

Submission to Productivity Commission Issues Paper Vocational Education and Training Workforce

Background: Training and Skills Commission

The Training and Skills Commission (TaSC) is the peak advisory body to the South Australian Government on skills and workforce development priorities. The Commission's functions are broadly to:

- advise and make recommendations to the Minister on matters relating to the development, funding, quality and performance of vocational education and training and adult community education in South Australia
- regulate training providers and apprenticeships/traineeships in South Australia.

In November 2009 TaSC released its Five Year Plan for Skills and Workforce Development [Skills for Jobs: Priorities for Developing South Australia's Workforce](#). The Plan made recommendations for fundamental changes in the State's post school education and training system, to ensure South Australia has the skills available to support future growth of the economy and sustainable employment opportunities. The plan focuses on strengthening pathways between elements of the education and training system and improving the quality of learning outcomes.

Many of TaSC's recommendations have been incorporated into the South Australian Government's current *Skills for All* policy reform agenda. The Government's final policy position on VET is due for release in August 2010 www.dfeest.sa.gov.au/skillsforall.

The Training and Skills Commission is currently updating its Plan, to take account of changing economic circumstances, further consultation with industry and other stakeholders, and its ongoing policy work. A key policy topic that the Commission has considered in some detail over the past year is the capacity of the tertiary education workforce, with a particular focus on the VET workforce.

To inform its policy work, TaSC commissioned three external policy papers on this topic in 2010:

- *Professional development in the VET workforce* by the National Centre for Vocational Education Research (NCVER). **A copy of the report is attached.**
- *Professional development for the Tertiary Workforce – University Sector* by Anama Morriss Consulting & Associates
- *Better than the national average, for now: a report on the capabilities of South Australian vocational education and training (VET) practitioners* by John Mitchell & Associates.

These policy papers make reference to the large body of research currently in train across Australia around the issues of VET workforce and professional development.

TaSC's submission to the Productivity Commission's Issues Paper draws heavily on this body of research and its own consideration of the key issues. These are summarised below.

The changing nature of VET

The Training and Skills Commission's policy work has highlighted that the VET sector is more complex and dynamic than the other education and training sectors. The environment in which RTOs operate is continually changing as a result of factors such as changing economic and demographic conditions, government policies on skills and workforce participation, regulatory changes and the introduction of new technologies in the workplace and in the delivery of training.

Examples of recent and current changes include: the introduction of the revised Australian Quality Training Framework (AQTF 2010), the current review of the Australian Qualifications Framework (AQF), the 2009 review of training packages, moves to national regulation and the move to a more integrated tertiary system requiring improved pathways and greater collaboration between sectors and providers.

VET teachers, trainers, assessors and auditors are required to work in an increasing range of contexts and settings – including institutes, schools, online and in a wide variety of workplaces. Their client profile is also changing. VET learners are increasingly from diverse backgrounds, including older learners as well as school age students, those from overseas, learners with disabilities or mental health problems, and those who are required, but not motivated, to become involved in training. Government policies relating to workforce participation mean that the proportion of students from disadvantaged backgrounds will continue to grow. The VET sector will also be increasingly called upon to up-skill and re-skill the existing workforce.

As a result of these factors, the boundaries between VET, adult community education (ACE), higher education and schools are becoming increasingly blurred. The different learning methodologies and assessment practices between the sectors are acknowledged and it is considered important to maintain their distinct roles. However, it is clear that Commonwealth and State Government policies and targets, such as increased participation in learning and work by people from under-represented groups, will require the sectors to collaborate much more than has been the case in the past. The Training and Skills Commission fully supports the development of a seamless tertiary education sector in Australia and notes the implications for articulation and credit transfer arrangements, as well as for the tertiary education sector workforce.

Ongoing industry restructuring and transformation is another significant influence on skills needs, particularly in a small regional economy such as South Australia. As South Australia makes the transition to a new industry structure, it will be critical to ensure that skills are not a limiting factor, and that innovation in the workplace drives growth and diversification of the State economy. Research by Skills Australia and the Training and Skills Commission points to increased demand from industry for VET qualified workers, particularly those with higher level qualifications. Employers continue to highlight the importance of generic, transferable skills, which enable workers (and firms) to adapt and innovate. VET providers will need to ensure that they tailor their offerings to meet changing demand from industry, as well as students.

The TaSC has recommended to Government a fundamental shift in South Australia from a VET system which is focused on supply to one driven by the demands of students and industry. The foundation of the TaSC's recommendation is a student entitlement model that enables all South Australians to gain a qualification to Certificate III level, fully supported by public funding. This approach will contribute significantly to TaSC's goal of raising the skills levels of South Australians while also supporting growth and diversification of the State economy.

