

15 July 2020

Dear Commissioner,

The views I express in this submission are my own. They are based on having worked in a broad range of roles relevant to VET and Skills for 25 years. My current roles include management of a national Enterprise RTO, Chair of an Industry Reference Committee and leading a project that examines the links between non-formal and formal education.

Before commenting on aspects with a perspective that is different to what is presented in the interim report I would like to acknowledge and thank you for the work so far that includes a lot of positive items that I am pleased to see in this report.

Kind regards

Jeffrey Lehrer

**Submission on the Commission's interim report on the review of the Skills and Workforce Development Agreement**

Pages 3-4:

There is truth in the statement that tertiary education “is geared more to younger people seeking to acquire skills to obtain a job rather than people who need to upskill or reskill for an existing job”. This neglects the assumptive logic behind recommendations in the recent Australian Qualifications Framework (AQF) review that highlighted the call for inclusion of skill sets and micro credentials. Figure 1. demonstrated that with increasing age people undertake non-formal work related learning that is cost effective and relevant to increasing skills relevant to their job. The current AQF is built upon the concept of completing entire qualifications however the data indicates that even within formal education this is not the only way the Australian people engage with formal education. Industry experience highlights that people complete non-formal or partial qualifications from formal education to address the skill need that they have at a point in time and some choose to incorporate those outcomes into a qualification at a later stage. Therefore recommendations in the AQF review in relation to inclusion of partial qualifications, skill sets and micro credentials assists to create building blocks that are cost effective and relevant to increasing specific workplace skills and therefore regear tertiary education to incorporate changes that will make AQF outcomes viable for workers and employers and result in higher percentages of people with increasing age partaking in smaller components (not qualifications) of formal education that enables them to upskill or reskill for an existing job. This will also enable easier transition into full qualifications and therefore make it more achievable to meet government targets of increasing the percentage of people with Certificate III or higher qualifications.

It is not clear where data for Figure 1. was derived and as such it should be noted that young Australians in the 15-25 age bracket participate significantly in non-formal education through a range of community organisations. When surveyed the young people often do not recognise their fun, social, outside of (formal) education, extracurricular activities as being non-formal education. For the young people it is typically just something they enjoy participating in and yet a range of non-formal education programs have been mapped to formal outcomes demonstrating that young people have, often unknowingly, achieved skills and knowledge through non-formal education that are equivalent to the standards specified in units of competency and readily result in qualifications at a level of Certificate II, III or IV.

Page 13: In relation to comments around the suitability of the required qualifications for VET practitioners, I have personally raised concerns about the current Certificate IV in Training and Assessment and provided suggestions however I support the stipulated requirements laid out in the 2015 Standards for RTOs which are suitable to the practices of Enterprise RTOs and non-formal education providers who also provide assessment for VET outcomes. These examples should be considered in any further exploration of unbundling of assessment from teaching and the potential impacts on the current model of VET supply.

Page 29: I strongly support the suggestion that where changes are minor and uncontroversial that training packages would be approved quicker by devolving approval processes to the Industry Reference Committees. There is also another significant delay with the timing and context of how State Training Authorities provide comment.

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*INFORMATION REQUEST — ROLE OF COMPETITION IN THE VET MARKET*

- *What role should competition play in meeting users' needs, including the quantity, type and quality, and regional accessibility of VET services?*
  - Competition has positive impacts on innovation and choice however as per the example of secondary schools, if we as a society value VET services as something that should be available to everyone than that results in a different approach that relates to some of the information within this report that talks to TAFE as a public provider requiring funding that goes beyond standard VET funding.
- *How should the efficiency of the VET market be measured?*
  - While this report talks to deficiencies in previous and current measurements, user satisfaction (students, employers, other education providers) and engagement with the VET market needs to be included in any VET market measures. Considering the context of efficiency, some delivery methods may be considered as efficient but may not necessarily measure well if measured against effectiveness.
- *What is the appropriate (and exclusive) role of public providers, and why?*
  - Standards for RTOs require all RTOs to cater for all people, taking into account any difficulties that they may have. The competitive marketplace results in some RTOs that work really well with certain populations that are not supported well elsewhere. I am not indicating that public providers should be exclusive but public providers are in a position to work effectively with a range of government departments and support organisations to ensure that disadvantaged and under privileged populations have appropriate support to complete VET outcomes.
- *Are additional consumer protection arrangements required to support a well-functioning VET market? ~~What are the costs and benefits of different models of consumer protection established by governments, including ombudsmans' offices?~~*
  - A tertiary education ombudsman would not only result in supporting a well functioning VET market, but would make it easier for all people participating in post-secondary education and would make it easier to identify areas of potential improvement that are either specific to or across both VET or Higher Education and would also assist with identification and rectification of issues that occur when engaging with or gaining credit that is cross sector.

