

# Submission to the Vocational Education and Training Workforce Study

---

Manufacturing Skills Australia

July 2010



Manufacturing Skills Australia



This report has been prepared by Manufacturing Skills Australia in response to the Productivity Commission's Vocational Education and Training Workforce Issues paper.

© July 2010  
Manufacturing Skills Australia  
PO Box 289, NORTH SYDNEY NSW 2059 AUSTRALIA  
ph +61 2 9955 5500 [www.mskills.com.au](http://www.mskills.com.au)

## Contents

1. Executive summary .....	4
2. About Manufacturing Skills Australia.....	6
3. VET in the education sector and the economy .....	6
4. An overview of the VET workforce .....	7
5. Demand influences on the VET Sector.....	8
6. Supply of the VET workforce.....	12
7. Institutional arrangements .....	13

# **Submission to the Vocational Education and Training Workforce Study**

## **1. Executive summary**

Manufacturing Skills Australia is pleased to be able to respond to the Productivity Commission's Vocational Education and Training Workforce Issues Paper. We see a need for change within the Vocational Education and Training (VET) workforce if the VET system is to be able to respond to the demands that a productive and innovative Australian industry will place on it in the next five to ten years.

In its response to the Issues Paper, MSA has addressed a number of key areas. These key areas and MSA's responses are summarised below.

### **VET in the education sector and the economy**

In line with the Terms of Reference given to the Commission to consider the VET workforce as a whole, MSA believes that it could be of benefit to broaden the study beyond the VET workforce that provides VET courses leading to accredited qualifications. This benefit could be realised if the study was widened to also include those VET practitioners who deliver unstructured, informal and on-the-job training and assessment which also supports nationally recognised outcomes.

The future productivity of the Australian economy is closely aligned to the productivity of the VET workforce. Because of this alignment, MSA believes that one of the key objectives for the VET workforce is the provision of training and assessment that is relevant and appropriate to the needs of industry as identified by industry.

"Return on investment" is important to any enterprise/sector, therefore the VET workforce should be assessed on its capacity to achieve its key objectives. To enable assessment of the VET workforce an instrument/range of assessment instruments need to be developed that are valid, fair, reliable, flexible and cost-effective.

### **An overview of the VET workforce**

MSA believes that there are a number of subsets within the broader VET workforce and there is a need for the Productivity Commission to identify and define these subsets so that an accurate picture of the VET workforce can be obtained.

### **Demand influences on the VET sector**

The VET sector currently is and will continue to be subject to a number of critical and sometimes competing demands. The demand for VET will increase in the next five to ten years as Australia strives to maintain and/or improve its place internationally. Therefore it is vital that the VET sector be supported to meet these demands.

One of the major structural trends identified by MSA through its stakeholders is rapidity of technological change and the need for workers who are able to use this new technology. Training providers need encouragement to build partnerships with technology developers, industry and enterprises to ensure access to new technology and identification of new skill requirements.

MSA has identified that professional development is a key area of concern for the VET workforce.

The increased demands being placed on the VET workforce will require a review of the way VET providers are resourced and how capacity is built within the VET workforce.

Implementation of the revised definition of competency along with changes to the AQTF needs VET workforce professional development.

### **Supply of the VET workforce**

The VET sector is already experiencing shortages of suitable and experienced trainers as it competes with more buoyant industry sectors.

## **Institutional arrangements**

MSA believes that current funding models do constrain the way in which VET workers are deployed and that this impacts on the productivity of the VET workforce. Australia needs a VET system that is flexible and responsive. An example of this can be shown by the efficiencies gained through an encouragement and support for the implementation of holistic assessment and delivery of training.

Collaboration between industry and training providers which supports on-the-job assessment of workers is another area in which there could be considerable productivity benefits for the VET sector as well as better meeting the needs of industry.

