

**Summary of participant views - VET Reform National Consultations - Adelaide, 2 February 2015,**  
**Morning Session**

**Priorities for Future VET Reform**

**Summary of feedback**

**Industry responsiveness:**

- Need for greater industry engagement and questions raised on how to achieve this. The issue of defining who exactly industry is also discussed.
- Concerns about the future of ISCs were raised by participants, with general consensus that they have been doing a good job.
- Participants agreed that training needs to be aligned to industry needs, but noted that sectors have different needs and industry isn't driving training as they are busy running businesses.

**Quality:**

- Participants had mixed views on ASQA, with some stakeholders stating they were doing a reasonable job and providing good information to RTOs, whilst other feel policed and noted a lack of information and resources.
- There was general consensus that greater focus should be applied to non-regulated training providers.
- Whilst time is needed to fully assess the impact of the new standards, there is concern from participants that some of the new measures (such as the 30 day requirement to issue a qualification and requiring trainers working under supervision to hold an enterprise trainer skill set) represent over-corrections to current practice.

**Streamlining and deregulation:**

- Inconsistency across states and the duplication of effort in reporting have been common issues across consultations.
- Participants called for streamlined reporting and standards and greater communication between the commonwealth and the states governments.

**Funding:**

- The pace of change to funding arrangements came up as a major issue for RTOs and students who are unable to rely on funding into the future.
- Participants called for greater funding for apprentices and trainees, as well as for pathways and pre-requisite courses.

**Specific points raised during discussion**

**Industry responsiveness:**

- Industry engagement
  - Should be an industry led system – but who is industry? (Should represent all industry stakeholders not just a select few).
  - The lack of dialog with industry and lack of dialog at a state based level is due to the lack of ITABs. Spell out acronym?
  - Motivation – what's driving organisations to engage with VET and stakeholders - possibly need a mechanism to help some industries engage?
  - Industry is struggling with how to get involved?

- Consultation with Industry to connect with RTOs/JSAs.
- Need more industry connections and work experience but that leads to red tape – faced with the cost of insurance etc.
- Role of ISCs
  - Most ISCs are fantastic, working well and offer additional value through e-scans, resources, dialogue around package development and accessibility of ITABs.
  - Should all ISCs be impacted due to some low performers? What is a low performer? How do we ensure equity?
  - After July 1, ISCs may not be as prominent and Industry Associations may then play a larger role.
- Training aligned to Industry need
  - Employers are looking for employees who are properly qualified rather than those with courses that are non-accredited.
  - One size doesn't fit all - VET means something different and is used differently in different sectors e.g. High risk licensing – individual units of competency to meet occupation outcomes.
  - Issues with VET in schools aligning with industry.
  - It's not realistic that industry will drive training, they are too busy running their business – industry relies on Industry Bodies to do this for them, and they just want well trained people.
- Other industry sectors – construction – that don't seem to be particularly well represented when they're across diverse areas (e.g. IT Telecommunications v. Information Technology)
- Keep independence in the sector. Don't let vested interests of industry take over (industry bodies are often RTOs).
- Training Packages work well – particularly the standards set by industry.

#### **Quality:**

- ASQA
  - The ASQA guide and information sessions are helpful for RTOs, especially around marketing and third party (Need follow up sessions after the new standards kick in).
  - However, others mentioned that they received more assistance and guidance from previous regulator and that there have been a lot of changes in a short period of time and that they need more guidance from ASQA.
  - RTOs feel they're being policed by ASQA rather than helped.
  - When ASQA came in providers didn't know what they needed, but more positive responses recently have helped.
  - Large scope RTOs dealing with TYIMS, ASQA.
  - Focus on shonky RTOs.
  - Regulation should be dealt with by a fearless regulator.
- Non-regulated training providers
  - Issues with non-regulated training courses not being up to standard – hard to regulate if they're not an RTO.
  - Guidelines need to address use of ASQA registered providers subcontracting work to non-registered VET providers.
- Outcomes
  - Aboriginal community (but not solely) are attending courses with no outcomes.
  - Mentoring programs which lead to high completion rates and employment outcomes are working well.

