

**Australian Council of Trade Unions
Submission to the Productivity Commission
study of the vocational education and training
(VET) workforce**

30 July 2010

1. Introduction

- 1.1. The ACTU welcomes the opportunity to make a submission to this review of the vocational education and training (VET) workforce.
- 1.2. More than ever, the VET system plays a crucial economic and social role in our society, delivering the skills required to improve both workforce participation and productivity. This occurs on a number of fronts. The VET system provides entry-level skills training for those entering the workforce for the first time or who wish to move into a new field of work, it provides foundation skills training for those who need the employability skills, and language, literacy and numeracy skills that will better prepare them for the world of work, and it provides more advanced skills training for those who wish to build on their existing qualifications and move into more highly skilled, highly paid jobs. Each year, hundreds of thousands of workers, and the businesses that employ them, rely on the quality of training and skills that are delivered through the VET system.
- 1.3. Governments at all levels have recognised the importance of the VET system in providing these skills and through the Council of Australian Governments (COAG) have established a number of ambitious targets to improve the level of skills across the workforce. These include:
- halving the proportion of Australians aged 20-64 who do not have a qualification at certificate III or above by 2020; and
 - doubling the number of higher VET qualification completions (Diploma and Advanced Diploma) by 2020.
- 1.4. Skills Australia, the body responsible for providing skills advice to the Australian Government, has calculated that to meet these and other targets there will need to be a 3% increase in the number of VET enrolments annually each year to 2020. Skills Australia also make the important point that it is not only the number of qualifications that need to be increased, but also the skill level of those

qualifications, and that greater attention needs to be directed at the way that those skills are then utilised in the workplace¹.

1.5. The critical point at issue in this review is that these challenges cannot be met without a VET workforce that itself is well-skilled and well-qualified, both in terms of the necessary subject knowledge and industry know-how, and the requisite teaching skills. To ensure the right number and quality of VET practitioners to meet demand for vocational skills into the future, this submission identifies a number of priority issues the ACTU considers should be central to the Commission's review.

These include:

- the nature and role of the VET sector;
- the changing demands on the VET sector and its workforce;
- the need for a national workforce development strategy;
- the current profile of the VET workforce;
- the ageing of the VET workforce;
- the extent of casual employment in the VET workforce;
- the level and quality of teaching qualifications in the sector;
- opportunities for professional development and working with industry; and
- wages and conditions in the sector.

1.6. The following sections of the ACTU submission deal with these issues in turn.

¹ Skills Australia (2010), Australian Workforce Future.

1.7. It should be noted these issues are not necessarily exhaustive. For example, funding issues are a paramount consideration. If the VET workforce is to meet the demand for more higher level qualifications, and at the same time increase access to VET learning for a greater number and proportion of disadvantaged learners, there are funding and resource implications that go with this. Skills Australia has identified these issues in its Workforce Futures report. The ACTU also commends the AEU submission to the review team for further detailed treatment of funding considerations.

2. The nature and role of the VET sector

2.1. Any review of the VET workforce must be based first on an appreciation of the diverse nature and role of the VET sector and we note that the discussion paper has provided a useful starting point for this analysis.

2.2. In a policy environment where there is increasingly an emphasis on building the links between the VET system and the university sector, it is important to reaffirm the distinct role of the VET sector in terms of the model of training it provides and who it provides training to. These are some of the particular features of the VET sector that need to be taken into account in this study of the VET workforce.

2.3. In terms of the type of training and its purpose, the primary role and focus of the VET system over time has been, essentially, to provide skills for jobs. As the OECD has observed “the task of VET remains that of meeting labour market needs – of providing learning for jobs”². As a result, a defining feature of the system has been the strong links it has created and relied on between training and the workplace; the distinctive combination of classroom instruction and workplace-based learning, and employment.

