the graduate workforce in Australia's creative industries.[16]

In Australia, over 90 per cent of creative businesses are small and medium enterprises, including many sole traders. To facilitate further growth, the Government needs to understand the chains of business-to-business activity that culminate in the provision of creative services. It is an industry, but Australia is yet to treat it as such.[17]

The R&D tax regime must be modernized to redress impediments to business development through the restriction of access to research in humanities, arts and social sciences for R&D tax offsets.[18]

4.2.1 Supporting regional employment

The creative and cultural economy supports employment in the regions. From 2011 to 2016, regional creative and cultural jobs increased by 21 per cent.[19] They attract people to live in regional towns, boost tourism, and improve social cohesion and connectedness.

Research led by Professor Stuart Cunningham AM FAHA, shows that in regional Queensland, for example, creative industries are bigger employers than both mining and

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[14] A New Approach (2020), *Australia's cultural and creative economy: A 21st century guide* https://www.humanities.org.au/new-approach/report5/, 5th report, p. 77.
[15] Bureau of Communications and Arts Research (2018) 'The economic value of cultural and creative activity' https://www.communications.gov.au/departmental-news/economic-value-cultural-and-creative-activity.
[16] Data analysis by Research Strategies Australia of data from the 2016 census, in *FHW*.
[17] Stuart Cunningham, Scot Brook and Marion McCutcheon, submission to the National Cultural Policy, https://www.arts.gov.au/sites/default/files/submissions/ncp0051_cunningham-brook-mccutcheon.pdf, pp.5-6.
[18] Under section 355-25 of the Income Tax Assessment Act 1997 none of the following activities are core R&D activities: … research in social sciences, arts or humanities'.
[19] In 2020, the Regional Australia Institute, *Regional Growth Prospects: Strategic Investment in Food Processing, Tourism, Advanced Manufacturing and Creative Industries*, June 2019, pp. 26.

agriculture.[20] Creative and cultural industry development in the regions is an under-explored opportunity for the sustainability, livability and wellbeing of regional and rural communities.

5. Further information

The Academy counts among its membership Australia's leading experts in AI accessibility, environmentally sustainable futures, digital transformation, and on the creative and cultural economy. We would be happy to convene further input from experts within our Fellowship.

In making this submission we draw on current research: Australia's China Knowledge Capability (forthcoming); Future Humanities Workforce (forthcoming); and our input report for the Australian Council of Learned Academies' Ensuring Occupations are Responsive to People with Disability report.[21]

[20] Australian Academy of the Humanities (2021), 'Mapping the Creative Economy – An Australian Breakthrough', https://humanities.org.au/power-of-the-humanities/mapping-the-creative-economy-an-australian-breakthrough/

[21] Bree Hadley (2022), *Disability and the Arts, Creative, and Cultural Industries in Australia.*