- New RTO standards
  - 30 day requirements to issue a qualification is a big ask.
  - Sector can get better but isn't fundamentally broken – e.g. new standards aren't fully implemented so not possible to see their full impact yet.
  - Concern about an “over-correction” to Standard 1 which requires people working under supervision to hold either the Enterprise Trainer Skill Set (in either mentoring or presenting), or Enterprise Trainer and Assessor Skill Set. This change will severely affect the ability of some RTOs to deliver relevant quality training and assessment to regional and remote areas, and their viability as a business. Industry experts will not be interested in working with these RTOs if they are required to obtain a Skill Set.
- Transparency
  - Lack of transparency for businesses looking to engage an RTO and lack of publically available information to inform decision making about quality.
  - How does an employer identify quality – what information/stats can we make more publically available?
- Training Packages
  - Training package endorsement process is a black hole following dissolving of the NSSC - what is the process for endorsing now? With new regime need process to be streamlined and responsive to industry needs.
  - Having licence requirement (for licensed trades) forces quality in training program and don't want to lose industry input already present in those industries. However, in other trades, state regulatory bodies need to be on board with changes to the training packages and the training package outcomes/intent – strict guidelines needed in a deregulated market in order to control high quality outcomes and licensing.
  - Training Packages are working well and industry is setting good standards to follow.
- Issues with the perception of the value of VET – schools are pushing university and if students don't get there they feel like they failed.
- Quality of training for trainers.
- Good employers employ students with the right qualification.
- Deregulation is a push to industry – health and safety risks. Keep a level of high standards.
- Many changes happening in a short space – compliance issues are taking away from actual training.
- Standards in South Australia have always been higher than other states.
- Industry assessment post training – e.g. capstone test.

#### **Streamlining and deregulation:**

- National system generally works ok.
- Need an overarching body to keep it all fair.
- Inconsistency
  - Consistency across states and territories needed for funding, nominal hours, units of competency required - harmonisation of decisions and processes.
  - Inconsistencies caused by state and Commonwealth systems not talking – different departments contradict each other.
  - Licences should be deemed ok to operate under any jurisdiction – issues with states that are exempt.

- Compliance/Reporting
  - Duplication of effort with dual compliance systems - impact on RTOs, cost of maintaining scope.
  - Streamline processes and reporting systems to reduce costs, time and bureaucracy.
  - RTO spending time on keeping up with regulation, compliance and reporting for multiple reporting lines/requirements. E.g. ASQA, Industry Bodies (licensing), State Training Authorities, VET FEE-HELP and different reporting requirements, such as VETA, STELA, NCVET, ASQA, AHPRA.
  - Need streamlined reporting systems, a single reporting repository and standardised data standards.
  - Uploading data is working well.
- Constant change and is causing confusion in the sector. Need clear understanding about why changes are being made.
- Leave regulation and quality to the regulator.
- Differences in nominal hours between states cause difficulties for employers working across state systems.

#### **Funding:**

- Pace of change
  - Funding changes so regularly it is impossible to keep up, especially for small businesses.
  - State government funding changes quickly and it's difficult for RTOs to react. Also affects viability if it changes at short notice, regardless of employment outcomes and completion rates.
- Pathways
  - Need to reinstate funding to ensure pathways at the prevocational level.
  - Breakdown in funding (Certificate I and II courses) cuts off VET pathway - it is ok to change the structure of the course but still need a pathway to get to a particular point.
  - Fees can be quite significant to cover off pre-requisites to get to the qualification they are after.
- Apprenticeship/traineeships
  - Incentives for apprentices and trainees /employer subsidy.
  - There is no incentive or employment subsidy for trainees.
  - Insufficient funding to support full trade for apprenticeships/traineeships.
- Money is being incorrectly targeted to RTOs and not industry and their priorities– leads to questions about motivation in the system. Is it preparing someone for employment or skilling someone who is employed?
- VET FEE HELP is very good.
- Skills for All Funding is great, but emphasis is on money and how many students an RTOs can enrol rather than outcomes.
- Funding can drive behaviour – how can we get better outcomes for students e.g. Electrical – quarter passing standards.
- Cost of putting qualifications on scope, and cost of maintaining registration.
- Funding for LLN after demise of WELL program.
- Different funding models are confusing for employers and participants.