² Simon Field et. al. (2009); Learning for Jobs: OECD policy review of vocational education and training: initial report, OECD

- 2.4. This has also meant the system is underpinned by strong industry engagement, as the discussion paper refers to. It is vital there is ongoing industry confidence in the VET system and its ability to teach and train learners so they develop the competencies specified by industry, and, equipped with broad-based transferable skills, are ready for employment. There needs to be certainty and confidence that students who complete VET qualifications can do what the qualification says they can do, and that the skills learnt can be applied and demonstrated in the workplace.
- 2.5. In terms of who the VET system provides its training to, the discussion paper notes the diverse nature of the VET student profile. Of particular note is the role the VET system plays in providing 'second chance' training for disadvantaged groups – for migrant and indigenous students, and more generally for those who may not have the aspiration or interest in undertaking a university education. This is a vitally important role of the VET system and it is pleasing that the discussion paper has explicitly identified it as such.
- 2.6. These key features of the VET system identified above have important skill implications for the VET workforce. For example, they mean that there is a need for VET professionals to master a distinctive pedagogy described variously as “applied practical learning” or “learning by doing”. They demand an ability to deal with a diverse learner group, including those who, at least initially, may be disengaged and uninterested, and those with limited foundation employability skills, including language, literacy and numeracy. They require the ability to engage with the needs of industry.
- 2.7. These features of the VET system also requires VET practitioners to be able to perform a dual professional role that combines strong industry knowledge and experience with well-grounded teaching skills. In response to a question on this point posed by the discussion paper, it is not possible or desirable to have one without the other. The aim should be to promote the continued importance of the dual professional role. The best teaching skills in the world cannot be put to good use if they are not underpinned by strong content knowledge, and without well-developed teaching skills it is not possible to develop the most effective and appropriate way in which to engage VET learners and adapt to their different learning needs and styles. Section 8 discusses this issue further.

3. New and changing demands on the VET sector and its workforce

3.1. The section above outlined the key features of the VET system: its distinct vocational, industry-based focus, and its diverse student profile. Alongside these long-standing features, there are a number of new challenges confronting the sector that will have further implications for the VET workforce. As outlined in chapter 4 of the discussion paper, these challenges stem from a range of demographic and economic changes, technological developments and new directions in government policy that influence demand in the VET system.

3.2. Key factors determining the amount and nature of VET provision being sought into the future will include:

- the broad policy goals established through COAG to increase the number of Australians receiving VET qualifications and increasing the level of those qualifications;
- specific developments in particular areas that will influence the demand for VET, for example:
 - the growing demand for 'green skills';
 - the skill needs associated with the establishment of the National Broadband network³;
 - the expansion of language, literacy and numeracy training advocated by Skills Australia and then adopted in large part in the 2010-11 budget; and
 - the skills and labour force needs of an expanded resources sector and the flow-on consequences for other sectors;
- The ambitious policy goals articulated by Skills Australia of increasing labour force participation from 65% to 69% to 2020;

³ see for example, The Age, Business, 8 July 2010

- An evolving role for the VET sector and its workforce as it continues to move towards a more holistic workforce development focus, where attention is placed not just on training delivery, but working with employers and looking at overall 'business solutions' to skills and other workforce issues⁴; and
 - Growing expectations from governments, industry and students for more sophisticated and flexible VET delivery.
- 3.3. These developments all have implications for the VET workforce, although in some cases it is important not to present them as entirely new challenges. For example, the aim to increase workforce participation will involve a greater focus on bringing more disengaged and disadvantaged students through the VET system and teaching challenges of course go with that, but as outlined above, the VET sector has always been characterised by its diverse student profile and it is something VET teachers have always been required to deal with.
- 3.4. The evolving role of the VET sector also places new demands on the VET workforce. This is often presented in terms of the VET workforce needing to become more entrepreneurial, more innovative, more flexible. However, while there is a need to develop these new capabilities, this cannot be done at the expense of the core, dual professional role of the VET practitioner characterised by teaching skills and industry knowledge.
- 3.5. Increasingly, VET practitioners will need to find new ways of engaging with industry, to ensure their own industry knowledge keeps pace with developments and that the skill needs of industry are being met. Again, this feature of industry engagement and workplace-based learning has always been a part of the VET sector, but it is another trend that will become more pronounced in future as the role of the VET practitioner expands and evolves.
- 3.6. Significantly, these new demands on the VET sector have real implications for the workload of VET teachers, as the recent decision of the South Australian Industrial Relations Commission attests to.⁵