*INFORMATION REQUEST – CAREER GUIDANCE FOR STUDENTS*

- *What changes could be made to ensure school students have appropriate career information and advice?*
  - Centralise career information
  - Provide better resourcing of careers advisors in schools to enable career consultation and planning that goes beyond the minimal hours currently available in public schools
  - At Certificate II level where we currently have multiple units of competency that are industry specific for students to research and learn about that specific industry, develop a cross sector unit of competency that can be contextualised but is designed so that individuals learn to access, engage with, and understand career information that may be specific to one identified industry that they are passionate about or includes multiple industries while they are examining their options.

*INFORMATION REQUEST – DESIGNING A NEW INTERGOVERNMENTAL AGREEMENT*

*If a new principles-based agreement was negotiated in line with interim recommendation 2.2:*

- *how should it consider other educational sectors, informal training and non-government funded training?*
  - Articulation and credit arrangements require significant work to enable effective use by students and formal education providers
  - Non-formal education is well placed to provide learning opportunities that individuals may then choose to be assessed against formal education requirements
  - Funding for assessment only and/or recognition of prior learning needs to be reconsidered in-line with the learning pathways that are used to gain the VET outcome

*INFORMATION REQUEST – IDENTIFYING AND ACTING ON SKILLS SHORTAGES*

- *What are useful ways of defining and measuring the skills shortages (and surpluses) relevant to the VET sector?*
- *What factors are causing an apparently persistent shortage of skilled workers in some occupations, despite these occupations being a priority for government support?*
- *To what extent are skills forecasts based on future industry growth a useful and reliable basis for providing course subsidies?*
- *In what circumstances do skills shortages justify course and employer subsidies and at what level of granularity?*
  - Some state and territory data can be as recent as the last 3-6 months whereas national data is as old as 24 months therefore reliance on national datasets to develop forecasts is problematic.
  - Some industries have significant problems with ANZSIC codes misrepresenting the sector and therefore qualitative data and alternate sources of quantitative data is required.
  - Qualitative data direct from industry are a useful indicator of industry growth that may be considered hopefully biased when advocating for subsidies, however it typically takes at least 12-18 months before skills forecasts based on future industry growth projections can be verified with quantitative data.

*INFORMATION REQUEST — PATHWAYS AND TRANSITIONS*

*The Commission seeks evidence on:*

- *the usefulness of VET in schools in developing work-ready skills*
  - While acknowledging and agreeing with some of the negative comments in relation VET in schools developing work-ready skills, the Certificate II in Outdoor Recreation is an example where completing this qualification through VET in schools does not result in participants being work-ready, it does however prepare the participant with an understanding and significant levels of credit into the Certificate III of Outdoor Leadership
- *what can be done to improve students' awareness of credit entitlements between the VET and higher education sectors*
  - A single tertiary education ombudsman would pick up on trends relating to how often this is a problem for students
  - Centralised information is highly important to improve students awareness of credit entitlements
- *the extent to which time-consuming processes for credit and recognition of prior learning are a barrier to students applying for credit*
  - Not all credit and recognition of prior learning processes are as time consuming.
  - Processes need to be improved and incorporated in a broader manner throughout tertiary education so that education providers, assessors and therefore students are not subjected to unnecessary time-consuming processes
- *the effectiveness of programs and services aimed at assisting groups to move from education to employment (such as Jobs PaTH, Transitions to Work and jobactive)*
  - Without the support of these programs disadvantaged and underprivileged participants are less inclined to move successfully from education to employment resulting in long term unemployment, low levels of mental health and a reliance on other forms of government support. Some organisations that operate specifically in other sectors (e.g. disability support) utilise VET services but are less likely to be responding to this interim report because they have positioned themselves within a sector apart from tertiary education.
- *whether there are gaps in government initiatives aimed at improving students' workplace-ready skills and, more broadly, transitions from education to employment.*
  - Non-formal education programs from a range of community organisations provide participants with workplace-ready skills and enable further education opportunities that assist to provide options to transition from education to employment
  - Funding for assessment only and/or recognition of prior learning needs to be reconsidered in-line with the non-formal education pathways that can be used to gain VET outcomes

*INFORMATION REQUEST — EVIDENCE ABOUT MENTORING AND PASTORAL SUPPORTS*

- *How should pastoral and mentoring services be funded, delivered and designed, taking into account the continuity of funding, scale, and effectiveness in improving outcomes for students?*
  - For participants from disadvantaged and underprivileged groups some of this may be better considered in conjunction with other funding arrangements, example the National Disability Insurance Scheme (NDIS).