## 2. About Manufacturing Skills Australia

Manufacturing Skills Australia (MSA) is the national industry skills council recognised by the Australian Government to ensure that the skill needs of the manufacturing and automotive enterprises are being met. It is responsible for workforce development initiatives which include providing industry intelligence and advice to inform government policy, supporting the development, implementation and improvement of nationally recognised training and qualifications, and providing skills and training advice to individual enterprises to assist with training and development processes.

Our vision is to be the pre-eminent organisation in Australia fostering and advocating for the workforce skill development needs of a thriving industry. We provide bi-partisan leadership and value the empowered and informed input of industry stakeholders. We strive to provide high quality information and workforce development resources to support the participation of industry in developing an innovative, highly productive and globally competitive manufacturing industry.

MSA is funded by the Department of Education, Employment and Workplace Relations (DEEWR) and works closely with Skills Australia, industry associations, unions, training providers, government agencies and employers to continually evolve and improve skills for manufacturing.

## 3. VET in the education sector and the economy

### *What are the particular features of the VET sector that need to be taken into account in this study of the VET workforce?*

MSA agrees that the Vocational Education and Training (VET) sector is very diverse and that this diversity makes a comprehensive study into the sector difficult. However we believe that the Productivity Commission should not restrict its focus to the VET workforce that “provides VET courses leading to accredited qualifications”<sup>1</sup>. In particular, MSA would argue that it is imperative to consider within the VET sector the contribution of those trainers who deliver unstructured, informal or on-the-job training and assessment which also supports nationally recognised outcomes.

The language of VET is broadening towards workforce development rather than being focused more narrowly on training. In an economic environment where workers may be retrenched from an industry sector or may need to re-skill to maintain their employment, the value of on-the-job training as a precursor to skills development and recognition cannot be underestimated. Anecdotal evidence gathered by MSA has found that industry is driving the use of on-the-job training and assessment processes to ensure that its workforce’s skills base is relevant and appropriate to the industry and occupation.

MSA has found that it is essential that both employees and employers are able to identify skills and match them to job requirements in order to participate more fully and effectively in VET initiatives as well as in their own work planning needs. The use of internal workplace training and assessment in collaboration with Registered Training Organisations (RTOs) has the potential to assist in reducing capacity constraints in the VET workforce and enhance industry leadership and participation<sup>2</sup>. Therefore any review of the VET workforce should include those members who deliver unstructured, informal or on-the-job training and assessment which also supports nationally recognised outcomes.

### *Do you agree with the terminology used in this paper to refer to the three broad groups of employees (box 2) identified in the VET sector? If not, what alternative would you suggest and why?*

MSA would argue that the possible approach to defining the VET workforce as “all employees of VET providers”<sup>3</sup> is restricting as they fail to consider people who work within the VET sector but are not employed/contracted to a VET provider. The VET landscape continues to evolve and change and while the NCVET/ANTA definition is six years old, expanding the classifications to capture the diversity of the workforce would ensure that it remains relevant.

---

<sup>1</sup> Productivity Commission, *Vocational Education and Training Workforce Issues Paper* June 2010 pp 4

<sup>2</sup> Manufacturing Skills Australia, *Environmental Scan 2010* pp 13

<sup>3</sup> Productivity Commission, *Vocational Education and Training Workforce Issues Paper* June 2010 pp 8 - 9

VET practitioners, while being at the forefront of training delivery and assessment, are a subset of the larger group – the “VET professional”. Not all VET professionals are employed/contracted to VET providers (defined here as those organisations that provide accredited training and assessment services).

The VET system now includes organisations whose core business is vocational education and training yet are not directly involved in the provision of accredited training and assessment. However these organisations are integral to a dynamic and effective VET system. Such organisations may operate in the public or private sector and include state/territory and federal departments of education and training and peak bodies such as Industry Skills Councils (at a national level), state/territory-based industry training advisory bodies, industry associations, unions, Australian Apprenticeship Centres and group training companies. In many instances, the employees are drawn from the VET workforce and as such, these roles can be considered to be genuine career pathways. These employees should be classified as “other VET professionals” and included in any review of the VET workforce.