⁴ see for example Figgis J (2010), Regenerating the Australian Landscape of professional VET practice NCVER; Skills Australia, op. cit

⁵ Conditions of Employment for DECS and DFEEST (TAFE) employees Decision No 1, February 2010

- 3.7. Finally, the impact of increased workforce demand in certain sectors of the economy, such as the resources sector, or in green skills generally, creates the challenge of having enough appropriately qualified VET staff to supply responsive training to meet that demand, at the same time that VET practitioners with those skills and experience are liable to be poached at greater salaries to work directly in those industries.
- 3.8. For example, EE-Oz, the Industry Skills Council for the electrical and energy industries, has reported that trade teachers and potential trade teachers are being enticed to work in the resources sector by salaries 30% higher than a teacher's wage and this has created delays in off-the-job training for apprentices in those industries.⁶

4. The need for a national workforce development strategy

- 4.1. In light of the range of changes impacting on the VET sector, there is a compelling case for a national workforce development plan to be developed for the VET workforce, just as other sectors that rely on VET training are being encouraged to do for their own workforces.
- 4.2. As the discussion paper suggests, workforce planning can continue to be done at the individual provider level in terms of their own recruitment, retention and retraining strategies. Individual providers should be encouraged to take their own workforce development approach in partnership with their employees, local unions and RTOs, using mechanisms such as skills audits to assess what can be done to improve workforce capability. Existing funding sources for workforce development may be available for this purpose.

⁶ Bibby, P., "Apprentices wait up to a year for training as industry lures teachers away", Sydney Morning Herald, 4 May 2010, p. 5

- 4.3. However, strategies at the individual provider level need to be part of a co-ordinated plan across the sector that is developed collaboratively between government, industry – including unions, employer groups, and relevant industry skills councils - and providers. This recognises there are common workforce challenges facing public and private providers across the sector and a national workforce development plan would allow for a full picture of the factors influencing the sector as a whole to be developed and guide the skill needs of the future VET workforce. While workforce development has been identified as a state responsibility, it is important that a national approach is taken.
- 4.4. To this end, a workforce development strategy for the VET workforce has already been recommended by Skills Australia in its workforce futures report, with proposed funding of \$40 million per annum over six years. This important proposal would be given further impetus if taken up by this review in the same or similar form.
- 4.5. Key elements of such a strategy identified by Skills Australia include:
- higher quality data and information about the VET workforce;
 - a suite of qualifications that reflect the diversity of the sector to ensure that qualifications are fit for purpose and regular audits to ensure that training providers offering these qualifications are competent to do so;
 - accreditation of teachers and assessors including a requirement for continuing professional development; and
 - appropriate financial investment in teacher development⁷.
- 4.6. The ACTU supports the inclusion of these issues as a good starting point for future discussions around a national workforce development strategy. They go to the heart of increasing the quality and professionalism of the VET workforce, and should also help towards improving the attractiveness of VET employment.
- 4.7. These and other potential elements of a national workforce development strategy are discussed further below.

⁷ Skills Australia, Lifting Quality in Training, Communique following the Second Strategic Industry Forum, 20 November 2009