- *What should be their priority target groups?*
  - Considering that this is about education, irrespective of any other grouping that could be applied, the priority target group should be based on previous education achievement and national goals. Assuming that a percentage of the population having a minimum of Certificate III is a relevant goal, then mentoring and pastoral supports may apply in at least broad definitions, each of which would have different requirements to make them effective and therefore impact relevant funding;
    - Participants undertaking, but are at risk of not completing qualifications at a level higher than Certificate III. This may present differently for a Certificate IV or Diploma as compared to an undergraduate Degree
    - Participants who have never completed a Certificate III or higher qualification. This may include people who have never completed school and/or a range of other matters and therefore the client centric, team model used in health and other services may be more appropriate.

*INFORMATION REQUEST — INVESTMENT IN PUBLIC PROVISION*

*In feedback on interim recommendation 6.3, the Commission requests information on:*

- *the funding, monitoring and outcomes delivered under community service obligations any changes to funding models, or other actions, that governments should undertake to address any potential breach of competitive neutrality principles in relation to VET services*
  - Funding of VET outcomes is the base model but for some RTOs, after determining the support needs of individual learners, the RTO may determine that they are unable to provide access to the educational and support services necessary for the individual learner to meet the requirements of the training product, based entirely on accepted VET outcome funding. Therefore some work might need to be undertaken in consideration of standard 1.7 in the 2015 Standards for Registered Training Organisations.
  - As per the suggestion above in response to priority target groups for mentor and pastoral support services this may differ based on the user group. Other variations may include the type of qualification and how thin that particular training market is.
- *the funding mechanism (for example, training subsidies or block funding) best suited to efficient and effective service delivery in 'thin markets'*
  - Dependant on the thin market, funding mechanisms may not be the only option available. The use of models apparent in both Enterprise RTOs and non-formal education offer some feasible options
- *how future funding arrangements to promote national consistency should incorporate any additional (non-subsidy) funding to public providers, if at all.*
  - Based on the secondary schools example, if we as a society value VET services as something that should be available to everyone than that results in a different approach that relates to some of the information within this report that talks to public providers requiring funding that goes beyond standard VET funding
  - This does potentially open the door to debate that occurs regularly in relation to funding given to public versus private secondary schools so possibly there is some useful learnings that may be gained from that sector

*INFORMATION REQUEST — THE CHALLENGES OF ONLINE DELIVERY*

- *What is the scope to increase the use of fully online delivery of VET, with what advantages, risks and policy challenges?*
  - Fully online delivery of VET is not possible in many instances. It may be a small example in comparison to other industries but I am convinced that anyone will understand that to obtain a VET outcome for abseiling, this cannot be achieved through fully online delivery.
- *How should subsidy arrangements be configured for payments across jurisdictions for online delivery of services?*
  - Another question might be what services are being funded and therefore how should subsidy arrangements be configured:
    - Online delivery of training
    - Face-to-face delivery of training
    - Delivery of training to disadvantaged or underprivileged individuals
    - Training delivery within an identified skills need
    - Assessment of a training and assessment pathway
    - Assessment of an aligned non-formal education pathway
    - Assessment of an informal learning pathway
    - Progression towards VET outcomes
    - Achievement of VET outcomes
- *To what degree could accreditation be separated from training?*
  - Assuming that accreditation is referring to being awarded a formal education outcome instead of organisational accreditation schemes, Enterprise RTOs and non-formal education providers who also provide VET outcomes have existing models where organisational outcomes can be achieved via training and non-formal education resulting in recognised organisational outcomes that are separate from, but can be aligned to and may result in VET outcomes.
- *What actions would governments need to take to maximise the potential for the adoption of innovative delivery of training or new types of training?*
  - Clear information on what is being funded, is separated from any onerous stipulation of how the funded outcome is achieved.

Page 96: incorporate other measures of skills attainment — the current performance indicators focus primarily on course completions. While completing a VET course will be a measure of success for many students, some may obtain what they need from training without completing.




- Personal examples: I have completed four lots of training that were associated with the VET sector and did not complete the qualification at that time.
  - Certificate IV in Workplace Health and Safety: I attended classes and learnt a lot but took years before returning and paying extra to complete the associated assessments. At that time the RTO was funded to deliver the training but there was no follow up with assessments and I was not working directly in the WHS field.
  - Diploma of Quality Auditing: I attended all classes and learnt a lot but did not complete assessments for activities that I had no workplace experience with. However this training did prepare me for work in relevant roles and I gained significant experience and so eight years later this training and a large portfolio of live workplace examples resulted in completion of the Diploma of Quality Auditing.

