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CCF WA Submission to Productivity Commission – Skills and Workforce Development Agreement

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Thank you for the opportunity to comment. CCF WA would like to briefly address some specific issues from a Western Australian industry perspective – I understand that the CCF's National office will respond more broadly.

INTERIM RECOMMENDATION 6.1 — COMMON METHODS FOR COSTING State and Territory governments should use common methods to measure costs and determine loadings.

CCF WA cautions against time-consuming and ultimately pointless exercises in search of 'national consistency', seemingly based on the principle that because the Federal Government funds VET, it should be able to tell the States how to run it. In this regard CCF WA believes the principle of subsidiarity – "responsibility for a particular function should, where practicable, reside with the lowest level of government" – should be followed.

Federal funding for VET should be allocated to the States transparently according to an equitable formula. The States are then best placed to allocate the funding effectively using processes that are proven and understood in that jurisdiction. The Federal Government can of course audit the effectiveness of outcomes and work with individual States on improvements as required.

INTERIM RECOMMENDATION 7.1 — TRAINING PACKAGE UPDATE AND APPROVAL PROCESSES Reforms planned or underway to streamline the development and updating of training content should address most stakeholder concerns. To further improve the timeliness of the process, the COAG Skills Council should consider delegating to Industry Reference Committees the power to: • commission updates to training packages where there is an industry-agreed change to work standards or a new technology • approve straightforward, non-controversial or minor changes to training packages

This recommendation makes sense as the IRCs will generally be closer to industry concerns about any packaging issues and able to respond effectively in a timelier manner. Generally, we believe concerns about the timeliness and relevance of training packages need to be put in perspective and not be a distraction from a far more serious issue, which is the wide disparity in the quality of training delivered by different RTOs.

INTERIM RECOMMENDATION 7.2 — QUALITY REGULATION The Victorian and Western Australian Governments should ultimately follow other State and Territory governments in referring regulation of training organisations to the Australian Skills Quality Authority (ASQA).

CCF WA strongly opposes any move to close the Training Accreditation Council (TAC). Western Australia is served very well by TAC and we see no benefit in referring regulation to ASQA. Through TAC, WA can respond more quickly to industry skill needs through the development and accreditation of local qualifications. For example, the partnership between South Metro TAFE and Rio Tinto to develop and deliver Australia's first automation qualifications. Without TAC the accreditation of the qualifications would not have been possible and would have taken at least another full year to come to fruition.

The above is just one example of where a skill gap specific to Western Australia has been identified that is not covered by the national industry training package qualifications. Industry has been able to get a course accredited locally through TAC in less than 12 months from concept to implementation.

The reasons given in the report of why a merger would be beneficial – confusion among RTOs about who to report to, or students about who to complain to – are relatively minor inconveniences and certainly no justification for WA abandoning a system that works.

INTERIM RECOMMENDATION 7.3 — IMPROVING THE PROVISION OF VET INFORMATION The National Careers Institute should extend its work on information provision to fill significant information gaps in course prices, subsidies and RTO quality, and test that information is salient to students, trusted, used and interpreted correctly.

CCF WA strongly supports the provision of improved information. Regarding 'information gaps' in RTO quality: if there are RTOs out there whose quality is of such concern that students need to be informed, surely regulators should be either demanding higher standards from those RTOS or closing them down, not accepting it as a reality and warning students.

Yours sincerely

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