5. The current profile of the VET workforce

- 5.1. A national workforce development strategy for the VET workforce will need to be built around a sound understanding of the key characteristics of the current VET workforce, and those matters which could most impact on the quality and quantity of the future VET workforce supply. The ACTU notes the analysis of the current profile of the VET workforce provided in the discussion paper.
- 5.2. Firstly, in relation to the scope of the VET sector for the purposes of this study, the ACTU agrees that the focus should be on the VET workforce that provides VET courses leading to accredited qualifications. We agree with the approach to defining the VET workforce as all employees of VET providers, including managerial and administrative employees, but suggest that primary attention needs to be on those who have a direct teaching role with VET learners (noting that the boundaries are often blurred between the various categories of VET professionals and practitioners).
- 5.3. As suggested in the discussion paper, there may be further subsets of the VET workforce that would be of particular interest for the study to look at more closely. The ACTU believes there is merit in taking this approach, as aggregate data across the VET sector can mask critical differences.
- 5.4. Subsets of the VET workforce that would be of particular interest to the ACTU include the TAFE workforce – given the vital ongoing role of the public provider - the VET workforce in regional and remote areas, and sections of the VET workforce that are responsible for delivering on particular public policy goals in the skills area. For example, this could include the VET workforce in the areas of language, literacy and numeracy; green skills, and skills training in the traditional trades. The distinctions and different issues that arise between teachers, trainers, and assessors could also be worth exploring.

- 5.5. At the outset, it is important also to emphasise the need for more and better data on the VET workforce. The NCVET, Skills Australia and others have highlighted the difficulty of getting accurate information for the VET workforce at present, on topics such as movement in and out of the sector, the career paths of VET staff and their qualifications, salaries and working conditions. Problems identified include numbers not being reported consistently or comprehensively, and discrepancies across different studies. Even in the TAFE sector there is no regular consistent national collection of workforce data.⁸
- 5.6. The fact there is no targeted and consistent collection of data on the VET workforce is a limiting factor in being able to conduct any meaningful workforce planning at a sectoral level and needs to be addressed. The ACTU supports the needs for better quality data on the VET workforce as a key component of a national workforce development strategy. A combination of an administrative collection using information already collected by providers, and a direct survey of employees is one option to explore.⁹
- 5.7. Nonetheless, putting those data issues to one side, from the available evidence two clear trends stand out and have done for some time. One is the ageing of the VET workforce, the other is the extent of casual employment across the sector. These issues are addressed below.

6. Ageing of the VET workforce

- 6.1. The ageing of the VET workforce is a demographic challenge that will have an impact on the future supply of VET practitioners, and the trend is becoming more pronounced.
- 6.2. ABS figures show that almost 38% of VET practitioners were over 45 in 2005, compared to 30% in 1997. Over the same period, the proportion of practitioners aged from 15-34 decreased from 36.5% to 31%.

⁸ Guthrie, H., Mlotkowski, P., and Nechvoglod, L (2010) National TAFE Workforce study 2008, p. 30, NCVET, in Guthrie, H., (ed) (2010), Vocational education and training workforce data 2008: A compendium, NCVET,

⁹ Guthrie, H., (ed.) (2008) VET workforce data 2008: a compendium, p. 12, NCVET.

- 6.3. The generational change facing the profession is apparent particularly in TAFE where 66% of VET practitioners were aged over 45 in 2006, a marked increase from 48% in 1996¹⁰.
- 6.4. The age profile of the VET workforce, and particularly the TAFE workforce, is also noticeably older than the labour force generally. For example, while almost 75% of the TAFE workforce in 2008 was over 40, less than half (48%) of the overall labour force was¹¹.
- 6.5. This ageing of the workforce creates obvious concerns about how to replace the large number of current VET workers nearing retirement. This needs to be addressed through new attraction and retention strategies which should have at their core fair and reasonable wages and conditions, meaningful opportunities for personal and professional development, and recognition and reward of the professional status of VET teachers.
- 6.6. While highlighting this as an issue, it is also worth noting that the older age profile of the VET workforce is not necessarily a bad thing in itself, or even all that unexpected. The very nature of the sector suggests the age profile may be older than many other sectors given that in most cases you have people who have a career in industry first and then make the transition to the VET teaching workforce as a second or subsequent career¹². Indeed, in some sectors this form of career path is encouraged explicitly with older tradespersons for example encouraged to take up teaching, training and assessment roles. This is something that has benefits for both the individuals concerned who are provided with new career pathways, the students who receive the benefits of this industry experience, and the quality of the broader VET workforce.

¹⁰ Guthrie, H., & Mlotkowski, H., (2010) Getting the measure of the VET professional: an update, pp. 19-20, NCVET in Guthrie, H., (ed) (2010), Vocational education and training workforce data 2008: A compendium, NCVET.