- There are about 4,000 RTOs who are small businesses, in Australia. The Government provides no security for those with a licence. The public system eats up 83% of all available funding and private operators receive no guarantees that funding programs are continuous for a given period and private RTOs have nowhere to go when the funding is cut at short notice. They also receive no funding for Capital works.

#### **Other areas for reform:**

- Change and reform
  - System is generally ok but room for continuous improvement - don't undo progress of last 15 years.
  - Allow time for existing reforms and progress to be implemented properly and prosecute clear argument for change – not just change for change sake.
  - Many reforms, all at once are stalling the system.
  - Complexity and confusion caused by the sector constantly changing – need news to be consistent, common language, stronger cases for change, identification of systemic issues, acknowledge progress.
- Foundation Skills
  - People have fabulous qualifications but they have no social skills - they can't communicate properly.
  - Issues with school system and low LLN has a big impact on RTOs - extra work needed to establish what level people are at and then put in place individual plans to improve LLN.
- Training Packages
  - A lot of courses being changed in a short period of time – need a dedicated person/team to keep up with regulation and changes (especially difficult for small businesses).
  - TPs are supporting what we do as an RTO well. Keeping up with changes and streamlining does help.
  - Consistency of qualification AQF levels – e.g. Certificate III Plumbing should be a Certificate IV if you consider the AQF level requirements.
  - Do RTOs understand why content changes to training packages are required?
  - Make whoever has developed a training package responsible for the quality – a third party 'quality panel' doesn't have the background.
- Entrepreneurship drives the economy and market place. Need to recognise it as a whole educational mindset – not addressed across education system. OECD - 80% of new jobs.
- AVETMISS 7 is working well but difficult to collect the year people leave school which can cause an issue with reporting, in particular mature students.
- Inability to sell licences on - impacts on small business.
- No common language about the VET sector for schools, career advisors and parents. How do we improve consistency of language and understanding?
- Industrial relations considerations for Certificate III vs Certificate IV.

## **Review of Training Packages and Accredited Courses**

### **Summary of feedback**

- Greater industry engagement is needed in Training Package development.
- Participants agreed that changes to Training Packages are too frequent and that a case for change, based on an evaluation process, should preface further changes.
- Participants generally want Training Packages to be flexible, but some expressed the need for more prescriptiveness.
- There was general agreement for reducing the number of qualifications and consolidating the number of training packages and qualifications.

### **Specific points raised during discussion**

#### **What objectives for training packages are important to you?**

- What is the purpose/objective of Training Packages? Is 'Training Package' the right name?
- Training Packages can have flexibility within their structure but need to keep their consistency.
- Nationally endorsed product that leads to being occupation-ready rather than enterprise ready.
- ISCs and the role of industry – vital that the Training Packages are industry led (including involvement small medium enterprises) but each ISC is different.
- Strong ISCs – clear directions/objective/expectations.
- Data and Statistics which are easily accessible.

#### **What is working well?**

- Don't throw out the baby with bathwater - many of the issues raised are being addressed through implementation of new standards but that process hasn't finished yet.
- Skill Sets
  - Great in non-regulated industries and good for up skilling but funding is an issue.
  - Industry is using skill sets more - sometimes they contain core units and add on other things.
  - Fulfilling an important need for people who do not have time to complete a full qualification.
- ISC has been very supportive with helping development and they continue to do that with maintenance of Training Packages and resources.
- Consultations for training packages are good.
- Some packages are great – e.g. Business and trades.
- Great when changes are not too frequent.