### *What key objectives is the VET workforce seeking to achieve?*

MSA sees the key objective of the VET workforce as the provision of training that is relevant and appropriate to the needs of industry. A VET workforce that is focussed on the provision of training that is relevant and appropriate will contribute to the achievement of the objective and outcomes of the National Agreement for Skills and Workforce Development<sup>4</sup>.

To achieve this, the VET workforce as a whole will need to be “innovative, flexible, industry savvy and have the ability to learn”<sup>5</sup>. Industry is expecting that trainers be more able to work with them from a broader workforce development perspective, providing skill needs analysis and careful tailoring of training programs. Trainers are increasingly needed to support development of higher level technical skills and in new processes such as lean manufacturing. In addition, widespread drivers for environmental sustainability will further demand skill development for trainers themselves<sup>6</sup>.

### *Should the workforce be assessed against its capacity to achieve those objectives?*

MSA believes that the VET workforce should be assessed against its capacity to achieve its key objective(s). “Return on Investment (ROI)” is an important aspect of many enterprises’ current economic sustainability strategies. Assessment of the workforce’s capacity to provide ROI for both their employers and for the industry with which they engage should also be an integral aspect of VET organisations’ economic sustainability strategies.

There are currently a range of measures used to assess the VET system, ranging from the Survey of Education and Training (SET) to NCVET’s student outcomes surveys and employer satisfaction surveys. Many training providers also conduct their own surveys. However all of these instruments have limitations and/or are not focused on measuring the achievement of key objectives for the VET workforce. There is a need to develop an instrument/range of instruments that enable the VET workforce to be assessed on its capacity to achieve its key objectives.

## **4. An overview of the VET workforce**

### *Should the Commission think about particular subsets of the VET workforce? If so, how could these subsets be defined, and why do you hold that view?*

MSA believes that the Commission should identify particular subsets of the VET workforce. One such subset is VET practitioners employed/contracted by training providers. Another subset already defined in the Issues Paper is ‘general staff’.

A further subset identified in this submission is those VET professionals who provide support to VET practitioners in managerial and technical roles. These professionals include instructional designers, technical writers, employees within ISCs and state/territory ITABs, industry associations, Australian Apprenticeship Centre staff, group training staff, whose work directly impacts on the delivery of vocational education and training through, for example, the development of Training Packages or Vocational Training Orders, liaison with industry, organising and arranging VET etc.

<sup>4</sup> Productivity Commission, *Vocational Education and Training Workforce Issues Paper* June 2010 pp 10

<sup>5</sup> Productivity Commission, *Vocational Education and Training Workforce Issues Paper* June 2010 pp 11

<sup>6</sup> Manufacturing Skills Australia, *Environmental Scan 2010*

Another subset which has traditionally been ignored in VET reviews is made up of workers who deliver training that is “unstructured, informal or on-the-job”<sup>7</sup>. MSA regards these workers as integral to the VET workforce, and draws the Commission’s attention to the fact that it is these workers that traditionally have provided the pool from which accredited trainers have been drawn.

There is also the workforce of the enterprise based RTO which would form another subset. “Enterprise RTOs typically operate as quality workforce development enablers embedded within the business functions of their enterprise” and these training providers generate at least 20% of annual VET qualification completions across Australia<sup>8</sup>. As such they are significant contributors to the VET system.

The identification and definition of the subsets within the broader VET workforce is needed so that an accurate picture of the VET workforce can be obtained.