¹¹ Guthrie, H., Mlotkowski, P., and Nechvoglod, L, op. cit, p. 31

¹² Harris, R., et. al (2001), The changing role of staff development for teachers and trainers in vocational education and training, p. 8, NCVET.

- 6.7. For example, in South Australia a mature aged worker transition project jointly funded and managed by the State Government and local industry skills boards has delivered training for tradespeople in the electrical, transport and distribution, and construction industries to become trainers and workplace assessors. The initiative has proved successful with high completion rates for the training that was delivered, as well as new employment opportunities for older tradespeople¹³.
- 6.8. There would be merit in extending the reach of such programs, including at a national level. In this respect, we also note that the report recently handed down by the National Resources Sector Employment Taskforce has recommended more be done to encourage this pathway¹⁴.

7. Casual employment

- 7.1. The other marked feature of the VET workforce profile is the extent of casualisation. For example, figures show that almost half (46.8%) of the total national TAFE workforce is employed on a casual or contract basis. The share of casual or contract employees rose to 56.8% among VET practitioners and was even higher for females at 62.2%. The trend is becoming more pronounced over time. The proportion of practitioners employed full-time decreased between 2002 and 2008 for every state and territory where comparison was possible.¹⁵
- 7.2. The extent of casualisation may also be understated given the data sources that are based on self-identification don't pick up many casual staff who consider their main job is in industry, and point-in-time studies of the workforce also don't pick up a number of casual staff¹⁶.

¹³ <http://www.saworks.sa.gov.au/Portals/0/27-5%20Mature%20tradies.pdf>
www.bsisb.com.au/docs/page/106/article,8/Mature_Workers_Initiative.doc
<http://www.bsisb.com.au/cgi-bin/page.cgi?id=136>
http://www.constructionskills.com.au/wise_guys.cfm

¹⁴ Resourcing the Future, National Resources Sector Employment Taskforce July 2010

¹⁵ Guthrie, H., Mlotkowski, P., and Nechvoglod, L, op. cit, p. 31

¹⁶ Guthrie, H., (ed.), op. cit, p. 10

- 7.3. The available data also suggest that most casual employment in the sector is not truly casual in nature, with 75% of non permanent staff having been employed for longer than one year and more than one third having been there for more than five years¹⁷.
- 7.4. As is pointed out by some analysts, the use of casual employment can be interpreted as a positive sign in some respects. It can be that VET practitioners work on a casual basis as a VET teacher or trainer, while their main employment is in industry, however as noted earlier there is a paucity of data to confirm the nature and extent of these types of working arrangements. This points again to the need for more robust data on patterns of employment in the sector.
- 7.5. Overwhelmingly, the evidence is that continuing casualisation of the VET workforce is a matter of concern, not a trend to be welcomed. Across the workforce generally, there is a large body of research which points to the precariousness of most casual employment, characterised in terms of low pay, lack of standard employment rights and entitlements and high levels of insecurity¹⁸.
- 7.6. A particular concern in the context of this review is that casual employees in the VET workforce are disadvantaged in terms of the training and professional development they receive. A study by Harris ¹⁹ found that the degree to which permanent, contract and casual staff had access to and participated in staff development differed greatly, with providers generally favouring permanent staff. Permanent staff were provided with more support in terms of paid time for training, the cost of books, materials, and attendance fees. Casual and contract staff, by contrast, were often left to organise their professional development themselves, undertake it in their own time, and had less access to training needs analyses and skills audits.

¹⁷ Guthrie, H., Mlotkowski, P., and Nechvoglod, L, op. cit, p.41

¹⁸ see for example Campbell I, Whitehouse G; and Baxter J (2009) 'Australia: Casual employment, part-time employment and the resilience of the male breadwinner model in L. Vosko, M' McDonald and I. Campbell eds., Gender and the Contours of Precarious Employment, London, Routledge, 60-75.

