

**Submission  
No 33**

## **SKILL SHORTAGES IN NSW**

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**Date Received:** 5/07/2013

The Small & Medium Enterprise (SME's) sector has a significant deficiency in the skills to build businesses that will grow and prosper in a rapidly changing global market place. The SME sector is the major provider of jobs in the economy but is under skilled in keys areas that will be critical to creating and maintaining jobs in the 21st Century. These skill deficiencies include innovation, entrepreneurship and business development in national and international markets. Furthermore, future business owners in schools, Tafe's and Universities now are not acquiring these skills either. Our future SME owners will lose significant business to foreign SME's that are increasingly gaining access to Australian markets for goods and services, unless there is a significant change in how SME's are mentored. The largest employer in the economy could shed jobs to remain competitive. Those that doubt this is possible have obviously not witnessed the aggressive competition that foreign based online traders have introduced to Australian retailers and wholesalers and don't fully comprehend that outsourcing is robbing young Australia's of job opportunities, training and career development. A whole generation of finance, legal and management professional career opportunities could be outsourced in the next 5 years. Skill development of SME's in innovation, entrepreneurship and business development will create a new generation of SME owner/manager tooled and ready to tackle the 21st century. There appears to be little sense in developing the skills of employees when there are significant deficiencies in the skills of employers, which are more likely to be a greater threat to security of employment for employees. Programs like "Inspire my Future"(Introducing Entrepreneurism in schools), "SME Global" (Introducing regional SME's to international trade networks) and iVenture (Building venture & angel capital networks to access equity capital for high growth SME's) are critical to developing the skills for SME's