## 5. Demand influences on the VET Sector

### *What structural trends within the economy should be taken into account when considering future demand for VET?*

MSA sees the following structural trends within the economy as important when considering future demand for VET:

- competition from cheap imports
- a continuing strong dollar
- rising costs for raw materials and labour
- manufacturing contraction
- increasing high demands for skilled trades resulting from resources sector activity
- business contraction and expansion

The Global Financial Crisis (GFC) has impacted on the demand for VET in the past two years with falling numbers of enrolments and also a decline in New Apprenticeship numbers. According to the Australian Bureau of Statistics (ABS), the number of young people participating in the Australian Apprenticeship Scheme decreased by 25,700 between May 2008 and May 2009. In 2008, apprenticeship commencements fell by almost 2,000 in the manufacturing and automotive industries. The number of apprentices commencing in the Automotive manufacturing sector fell by 44% while in the polymer processing (plastics, rubber and cabling) sector, the number of people commencing an Australian Apprenticeship fell by 38.5%<sup>9</sup>.

However there were slight growths in the number of enrolments for qualifications in areas such as Laboratory Operations and Competitive Manufacturing, reflecting an increased emphasis on quality and lean manufacturing processes.<sup>10</sup>

As well as falling enrolments on the domestic front, the strong Australian dollar is impacting overseas demand for VET as the cost of training has become more expensive for students from overseas. This, coupled with the recent reforms to student visa conditions, is already impacting on the VET sector and will continue to do so in the short term. It is hard to predict the future as the world economies continue to be impacted by the GFC.

The post-GFC recovery in the resources sector has once more challenged our capacity to provide the necessary skilled trades workers required for infrastructure and development projects. This demand has been addressed through initiatives such as the successful ‘Kickstart’ program but this in itself has also generated a degree of unmet demand in terms of the provision of VET services.

### *How well-placed is the system to respond to these trends?*

MSA believes that the VET system is not well placed to respond to these trends. The ability for Training Packages to respond to changes has dramatically improved and still remains the best

<sup>7</sup> Productivity Commission, *Vocational Education and Training Workforce Issues Paper* June 2010 pp 4

<sup>8</sup> Enterprise Registered Training Organisation Association, 2009 *Profiling the Australian enterprise RTO*

<sup>9</sup> Manufacturing Skills Australia, *Environmental Scan 2010* pp 46 - 47

<sup>10</sup> Manufacturing Skills Australia, *Environmental Scan 2010* pp 46 - 47



mechanism for reflecting changing industry conditions in terms of workforce development needs. However, the cost to VET providers to regeared training to meet industry's rapidly changing needs is significant. The reluctance/inability to/cost of taking up new technologies is one barrier to the development of a VET sector that is adaptable and responsive to an industry-led training system. This applies to capital investment in new equipment, re-skilling existing VET staff and in the preparation of materials to support learning and assessment.

### ***What emerging technological developments could significantly alter industry skill needs?***

- fibre composites
- biofuels/alternative fuel systems
- hybrid and electric technologies
- motor vehicle body materials technology
- automotive drive train technologies
- gas technology
- Batch of One technologies
- coal seam and other gas processing
- sustainable designs and products
- green skills
- lean systems

These are just some of the key growth areas identified by MSA in its 2010 Environmental Scan that will impact on industry skill needs in the manufacturing and automotive industries<sup>11</sup>.

### ***How do providers go about planning for, and responding to, demands for new skills arising from technological developments?***

MSA suggests that there a range of measures that providers could use to plan for, and respond to, demands for new skills arising from technological developments. Ongoing and close partnerships with industry and enterprises would enable training providers to identify new technologies about to be introduced and therefore plan their response to the need for new skills. Another strategy would be to build partnerships with the developers of the new technology that would provide training providers with access to the technology.

### ***Do you anticipate that demand for VET from learners from disadvantaged backgrounds will increase in the next five to ten years? If, so what implications do you think this will have for the VET workforce?***

Due to current Government policies, such the National Agreement for Skills and Workforce Development and Closing the Gap, the demand for VET from learners from disadvantaged backgrounds will increase in the next five to ten years. However Government policy won't be the only driver of demand for this group of learners. Labour market imperatives, such as an ageing workforce and the need for a more highly skilled workforce, will also drive a push for people from disadvantaged backgrounds to participate in VET. Skills Australia estimates that a workforce participation rate of 69% by 2025 will be required to lift Australia's productivity to that of other major OECD countries<sup>12</sup>.