¹⁹ Op. cit

7.7. As noted above, we do note the nature of the VET sector can make it conducive to some degree of casual employment. However, the extent of casual employment at present is not a sustainable way to continue. Given the fact that many casuals have been employed for a number of years, the option of permanent full-time or permanent part-time employment should be the preferred response. One mechanism to address these issues is through casual conversion clauses which can be included in awards or agreements through consent arrangements or the bargaining process to give 'long-term casuals' the option to convert to permanent employment. There is also the need to address larger structural funding issues, recognising that casual employment is often also a response to pressures on staffing budgets.

8. The level and quality of teaching qualifications in the sector

8.1. This submission has emphasised the importance of the VET workforce in delivering the skills training required to build a more skilled and productive workforce, to raise the number and level of qualifications obtained through the VET sector, and to improve the workforce participation rates of those currently unemployed, or only marginally attached to the labour market.

8.2. It is essential that the VET workforce is supported in these endeavours with an appropriate grounding in the pedagogical skills required to deal with the diverse learning environment of the VET sector, and the opportunity to develop these skills on an ongoing basis. Only then can teachers expect to get the most out of the industry knowledge and experience they often bring to the role.

8.3. Effective teaching, training and assessment relies on an extensive professional knowledge basis. As Clayton observed, teachers who reported they felt well prepared in their first year of teaching had completed courses that gave them deep knowledge of what they were expected to help students learn, the skills and knowledge of how to teach, how to teach content, and how to assess and how to assess plan²⁰.

20 Clayton, B., (2009), Practitioner experiences and expectations with the Certificate IV in Training and Assessment: A discussion of the Issues, p. 16, NCVET

- 8.4. Unfortunately, this has not always been the case, and there have been well-documented concerns for a number of years over the standard of initial and ongoing VET teacher training; concerns which continue to be expressed.
- 8.5. The concerns centre largely on the adequacy of the certificate IV Training and Assessment qualification in its various guises since the original training package in 1998, and whether it is a sufficiently robust minimum qualification for those responsible for building the skills and knowledge of the Australian workforce. The concerns and criticisms directed at the certificate IV qualification include:
- the qualification was largely developed for workplace trainers in workplace settings and does not account for the different learning needs of teachers who work more in classroom-based environments;
 - there are significant competency gaps in the qualification, especially in terms of different pedagogical skills;
 - the lack of provision for a supervised practicum;
 - the lack of provision of effective pathways to higher level qualifications
 - variations in the delivery of the qualifications;
 - no framework to support ongoing professional development;
 - the evidence suggests it doesn't meet the skill and knowledge needs of either teachers or trainers and has lowered teaching standards; and
 - Unless inadequacies are addressed, the quality of VET provision likely to suffer.
- 8.6. For further treatment of these issues, we refer to the AEU submission and the work recently by Clayton²¹ which provides a good overview of issues which have emerged over a number of years.

²¹ op. cit

- 8.7. The fact too that advertised course offerings for the certificate IV qualification routinely advertise it is a five day course or less²² also raise questions about the standard of initial teacher training.
- 8.8. This is not about suggesting that every VET teacher must do a three year degree before they start teaching. The ACTU recognises that any framework for VET teacher qualifications must be developed taking into account the realities of the VET environment, where much of the VET workforce comes directly from industry and will therefore often start their VET employment with strong industry experience and qualifications, but not the corresponding teaching skills. It is important clearly for this strong connection between industry and the VET sector to continue, and this means VET teaching qualifications will by necessity need to be integrated with VET employment, and not necessarily precede it, as new VET staff gain their teaching qualifications once employed.
- 8.9. However, conversely, it is not acceptable that a qualification completed in five days or less is the extent of formal teaching qualifications that the workforce is required to have in order to become and to continue to be a VET practitioner. Moreover, it appears that even though the Certificate IV has become the de facto minimum standard, many VET practitioners do not even hold this minimum qualification. It has been estimated that 90% of practitioners in private providers, outside TAFE, hold no qualifications in training and 60% in TAFE do not have qualifications.²³
- 8.10. For a sector that prides itself on its quality and professionalism and which is responsible for the quality of vocational skills training that is provided to the rest of the workforce, the current situation needs to be improved.
- 8.11. In this respect, the AEU has done a great deal of work in this area with its membership. Their proposal, outlined in further detail in the AEU submission, is for an integrated three phase approach to VET teacher qualifications linked to different AQF levels - starting with a qualification at least at certificate IV level – and underpinned by agreed professional standards developed by the profession.