#### **What areas need improvement?**

- **Engagement**
  - ISCs need to give clear directions and objectives.
  - Not all industry values qualifications equally.
  - Insufficient consultation with industry e.g. wool classing.
  - Unrealistic expectations of industry.
  - Concern about the ability for industry to input effectively into Training Packages and the lack of pathways that are there.

- Industry subject matter experts don't understand the requirements and structure of training packages.
- More consultation with all stakeholders, industry, employers and RTOs needed so that they are all on the same page about what's needed, the gaps and resources required.
- Issues in some packages with multiple forces influencing or driving them.
- **RTO involvement**
  - Expectations within Training Packages need to be made clearer to RTOs when they are released.
  - Employers rely on RTO for advice on electives which may result in RTOs pushing their own interests rather than what employers require.
  - Importance of Certificate IV Training and Assessment for developing the skills of trainers in interpreting Training Packages.
  - Balance of convenience for RTOs operating in thin markets.
  - RTOs aren't accessing some current qualifications with low take up because of funding restrictions.
  - More consultation with RTOs in the way packages are delivered.
- **Changes to training packages**
  - Issues caused for RTOs where there are multiple changes to Training Packages and problems with mapping across (eg first aid).
  - Training Packages shouldn't change too frequently – annual or every 2 year review would suffice.
  - Make a case for change – what's happening well, evaluate before review.
  - Are Training Packages reactive or proactive? Complexity due to time lapse in releasing new Packages - some industries are so fluid it is difficult to know what jobs will be there when the qualifications come out.
- **Content**
  - Difficulty in identifying product specific skills within the Training Package even if they exist as industry standards.
  - In some cases the assessment requirements are not implementable because of state laws.
  - If qualifications are too broad, the reality of the employer being able to offer real or simulated learning is not realistic.
  - Flexibility v prescriptiveness
    - One size does not fit all, even within an industry there is a need for flexibility.
    - How much flexibility is enough/too much?
    - Flexibility is critical – a locked in qualification may not suit or be appropriate to an individual workplace and you need to have something within the package that is helpful for them.
    - Are Training Packages generic enough to capture that the workforce is changing (future proofing).
    - Need a consistent structure but with flexibility within it.
    - Flexibility is critical because it allows learners in narrow job roles to complete a qualification with additional units that their job does not give exposure to.

- **Other**
  - Role of Training Package
    - Should all training package qualifications be vocational?
    - Does all nationally recognised training need to be a qualification? E.g. Pre-employment; pre-apprenticeship; white card; post trade.
    - Role of imported units into the Training Packages.
    - Training Packages versus accredited courses.
  - Foundation skills
    - Students exit schools then enter the VET system ill-prepared and soak up industry training resources on LLN.
    - University students graduating without necessary social skills, e.g. people with Masters going back to get social skills.
    - Importance of employability and foundation skills - generic statement in unit is often ignored.
  - Pathways
    - Better articulation to higher education/university – need more flexibility for movement and to overcome problem of some universities thinking that VET is not good enough for them to train.
    - “Pathway” of qualifications affects use – i.e. real job outcomes or university status of pathways.
  - Mapping from superseded units/qualifications to current units when assessing for RPL.
  - MySkills website not working 100% and doesn’t work for RTOs with multiple business units.
  - Lack of consistency across training packages in relation to work experience requirements.
  - Difference between regulated and non-regulated training - things will gravitate to the lower level of quality if they’re mixed in the same system.
  - No incentive for people to get more qualified in some industries. Remuneration and training.
  - Industry licensing needs to sync together.
  - Funding (especially in some fields) - who pays?
  - The application of the Australian Qualification Framework to qualifications at the same level is sometimes unclear e.g. Certificate III in a traditional trade versus some other Certificate IIIs).