This new approach – which has been supported by the South Australian Government in its *Skills for All* reform proposals - will reinforce the critical importance of industry currency among the VET workforce. Industry currency is important to learners and trainees, who want to make sure they are learning current skills, and also for enterprises - who want to have confidence in the currency of the VET system.

As discussed further below, increasingly, VET practitioners will need to act as workforce development intermediaries - working with firms to understand their skilling requirements in a broader business context, and developing partnerships with industry and individual firms to foster the take up of new approaches to workplace practices. Also, the delivery of higher level qualifications will increasingly occur in dual sector institutions which will require the workforce to operate across the different cultures and teaching/assessment methodologies.

The move to a demand driven model for the VET sector, with increased competition and choice, should be an important driver of improvements in RTO capacity. It will be important to have greater transparency for clients of the system, with reporting of individual RTO performance in terms of outcomes.

Demographic changes are impacting not just on the VET sector's client base but also on its own workforce. As the VET workforce continues to age, there will be opportunities for workforce renewal and new approaches, including more flexible working arrangements. As older workers leave the sector, concerted effort will be required to attract new workers, and to up-skill/re-skill existing workers. It will be important to ensure that the future workforce is diverse – reflecting the diverse client base.

Combined, these factors have significant implications for the skills, knowledge and experience needed by VET practitioners – as discussed below. The magnitude of these changes means that it will be important to understand and *plan* for the VET workforce of the future.

Currently there is a lack of basic information about the size and nature of the VET workforce in Australia. The currently available published data is inadequate for workforce planning purposes. It is unclear what is currently and potentially available from administrative (eg compliance) datasets. This should be investigated as a matter of priority. Demographic data to inform workforce planning is required, as well as data on the qualifications profile and capability of providers.

Implications for skills and qualifications of VET workers

The quality of the VET workforce is crucial to the workforce capability of all other industries it services. Job roles are changing and there is a blurring between teaching and non-teaching roles. VET workers are called on to develop relationships with industry and work collaboratively with a range of specialist service providers, to develop skills in career advice and work placement, and to take greater responsibility for administrative functions, such as managing budgets. They may also act as consultants within individual enterprises, tailoring training to meet specific needs. They need skills in translating training packages into training programs and assessing the outcomes of that training well. They need to be able to develop resources for use by their students, and make appropriate use of available learning technologies.

Given these changing job roles, combined with the diversity in clients and delivery settings and the increased use of technology, there is significant scope for job redesign and the development of flexible working arrangements to help attract and retain the VET workforce of the future. The diversity of demands on the VET workforce means that a mix of skills will be required – this is best achieved through a team approach. RTOs will also need to develop strategic relationships with external service providers, for example to provide wrap around support services.

The adoption of a demand driven model with increased choice of provider is likely to place more demands on the VET workforce to be responsive and at least some of these workers will need to be more entrepreneurial. Potentially, there is an important role that VET can play in encouraging and facilitating the improved *use of skills* in the workplace which will also require stronger links with industry.

Student centred approaches will be increasingly important, as an increasing number of clients are likely to need support to assist them in achieving their learning goals. This will require teaching skills within the VET workforce which are more traditionally associated with the schooling sector,

such as helping people to learn and imparting knowledge in a way that builds foundation and generic skills.

Increased delivery of higher level qualifications is likely to require teachers to deliver in different vocational areas, and to different client groups compared with the delivery of lower level qualifications. Students studying lower level qualifications are more likely to need additional learning support than those studying at higher levels, however given the low levels of literacy and numeracy across the general population, it cannot be assumed that students enrolled in higher level qualifications will not also require learning support.

The balance between pedagogic skills and workplace knowledge and experience remains a critical issue for the VET workforce. A key professional development issue that emerges is getting the *balance* right between maintaining vocational currency and fostering skills to improve teaching, learning and assessment practices. If the former is ignored then the danger is that vocational skills will be imparted well, but these skills may not be best meeting current individual and industry needs.

The new AQTF will also have an impact on the VET workforce (particularly Element 1.4 relating to trainer and assessor competencies), and its introduction provides the opportunity to be more stringent in the area of quality assurance and in measuring the quality of outcomes.

The Training and Skills Commission's policy work shows there is general agreement that the Certificate IV in Teaching and Assessment is appropriate as the *entry level* qualification for VET practitioners *if taught well*. There are significant concerns, however, that this is not always the case. Even when taught well, it is widely recognised that the entry level qualification must be accompanied by relevant vocational experience and built on with ongoing mentoring, support and opportunities for professional development.

As the key underpinning qualification to the quality of what the VET system offers, the TaSC believes that there is a case for placing limitations on which providers can *deliver* the Certificate IV in TAA/TAE. Providers might be subject to more rigorous audit in getting the course on scope, and an expectation of a higher audit and risk assessment scheme.