²² see for example www.inspireeducation.net.au/certificate-iv-in-training-and-assessment.html (accessed 21 May 2010)

²³ Guthrie, H., and Mlotkowski, P., (2010), op cit, p. 26

- 8.12. The key point is that the certificate IV must be seen as an entry-level qualification - the foundation for future professional development and qualifications - and not the end point for a fully qualified VET teacher. Capability development needs to be seen as an ongoing process, from commencement of employment and at important threshold points during professional careers. There is a need to look at more advanced qualifications at Graduate Certificate or Diploma level and the ACTU endorses the submissions made by the AEU for a three phase approach as described above.
- 8.13. The ACTU notes that there has also been and continues to be a great deal of work done on the latest iteration of the training and assessment training package to address some of these issues, but there is still scope for the process of continuous improvement to be applied to the certificate IV qualification and the training package as a whole.
- 8.14. We note also the arguments put forward in the discussion paper about barriers to entry, but emphasise that it is not acceptable to have a declining importance placed on the level and quality of qualifications required to teach in the VET sector. As noted above, it is clear that many VET teachers come to the profession with their industry experience and qualifications, without necessarily having any formal teaching qualifications. This will always be the case as VET providers look to attract new staff with industry links. However, this is not a reason to remove or reduce teaching standards. It should become an accepted part of their initial training and professional development that new staff undertake appropriate qualifications. This may require a cultural shift as well as further possible regulatory measures.
- 8.15. There is a view that expectations of teachers and trainers could become increasingly differentiated, with teachers to focus on obtaining higher level pedagogical skills and qualifications while trainers are employed almost solely for their technical, industry currency without much attention paid to pedagogy. While this distinction can be made, the ACTU does not advocate this as a way to proceed.

8.16. The aim should be to ensure all teachers, trainers and assessors have a basic common set of professional, pedagogical skills and there should be encouragement to undertake skills development beyond these basic foundation skills, with reward and recognition of higher levels of competence. A framework along the lines proposed by the AEU should be seen, not as a barrier to entry, but a vital ingredient in improving and promoting the quality, status and professionalism of the VET workforce.

9. Professional development

9.1. The teaching qualifications framework proposed by the AEU makes important provision for ongoing professional development. This recognises that while there will always be many in the sector with an intrinsic motivation to improve their skills and capabilities and seek out opportunities for professional development and maintaining their industry currency, this also needs to be provided for and encouraged in a formal, structured way.

9.2. To this end, the ACTU supports the position of the AEU that professional development should be based on accredited modules which contribute to the completion of the initial qualification and higher qualifications. This recognises again that teaching qualifications have to be acquired on the job and linking professional development to a qualification makes the activity purposeful, and overcomes the risk that professional development becomes disconnected with qualifications.

9.3. Maintaining and strengthening links with industry should be another important focus of professional development activities. There is generally consensus on the importance of measures such as industry placements, and staff interchanges. However, there would be benefit in getting a clearer picture of how prevalent they are, where they work well and where they don't, and what could be done to improve access to them.

- 9.4. One obvious reason why industry placements are not all that widespread may be the cost of the employee leaving the workplace. This is an issue which needs to be addressed through funding to support dedicated release time and should form part of a broader workforce development strategy. There may also be a role for Industry Skills Councils in brokering and co-ordinating industry placement opportunities.
- 9.5. In regards to registration, there are a range of views with some not convinced of its merits given the diversity of the workforce. For its part, the ACTU has an open mind on this issue as one worthy of further consideration as part of the framework for increasing the status of the workforce. Again, we refer to the submissions by the AEU on this issue.