The rise in demand from disadvantaged learners will impact on the VET workforce in a number of ways. The workforce will need to become more culturally aware as they will be working with learners from many different cultural backgrounds. Teaching methods will need to be adapted to meet the needs of a culturally diverse learner population. For many disadvantaged learners, English is not their first language and therefore language, literacy and numeracy (LLN) competency creates barriers to learning and workforce participation. The need to address LLN competency as part of the delivery of an accredited qualification will put additional strain on a VET workforce that is already struggling to keep up with technology and increased demands from industry. VET professionals, including VET practitioners, will need to be supported to undertake professional development activities to meet the needs of these learners.

---

<sup>11</sup> Manufacturing Skills Australia, *Environmental Scan 2010*

<sup>12</sup> Skills Australia, 2010 *Australian Workforce Futures* pp 25

### ***What implications might a trend towards higher level qualifications have for demand for VET, and the VET workforce?***

Skills Australia believes that it is pivotal that for Australia to remain productive and competitive, the percentage of people with qualifications must continue to rise. Furthermore, jobs are becoming more complex and requiring higher levels of skills. This therefore creates a demand for workers who have higher qualifications<sup>13</sup>.

The increased demand for workers with higher qualifications puts more pressure on the VET workforce. Under the Australian Quality Training Framework (AQTF), trainers and assessors are required to have:

- “have the relevant vocational competencies at least to the level being delivered or assessed, and
- can demonstrate current industry skills directly relevant to the training/assessment being undertaken”<sup>14</sup>.

These requirements will further strain an already struggling VET system as providers attempt to recruit VET practitioners with the necessary competencies and experience to meet the needs of an increasingly sophisticated learner. The continuing learner has been identified as one of the growth areas within the VET system<sup>15</sup>. Existing VET practitioners will need to up-skill to maintain their employment prospects.

Many of Australia’s existing workers do not hold post-school qualifications. This is particularly pertinent in the manufacturing workforce where nearly 48% are identified as not holding a post-school qualification<sup>16</sup>. These workers are not unskilled as they are currently employed in productive work. However, in order to boost the levels of skills held in the workforce there is a need for an extensive program of skills recognition to determine a benchmark for each person as a basis for further enhancing and improving their skills. Much of the discussion on high-level skills has centred on high-level qualifications. What is needed is ‘higher’ level skills so that there is an incremental move upwards in skills levels across the profile of skills within an industry, sector or enterprise. A consequence of this is to implement better RPL/RCC processes as described below.

### ***What implications might other shifts in delivery, in particular towards more RPL and RCC, have for the VET workforce?***

Skills recognition plays an important role in the retention, re-skilling and replacement of displaced workers. Anecdotal feedback that MSA has received from its stakeholders is that there is a need for effective recognition processes. At present, RPL and RCC are not done well, and the complexity of these processes acts as a barrier to the gaining of qualifications via these means. Recently the Australian Manufacturing Workers Union (AMWU) found that some retrenched workers received full qualifications when assisted through skill recognition processes; demonstrating the excellent outcomes that can be achieved when such processes are applied efficiently<sup>17</sup>.

Effective, efficient and fair recognition processes are important to an effective skilling strategy. The VET sector needs to develop effective recognition processes that apply fair practices and provide valid pathways for skills recognition. Then VET practitioners need to be up-skilled in the use of these processes so that they are competent and confident in applying these processes.

It should be noted that the last educational experience of many workers was at school and often in countries other than Australia. It may also have been at relatively low educational levels. The application of unfair and onerous RPL/RCC practices by RTOs can have a quite negative effect on these workers. These practices are sometimes driven by an over-reaction to the expectations of AQTF auditors and the resultant overcompensation leads to RPL and RCC demands of applicants that are daunting and often invalid and unfair.