The Diploma of Training and Assessment is currently being reviewed and there is an opportunity to make sure that it covers the key skills and competencies required beyond the Certificate IV and that the Training Package encompasses industry-endorsed skill sets for those practitioners who only require a few specific skills/competencies – but with clear pathways to attaining the full Diploma.

Not all VET teaching and training staff will need the same knowledge and skills sets. The skills sets needed by any individual will depend on the stage in their career, their aspirations and the context within which they operate. There is danger in raising the qualification bar too high as this may mean that people with current industry experience and knowledge will be lost to the system. It is important to acknowledge that needs may be met by appropriately balancing the skill sets of work teams and business units within individual providers.

The strategic use of employees who also work part-time in industry can help drive responsiveness and flexibility within the VET sector, and in adapting more smoothly to economic cycles.

The Training and Skills Commission supports the development of a workforce development strategy for the VET (and broader tertiary) sector, comprising the following key elements:

- programs and initiatives to transition people who want to move into training roles from other roles in industry
- regular (perhaps mandated) work placements for practitioners; and strong links with industry to ensure relevance
- consideration of the development needs of auditors and technical experts
- working with professional associations and unions to raise the status of vocational teaching and assessment, to develop professional standards and to advocate for the

greater use of industrial awards to embed professional development requirements and associated rewards

- incentives for practitioners to work more closely with industry and raising industry awareness of the services on offer from the VET sector, and what to expect from a quality provider
- access by practitioners to appropriate equipment and teaching resources
- a mix of institutional and workplace learning/blended delivery models
- developing and maintaining a network practitioners across the sector, as well as coaches/mentors.

Additional information relating to specific consultation topics:

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

The environment in which RTOs operate continues to change and the boundaries between VET, adult community education (ACE), higher education and schools are becoming increasingly blurred. It is generally agreed that the VET workforce is operating in the most complex and dynamic environment. VET teachers, trainers and assessors work across a range of settings and their role is changing. Also, VET learners are increasingly from diverse backgrounds, including disadvantaged learners.

What criteria should the Commission use to define the scope of the VET sector for the purposes of this study?

The Training and Skills Commission believes that the study's primary focus should be on those members of the VET workforce who provide education and training services directly to clients: VET teachers, trainers, auditors and assessors. The focus should be on the VET workforce that provides courses leading to nationally accredited courses – regardless of the setting and funding source.

Are there particular issues affecting the VET workforce that arise due to the increasing overlaps between the various education sectors?

The different learning methodologies and assessment practices across the sectors is an issue that will need to be addressed. Increasingly, VET practitioners will require teaching skills which are more traditionally associated with the schooling sector, such as helping people to learn and imparting knowledge in a way that builds foundation and generic skills.

Government policy priorities will require the sectors to collaborate much more than has been the case in the past. This has important implications for the qualifications and professional development of staff working within and across the sectors; and for the standards/guidelines being developed for VET and higher education in the move to national regulation.

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

Terminology is important in any discussion of VET workforce issues. There is no agreed terminology currently in use across the sector and many terms are used interchangeably. Use of particular terms eg *professional* confers a level of status on an occupation, which may or may not be warranted. Given the diverse range of employment arrangements within the sector, all with varying degrees of attachment to the 'core' workforce, it is unlikely that one or two terms will cover the range.

A key group not identified is auditors (including external industry auditors/technical experts). In the move to national regulation this group of employees becomes critical and concerted effort will be needed to ensure consistency across jurisdictions.

Do you agree with the possible approach to defining the VET workforce as all employees of VET providers — including managerial and administrative staff, self-employed persons and independent contractors — but excluding government and peak industry group employees? If not, what alternative would you suggest and why?

The definition adopted will depend on the purpose. For workforce planning purposes and also compliance purposes, it is appropriate to look at *all* employees of VET providers. For capability

building (quality) purposes it is more important to focus on those members of the VET workforce who provide education and training services directly to clients. These individuals will not necessarily be employed by a 'VET provider'. Having said that, as discussed below the boundaries between delivery roles and other roles (including administrative) are blurring and this needs to be taken into account.

What key objectives is the VET workforce seeking to achieve?

The Training and Skills Commission believes that we must have a high quality VET workforce with teachers/trainers who:

- meet rigorous regulatory requirements
- can engage learners in different ways and in different contexts, using a range of media and spaces, including the workplace
- have the skills needed to teach a diverse range of learners, including the most disadvantaged, school students, higher education students and mature age workers
- are well versed in current industry practices with up-to-date teaching qualifications and experience so they can interpret and implement training packages innovatively
- can work with firms to understand their skilling requirements in a broader business context, and can develop partnerships with industry and individual firms to foster the take up of new approaches to workplace practices.