- Diploma of Project Management and Certificate IV in Carbon Management: I attended all classes and have completed other related informal education and I regularly apply what I learnt but have not had a need to complete and obtain the qualification. Currently within the VET sector the only certification that is awarded is for completion of a VET outcome. In the case of both of these qualifications I spent money and significant amounts of time learning and the only available record I have is my own record, however for other learning I have completed at lower costs with far less structure and rigour I have certificates which were provided so that I could demonstrate that I had undertaken relevant training.
- The high use of non-formal workplace training could readily be aligned to VET outcomes and result in certificates recognising participation in training. This should not be able to be mistaken as having undertaken training and assessment and completed a qualification. This could meet a range of needs including providing a recognised structure to workplace training, costs would be appropriate to the delivery of training and not the delivery of training and assessment associated with a qualification. Individuals gain a certificate of training which would be easier to use later if they then choose to use this training along with their experiences to be assessed for a qualification.

Page 98: While I would initially agree with the statements around guidance for school students as being focused towards ATAR outcomes, the post-draft submissions and comments indicate otherwise in some situations and I recently heard of an example about career guidance within a school that went the other direction and students from that school who achieved high ATAR results and have moved into higher education felt neglected and underserved by career advisors who were strongly focused on after school VET options.

Page 100: The requirement for articulation agreements between the VET sector and Higher education is poorly managed because articulation agreements are stated in a different manner in different documentation that are specific to each sector. If the two sectors of formal tertiary education are going to work together to form articulation agreements than the same requirements need to be defined and enforceable in the same manner in both sectors.

Page 101: Recognition of Prior Learning varies in cumbersome requirements and costs. The below information provides a simplistic comparison.

	Formal training and assessment pathways are designed with the qualification requirements in mind and therefore the learning pathways mirror the assessment requirements
	Non-formal education pathways are designed with the organisational requirements in mind and mapping of the learning pathway can readily demonstrate alignment to formal education assessment requirements
	Informal learning may relate but is not typically undertaken with a preconceived idea of aligning to formal education outcomes

## INFORMATION REQUEST — PATHWAYS AND TRANSITIONS

The Commission seeks evidence on:

- *the usefulness of VET in schools in developing work-ready skills*
  - In NSW local community partnerships that are a conduit between schools and employers to organise VET in school work placements have significant examples of employers who employ school graduates based on experiences of hosting work placements for VET in school students
- *what can be done to improve students' awareness of credit entitlements between the VET and higher education sectors*
  - There is a range of information that I have in relation to this that I would be willing to discuss beyond this submission
- *the extent to which time-consuming processes for credit and recognition of prior learning are a barrier to students applying for credit*
  - As per the information represented on the previous page and the above dot point
- *the effectiveness of programs and services aimed at assisting groups to move from education to employment (such as Jobs PaTH, Transitions to Work and jobactive)*
  - Some organisations that operate specifically in other sectors (e.g. disability support) utilise VET services but are less likely to be responding to this interim report because they have positioned themselves within a sector apart from tertiary education.
- *whether there are gaps in government initiatives aimed at improving students' workplace-ready skills and, more broadly, transitions from education to employment.*
  - A range of community organisations provide defined, non-formal education programmes that provide young people with Future Ready skills which are currently recognised by significant numbers of employers. There is further work that can occur around this which I would be willing to discuss beyond this submission

### **One perspective of non-formal education to formal education**

Scouts Australia is an example of a not-for-profit, volunteer run, community organisation that enables people to gain partial and complete qualifications from Certificate II through to Diploma. The following statements within context have applicability for other organisations.

Scouts Australia delivers two defined non-formal education programmes that have alignment to VET qualifications:

1. Youth program for 5-25 year olds with alignment to VET outcomes for youth members aged 15-25.
2. Adult training for adults aged 18-100 who are volunteers, giving their time to support the youth participating in Scouting.

Key information:

- Non-formal education is converted to formal education outcomes
- Assessment is conducted by volunteer assessors
- Members are not charged for qualifications
- Members are mostly not required to complete VET outcomes
  - (Excepting some circumstances where units of competency are used as part of the organisational risk management strategy, example abseiling, canoeing, etc.)



The operating model of the Scouts Australia RTO is different to the majority of RTOs:

- Is an Enterprise RTO
- Training is delivered to meet organisation, not VET outcomes
- Undertakes assessments via RPL
- Charges no fees
- Does not access any government funding
- One employee dedicated to the RTO, other RTO personnel are volunteers

Funding model considerations:

- As a community organisation providing non-formal education and recognising this with formal education outcomes, access to some funding would provide opportunities to extend the number of VET outcomes provided to members
- Student centric funding models are not relevant when students are not charged a fee to complete VET outcomes
- Employer centric funding models have possibilities for community organisations, however for national organisations current variations in State and Territory requirements and restrictions on Enterprise RTOs make this unworkable when relying on limited resources
- National, RTO centric funding models based on activity based funding may have applicability