---

<sup>13</sup> Skills Australia, 2010 *Australian Workforce Futures* pp 15

<sup>14</sup> Australian Quality Training Framework 2010 *Essential Conditions and Standards for Initial Registration* pp 6

<sup>15</sup> Independent Pricing and Regulatory Tribunal, 2006 *Up-skilling NSW: How vocational education and training can help overcome skill shortages, improve labour market outcomes and raise economic growth*

<sup>16</sup> Australian Bureau of Statistics, *Education and Work, Australia*, May 2008

<sup>17</sup> Manufacturing Skills Australia, *Environmental Scan 2010* pp 13

***What other key effects do you anticipate that government policy will have on the VET sector, and the workforce in particular, over the next five to ten years?***

MSA believes that if the Federal Government adopts the findings of Skills Australia, its policy will impact on the VET sector through a drive to increase workforce participation rates. This will lead to an increased demand for VET as people currently not in the workforce either gain new skills and/or re-skill to improve their employability<sup>18</sup>. As well there would be an emphasis on making better use of employees' skills within the workforce. This may involve job redesign which may lead to increased demand for skills and training need analyses.

Another key government policy area is in language, literacy and numeracy (LLN). In 2006, approximately 50% of Australians aged 15 – 64 had a literacy and/or numeracy score at Level 2 or below<sup>19</sup>. MSA agrees with Skills Australia that “Language, literacy and numeracy skills are fundamental to workforce productivity”<sup>20</sup> and sees this as a policy area that will impact on the VET workforce hugely over the next five to ten years. There will be an increased demand for VET practitioners who also have skills and experience in the area of LLN training and assessment.

Another area in which government policy will impact is in resourcing VET providers and building capacity within the VET workforce to meet the needs of a responsive and adaptive VET sector that is able to meet the needs of a rapidly changing industry. There are already issues within the VET sector relating to the sourcing of suitable and experienced trainers, as well as a move away from employment with public providers due to comparatively low wages<sup>21</sup>.

***Are training packages still appropriate as a basis for designing vocational training arrangements? Is a shift away from competency based training at higher qualification levels desirable? Might it happen in the next five to ten years? If so, what implications, if any, might this have for demand for the VET workforce?***

MSA strongly believes that Training Packages remain an effective tool through which to translate industry standards into qualifications and to ensure that the outcomes of these qualifications meet those standards. Consultations undertaken by the National Quality Council/Council of Australian Governments Joint Steering Committee's (JSC) 2009 project, “VET Products for the 21<sup>st</sup> Century”, found strong support from business and industry for the continuation of Training Packages and accredited courses as a single national framework<sup>22</sup>. Training Packages have a range of advantages:

- direct alignment of competency standards and qualifications
- national consistency, portability and recognition
- flexible delivery and assessment
- developing and maintaining leading edge skills for industries
- an important basis for registration and licensing and regulatory compliance in a number of industries
- can be used to develop job descriptions; and
- define career structures<sup>23</sup>.

In 2009 the National Quality Council adopted a revised definition of competency to:

“Competency is the consistent application of knowledge and skill to the standard of performance required in the workplace. It embodies the ability to transfer and apply skills and knowledge to new situations and environments.”<sup>24</sup>

The revised definition broadens the focus from simply **demonstration** of tasks and skills to the **application** of knowledge and skill to new situations and environments. As this definition of competency is applied to competency-based training then the use of competency-based training for

<sup>18</sup> Independent Pricing and Regulatory Tribunal, 2006 *Up-skilling NSW: How vocational education and training can help overcome skill shortages, improve labour market outcomes and raise economic growth*

<sup>19</sup> Australian Bureau of Statistics, *Adult Literacy and Life Skills Survey, Summary Results, Australia, 2006*

<sup>20</sup> Skills Australia, 2010, *Workforce Futures* pp 36

<sup>21</sup> Manufacturing Skills Australia, *Environmental Scan 2010* pp 14

<sup>22</sup> National Quality Council / Council of Australian Governments Joint Steering Committee *VET Products for the 21<sup>st</sup> Century*, pp 12