10. Wages and conditions in the sector

- 10.1. To counter the impact of an ageing VET workforce nearing retirement, a mix of attraction and retention strategies are required. Improving the professional status of the workforce through a renewed focus on the quality and level of teaching qualifications in the sector is one key mechanism discussed above. Improved access to professional development is a key related issue.
- 10.2. Ongoing improvements to wages and conditions must be a part of that equation. VET practitioners should expect to be paid well commensurate with their qualifications and experience and in keeping with their professional status.
- 10.3. The discussion paper has some implied criticism of the award and agreement structure that applies to the VET workforce, however it is vital that these structures are in place to provide access to skill based career paths across the industry that link salary progression to improvements in formal qualifications and improvements in skills acquired and utilised in the workplace.
- 10.4. Collective bargaining where VET practitioners have the right to be represented by their union in negotiations with their employer continues to provide the best vehicle for addressing issues of productivity and service delivery and providing reasonable wages and conditions across the profession, and is recognised as such under the Fair Work legislative framework.

10.5. The ACTU is concerned about any direction the review might take in support of simplistic notions of individual performance pay. Performance pay has been tried many times in the past in different teaching environments and jurisdictions, without achieving the benefits its advocates have promised²⁴. Such schemes have often shown to be divisive and counter-productive, and are based on a misunderstanding of what motivates teachers²⁵.

10.6. The focus instead should be on standards-based pay improvements, which provides reward and recognition for improvements in teaching knowledge and practice. In 2007, the Australian Council for Educational Research identified the circumstances where such schemes are more likely to be successful and achieve genuine commitment and support, including²⁶:

- when their guiding purpose is to give substantial and valued recognition to teachers who provide evidence of professional development to high teaching standards;
- the standards have been developed by expert teachers and provide long-term goals for professional development;
- teachers have adequate opportunities to learn the knowledge and skills required to put the standards into practice;
- a teacher's ability to demonstrate they have met the relevant standards leads to valued professional recognition, enhanced career opportunities and significant salary increases (and not one-off bonuses); and
- assessment processes are in place that ensure reliability, comparability and fairness in determining whether teachers have met those standards.

10.7. The development of any such standards-based pay schemes must be negotiated with teachers and their unions and reflected through appropriate collective industrial instruments. Additional government funding is also required to support any such schemes.

²⁴ see J.Isaac, Performance-related pay: the importance of fairness, *Journal of Industrial Relations*, vol. 43, issue 2, pp. 111-123

²⁵ see Dinham, S., "The merits (and complexities) of merit pay" 18 November 2006, <http://www.news.ieu.asn.au/796.html>

²⁶ (ACER (2007), Performance Pay for Teachers,

http://www.dest.gov.au/sectors/school_education/publications_resources/profiles/research_on_performance_pay_for_teachers.htm

11. Conclusion

- 11.1. Again, the ACTU welcomes the opportunity to respond to the Productivity Commission Issues Paper on the VET workforce.
- 11.2. There are major challenges ahead for the VET sector, and until recently there has been insufficient attention on how the VET workforce itself is placed to respond and meet these challenges.
- 11.3. The establishment of this review process is a positive initiative to help provide the research, planning and policy development required to properly identify and address the issues impacting on the VET workforce over the short, medium and longer term.
- 11.4. The ACTU looks forward to the next stage of the review process.
- 11.5. At this stage, the ACTU puts forward the following priorities for further action:
- the development of a national workforce development strategy for the VET workforce that includes an allocation of adequate resources for ongoing professional development, and for the development and maintenance of close links between teachers, providers and industry, support for sharing and diffusion of good practice, as well as more and better data on the VET workforce;
 - the development and promotion of appropriate high level VET teaching qualifications and professional development for VET teachers, as part of a strategy for re-professionalising the VET workforce;
 - Measures to address unacceptably high levels of casual employment within the VET workforce, particularly in TAFE; and
 - A recognition of the continuing role of collective bargaining as the primary means by which improvements to wages and conditions, including enhanced professional career paths, can be negotiated with the VET workforce and their unions.

11.6. The ACTU supports the submissions of its affiliated union, the AEU, and we commend them also to the review.