

Australian Capital Territory - Canberra

Date(s): 4-6 February 2014

A series of workshops were held in Canberra on 4-6 February 2014 with representatives from industry, registered training organisations (RTOs), Industry Skills Councils and Australian Apprenticeships Centres.

These workshops were the first step in an ongoing engagement with the sector to discuss the strengths of the current VET sector and areas where it could be improved.

Key Issues Raised

- The current system is provider, rather than employer, driven.
- The national qualifications system is too inflexible - full qualifications (as opposed to skill sets) are not always needed or fit for purpose, and employers are moving to non-accredited training where accredited training is too slow to respond to employer need.
- Funding is process driven rather than genuinely outcomes based.
- Training is not affordable for many employers, meaning they cannot afford to provide their workforce with the training they need.
- In some circumstances Training Package updates are too slow to maintain currency, while in other circumstances there is change 'overload'.
- In government funding and policy there has been a lot of focus on higher level qualifications and technical skills, at the expense of lower level qualifications and more generic or foundational skills, which are still needed in the workforce and under licensing regulations.
- There are different views on how Industry Skills Councils operate, including their role and effectiveness, the scope of their work and the adequacy of consultation in the development of Training Packages.
- Students are not being assessed to the satisfaction of industry.

Key Ideas for Reform

- Industry expects a training system that is responsive, flexible enough to deliver the skills industry needs, and provides a return on their investment in training. To achieve this, industry needs to be more involved in targeting government funding, policy development, delivery, the moderation of training and assessment, and in determining where additional support is required.
- Enhance national consistency in training funding, policy, research and data, to avoid duplication and overlap in regulatory/contractual requirements, to make the system simpler for employers to navigate and to enhance the portability of skills across sectors and locations.
- A stronger focus on training outcomes and assessment standards in the regulation of training and the design of training products.
- Productivity and human capital gains could be better promoted as a motivator for industry participation and investment in the training system.
- The role of Industry Skills Councils should be reviewed to ensure the optimum arrangements are in place to support industry engagement in the maintenance of industry relevant qualifications.
- Focus the regulator on quality outcomes rather than compliance, and introduce a national 'tick' or 'endorsed provider' system led by industry to inform consumers about the quality of training providers.

Summary of Notes from the Industry Skills Councils Session

Key Issues Raised

- The system needs to be industry-led in setting the standards for the skills required in the workplace.
- The National Workforce Development Fund achieved good outcomes in increasing industry engagement with the VET system; however the reporting requirements for the program are onerous.
- Funding is targeted to the national qualifications system however skill sets are more appropriate for some industry sectors where there are pressing skill shortages.
- Training providers need to be more involved with the process of change to better manage the cumulative impact of changes to policy and Training Packages.
- Students are not being assessed to the satisfaction of industry.

Key Ideas for Reform

- Review state funding arrangements and processes to ensure funding is targeted to areas of economic or social need and not adversely influencing market behaviour.
- Improve the quality of the assessment of training by setting clearer standards for the assessment of training, developing common assessment instruments or involving industry in the assessment process as a form of external validation.
- Streamline the reporting requirements and approval process of the National Workforce Development Fund to alleviate reporting burdens and improve its effectiveness.
- Increasing the voice of industry in determining funding priorities and policy development of VET.

Summary of Notes from the Registered Training Organisation Sessions

Key Issues Raised

- There is a lack of consultation with RTOs at the policy design level and in the development and maintenance of Training Packages, with minimal representation of RTOs in key advisory bodies.
- The one-size-fits-all approach to regulation does not recognise the diversity of the sector and is placing undue administrative and cost burdens on training providers rather than improving the quality of training outcomes.
- The frequency and cycle of change, complexity of approval process, and speed to market of Training Packages is disconnected from industry needs and RTO business processes. In some cases Training Packages are not sufficiently responsive and flexible, while in other instances there is change fatigue from the amount of Training Package updates.
- There are differing views on Industry Skills Councils, including their effectiveness in developing Training Packages that meet current and emerging skills needs and the level of consultation undertaken with the sector.
- State funding models are adding an extra layer of complexity to the system and the process for determining funding arrangements and their link to quality training outcomes for students and employers are not always clear.
- Assessment practices, including the Recognition of Prior Learning, vary widely and there is a need for a rigorous validation process to ensure assessments are done to industry standard.
- The VET system lacks a vision and strategy and its value to the economy and communities is not clearly articulated. The VET sector should be promoted and have the profile to match the university sector.

Key Ideas for Reform

- Better communication with the sector to clarify government policy and the roles and responsibilities of different players in the system.
- Increasing the accessibility of information about the training market to allow for easier understanding and navigation of the system.
- Implementing a risk-based approach to regulation to minimise regulatory burden for high quality providers, reduce duplicative arrangements and free up the regulator to investigate poor quality providers.
- Establish feedback mechanisms driven by consumers (students, employers and industry) to determine and inform consumers about the quality of training providers.
- Reviewing Training Package processes to ensure they are relevant to industry and implementable.
- Increasing access to VET, including extending VET FEE-HELP to Certificate IV qualifications and streamlined visa processing arrangements for international VET students.
- Promoting the system's strengths and successes to lift the standing of VET.

Summary of Notes from the Australian Apprenticeships Centres Session

Key Issues Raised

- The system is provider, rather than employer or apprentice driven.
- There is no clear, definitive source of information on the Australian Apprenticeships system that is accessible to all users of the system. There is a need for better information to clarify the expected training and employment outcomes of apprenticeships, and the range of programs and services available to facilitate brokering arrangements and the transition from school to work.
- Australian Apprenticeship Incentive Payments are not necessarily aligned to areas of current and emerging skill needs.
- The profile of apprenticeships needs to be raised to be given equal status to other education options.
- There is a duplication of Commonwealth and state administrative processes and the provision of services.
- Inconsistency in the level of support available throughout the entire life cycle of apprenticeships/traineeships.

Key Ideas for Reform

- Establish a one-stop-shop for information, including advice on careers, pathways, workforce planning for all users of the system.
- Review Australian Apprenticeship Incentive Payments to ensure they align with the needs of the economy and meet their intended outcomes.
- Streamline administrative processes through an improved IT system to free up Centres to provide greater student and employer support services.
- Promote and broaden the services provided by Australian Apprenticeship Centres.
- Reduce inconsistencies in administrative and cost requirements across jurisdictions to enhance labour mobility.