<sup>23</sup> Guthrie, H., 2009 *Competence and competency-based training: What the literature says* National Centre for Vocational Education Research, Adelaide pp 13

<sup>24</sup> National Quality Council / Council of Australian Governments Joint Steering Committee 2009 *VET Products for the 21<sup>st</sup> Century* pp. 5

higher level qualifications becomes even more relevant. As part of its project, the JSC also made several recommendations in relation to Training Packages. The introduction of these recommendations and continuous improvement processes for Training Packages as well as changes to the AQTF places additional pressure on a VET workforce that is already under stress. Opportunities to undertake professional development around these changes must be made available to all VET professionals, including VET practitioners, so as to ensure effective implementation.

## 6. Supply of the VET workforce

### *Are there tradeoffs between technical skills and teaching skills and, if so, which skills are more important?*

MSA believes that there can be no trade-offs between technical skills and teaching skills. MSA notes that the term ‘teaching’ includes both instructional/teaching practices as well as assessment. Both technical skills and teaching skills are equally important for a VET sector that is able to meet the demand for skills in today’s economic environment. The requirements of the VET practitioner is different to that of their counterparts in either the school sector or the higher education sector in that they are required to have both technical expertise and teaching expertise. Unlike the other two education sectors, the pathway into vocational education and training is usually via industry, with the majority of VET practitioners having had many years of practical experience in the technical area in which they train and assess. Maintaining currency of technical skills is important when delivering technical training and conducting assessment.

### *What are the key knowledge, skills and abilities required of effective VET professionals? Are the avenues through which practitioners can acquire the skills, knowledge and abilities needed to move into professional roles adequate?*

VET professionals may work in a variety of areas within the VET system. They may be managers within a training organisation, technical writers, curriculum developers, resource writers, industry liaison officers, etc. Many VET professionals are experts drawn from industry and have worked as VET practitioners before taking on these broader roles. Most have completed tertiary qualifications relative their roles.

MSA has identified, through anecdotal evidence that the key knowledge, skills and abilities required of effective VET professionals are:

- technical expertise and currency in the area in which they work
- knowledge and understanding of industry standards relevant to the area in which they work
- knowledge and understanding of competency and the components of competency
- knowledge and understanding of the VET system, including the AQTF
- knowledge of and the skills to implement recognition processes (RPL and RCC)
- knowledge of the needs of adult learners and the skills to create effective learning environments for adult learners
- knowledge and skills to, at a minimum, identify any literacy, language and numeracy needs of learners
- the ability to work effectively with learners, employers, and industry in general
- knowledge and effective application of assessment processes

There are limited pathways through which VET practitioners can acquire the skills, knowledge and abilities needed to move into professional roles. In the last few years, many universities have discontinued their Vocational Education and Training degree programs. A search of Google found only four universities in Australia that currently offer Bachelor programs in VET<sup>25</sup>.

---

<sup>25</sup>[http://www.google.com.au/search?q=bachelor+of+vocational+education+and+training&hl=en&rlz=1T4ADSA\\_enAU344AU344&ei=KB1JTDJTMoK6vQOcq6S6Aw&start=10&sa=N](http://www.google.com.au/search?q=bachelor+of+vocational+education+and+training&hl=en&rlz=1T4ADSA_enAU344AU344&ei=KB1JTDJTMoK6vQOcq6S6Aw&start=10&sa=N) accessed 23 July 2010

## 7. Institutional arrangements

### *Could changes to funding models act to improve the productivity of the VET workforce?*

MSA believes that in an industry-led VET system, the current funding models are an impediment to an effective system. The focus on student hours as the criteria for the allocation of funding results in a system that is introspective and driven by a need to fill seats rather than on the quality of outcomes. The Victorian Government has recently made significant changes to its funding model<sup>26</sup>. Several other states have either moved to replicate the Victorian model or to make significant changes to their funding models.