**Where improvement might be needed, what direction of reform, and in what area, would you favour?**

- **Training/Assessment**
  - Change name from ‘Training Packages’ to ‘Assessment Packages’.
  - Quality and consistency of assessment important.
  - Core work/employability skills need more clout if this is what industry really wants - statements in unit don’t do it.
  - Foundation skills incorporated into units and assessment requirements specified and entry requirements permitted.
  - Training Packages need to specify outcomes for non-licensed professions, as for licensed professions/trades.
  - Transparency in assessment - RTO either passes or fails applicant.

- Structure and clarity about what needs to be assessed/trained – there is currently discrepancy between RTOs.
- **Delivery**
  - On-the-job training
    - Importance of work experience/practical experience.
    - Training Packages should describe placement requirements that are required before qualification can be completed – e.g. hours of work experience/placement needed.
    - Work placement can be seen as a negative compared to intuitional based training and are not required or ignored in some instances.
    - Can a simulated workplace satisfy competency requirements and if so, what quality guidelines are required?
    - Some training package requirements might still not be part of current industry practice - could a profiling system or promotion of a mix of experience address this?
  - Clarity of requirements for trainers/assessors – industry experience, online learning.
- **Funding**
  - Funding model drives behaviour.
  - Need to break funding model so RTOs aren't encouraged to pass students for funding.
- **Development/design**
  - Finalise the endorsement process to align with new standards and a transition plan with the ISC, so stakeholders know if TPs are going to be endorsed.
  - Fewer changes to training packages and less often.
  - Updates could come out once or twice a year rather than drip feed, but some urgent changes may be necessary.
  - Need more streamlined/core/generic units (e.g. OH&S), particularly across industry sectors which would help with upgrading units as well as one change would flow into multiple areas.
  - Need flexibility in choice of elective – one size does not fit all even within the one industry.
  - Training Package need to be more specific to ensure industry requirements are met - difficulty in identifying product-specific skills, even though those might be the industry standards.
  - Look at how Training Packages and competencies are designed to maybe build in some more realistic expectations – currently, industry's ability to understand what it means to have a particular qualification is poor and is leading to unrealised expectations.
  - Better incorporate industry (including small business) needs into Training Package content and development.
  - Subject matter experts may not be experts in structure of packages - industry might want to contribute but they need help in getting their input into a training package usable state.
  - Challenge for developers to produce Training Packages that are relevant and to document performance requirements clearly so RTOs know what to do.
  - Unit notations going out.
  - Maintain pathways from Certificate I right through to higher levels.

- **Regulation**
  - Can regulated and non-regulated sector mix (e.g. child care compared to retail)? One view says they should, the other says that the two levels of quality needs do not mix.
  - Industry, licensing, packages and States all need to synchronise nationally.
  - Less bureaucracy and red tape.
  - There is currently a vacuum in governance – who will replace the NSSC?
- **Other**
  - Standardisation of qualifications - consolidation
    - Important to look at whether RTOs have a qualification on scope. This doesn't mean the qualification isn't used by industry.
    - Benchmarking competency based job descriptions etc.
    - Too many qualifications – more generic cross transferable – so we don't have massive amounts of qualifications.
    - Relevant to actual needs.
    - Support prescriptive course streams with electives.
    - Repetition in TPs with some Units of Competency repeating.
    - Consolidation of competencies – some training packages have ridiculous numbers that can be streamlined.
    - Accredited courses could be a better solution and work well and other solutions could be explored – e.g. Low volume qualifications in terms of take up but important in high risk areas, e.g. Graduate Certificate in Radiation Safety.
    - Need more streamlined generic units (e.g. OH&S) and elective units for more technical things – would also help with transferring across industries.
  - Reinstate Range Statements.
  - Look at scope for a dual trade qualification - public perception of declared qualifications and trade doesn't reflect specialisations.
  - Stop diminishing VET to only allow Certificate III in schools – open up system to kids re entrepreneurial skills and allow them to embark on a diploma type course.