An auditing system which is focused on individual units of competency rather than the provision of holistic delivery and assessment also constrains the productivity of the VET workforce. Auditors require evidence that each individual unit of competency has been completed and assessed and their evidence demands often shape a teacher/trainer/assessor response of a lock-step approach to learner progress and achievement. A further impediment to VET workforce productivity that is tied to funding is the need for annual signoff of competencies. Such a requirement puts pressure on VET practitioners to sign off learners when they may not yet be competent, or alternatively to hold back learners who are competent because that unit of competency is not scheduled to be signed off at this time.

The success of the uptake of the Enterprise Based Productivity Placement Program (EBPPP) is evidence of an effective funding model that results in a VET system that is responsive to the needs of industry.

### *Do you have any other suggestions on ways in which the productivity of the VET workforce might be improved?*

Holistic assessment and delivery has the potential to increase the VET workforce's productivity because it allows trainers and assessors to focus on whole work activities rather than on specific tasks or components of work activities<sup>27</sup>. Therefore knowledge areas within units of competency can be combined and skills taught within the framework of the whole job rather than in isolation. This in turn results in a worker who is able to effectively apply knowledge and skills in the workplace, improving the quality of outcomes for the VET system.

While there is a move in some areas of the VET sector to holistic assessment and delivery, a lack of understanding by both VET practitioners and VET providers of the relevant mechanisms is preventing the wholesale implementation of the practice. This is further exacerbated by a fairly rigid approach adopted by many AQTF auditors that focus on individual units of competency rather than the provision of holistic assessment.

### *Are there any other emerging workplace and employment practices with implications for the efficiency and effectiveness of the VET workforce that the Commission should look at? If so, why?*

The major emerging workplace practice identified by MSA is the preference by industry for at-work training and assessment. Internal workplace training and assessment activities in collaboration with RTOs have the potential to reduce capacity constraints on the VET workforce and to enhance industry leadership and participation<sup>28</sup>.

The use of workplace personnel to gather evidence for assessment is one area where MSA sees that the workplace loads of RTO staff could be reduced and efficiencies gained. This could be extended to include actual assessment judgements by qualified workplace assessors. This approach would require effective relationships being built between the RTO and relevant enterprise staff. However, this approach could greatly enhance the capacity for RTOs to address at-work training and assessment without a subsequent increase in RTO participation in many at-work learning and assessment needs.

A further issue is one of 'ownership' of allocated delivery funds (or funded hours). Emerging technologies often challenge the traditional organisational arrangements in RTOs. This sometimes leads

<sup>26</sup> <http://www.skills.vic.gov.au/corporate/about-skills/structure> accessed 23 July 2010

<sup>27</sup> Victorian TAFE Association, *VET in Victoria: Introduction to the National Training System* [http://www.vta.vic.edu.au/?Name=VET\\_Introduction\\_to\\_the\\_Australian\\_Training\\_System](http://www.vta.vic.edu.au/?Name=VET_Introduction_to_the_Australian_Training_System) accessed July 2010

<sup>28</sup> Manufacturing Skills Australia, *Environmental Scan 2010* pp. 13

to RTO constraints in terms of who delivers training and assessment; of who ‘owns’ the allocated funds/supervised teaching hours; and of influences in things like the market availability of elective choices that are built into Training Package qualifications. It even extends to the delivery of support services such as LLN where the RTO course ‘owner’ is not willing to provide funded hours to other teachers outside of their section to provide these essential support services for learners who may be in need.

This also impacts on cross-industry qualifications such as Competitive Manufacturing. The range of units of competency in these qualifications does not easily sit within a ‘manufacturing’ faculty/section that has been organised along traditional lines. Expertise to deliver and assess these qualifications often needs to be drawn from across a range of RTO expertise that is not gathered under one faculty/section.

This has led to situations where either competitive manufacturing qualifications are not widely offered by RTOs or where particular competitive manufacturing units of competency, which are available as elective choices in other qualifications, are not offered to learners. Given the outstanding success of competitive manufacturing qualifications and their units of competency, many learners are denied access because of these demarcations.

-END-