The quality of the VET workforce is crucial to the workforce capability of all other industries it services. There is a strong link between VET practitioner capability and national workforce productivity – the higher the skill levels of VET practitioners, the greater the capacity of the VET sector to ensure the quality of Australia's workforce.

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

The Training and Skills Commission believes that RTOs should be assessed against an agreed set of objectives. This could be operationalised through the new benchmarks for AQTF trainer and assessor competencies.

A national workforce development strategy for the tertiary sector workforce – as recommended by Skills Australia – could provide the overarching framework for developing and assessing the capacity of the VET workforce.

What metrics should be used to measure achievement of those objectives?

The AQTF provides for the collection of a range of information and data which can be used to measure achievement, including outcomes measures.

Is information available, relating to those metrics?

Currently there is a lack of basic information about the size and nature of the VET workforce in Australia and the performance of RTOs. The Training and Skills Commission believes this is a critical issue that must be addressed as part of the move national regulation.

What are the key reasons for the apparent older age of VET practitioners relative to the total labour force?

In line with the general ageing of the population, the VET workforce is also ageing. There are many motivations for becoming a VET practitioner, but the sector continues to attract a disproportionate amount of older entrants (compared with other education sectors) as VET teaching/lecturing often follows (or is combined with) a career in the trades or other vocations.

The ageing of the workforce has potentially large workforce replacement implications, but also provides opportunities for workforce renewal.

Registration to be a provider requires the provision of information to the regulator on the staff involved in delivering training and assessment services – this data can be used to develop an accurate profile of the VET workforce across the public and private sectors – including the age profile.

Are adequate data available to facilitate effective planning and analysis of the VET workforce?

The currently available published data is inadequate for this purpose. It is unclear what is currently and potentially available from administrative (eg compliance) datasets. This should be investigated as a matter of priority.

What additional data on the VET workforce are required? How should they be generated, disseminated and used?

Demographic data to inform workforce planning is required, as well as data on the qualifications profile and capability of providers.

What impact might demographic trends have on future demand for VET, and the VET workforce?

As highlighted above, the VET client profile is changing significantly - VET's learners are drawn from increasingly diverse backgrounds. These changes have included older learners as well as school age students, those from overseas, learners with disabilities or mental health problems, and those who are required, but not motivated, to become involved in training.

This has implications for the skills of VET practitioners and the services delivered by providers. Student centred approaches will be important, as an increasing number of clients are likely to need support services to assist them in achieving their learning goals. VET will also be called upon to provide more up-skilling for the existing workforce – many of whom will be clients who have not undertaken formal study for some time. Many of these learners will want to acquire *skill sets* rather than full qualifications.

What is the impact of economic activity, in the broad and over the economic cycle, on demand for training and the VET workforce?

The training system is significantly reliant on employment-based contracts of training, and has always been vulnerable to reductions in training during economic downturns. The counterpart is that there is an inbuilt bias towards skill shortages in an upturn. Flexibility in the timing of institutional and workplace training, depending on the employment situation, may be a practical response.

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

The provision of VET remains largely 'supply-driven' and hence the sector is not well placed to adapt to changing demographic, social and economic circumstances. South Australia is proposing a move to a demand driven system – see reference to *Skills for All* reforms in introductory section. This will require a more flexible, adaptive and responsive system than currently exists.

How will these trends influence the VET workforce?

The VET workforce will need to have much stronger links with industry to ensure vocational relevance of VET practitioners – ideally through industry placements/part-time employment in industry. Providers will also need to develop strategic partnerships with service providers who can provide the wrap around support services required by disadvantaged and marginalised learners.

What emerging technological developments could significantly alter industry skill needs?

This will vary from sector to sector and this type of information is best collected from organisations such as Industry Skills Councils (ISCs) and State based industry skills advisory bodies. This information can feed into State/Territory based plans, as well as Skills Australia's planning.

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

Information and resources developed by State Training Agencies (eg skills plans), ISCs (eg Environmental Scans) and Skills Australia can all assist providers in planning and positioning themselves in the market. Providers who develop close links with local industry and industry skills advisory bodies will be best placed to plan and respond to changing demand.

Are there particular difficulties related to the ability to deliver training in new technologies?

Depending on the state of the economy and labour market, it can be difficult to attract industry experts to assist providers in upskilling their own staff – or to deliver directly to clients. Access to latest equipment and infrastructure is also an issue.

Using staff who maintain a work role in both VET and their substantive vocation can be an effective strategy. In addition, a range of other approaches can be used: monitoring international trends and changes in technologies and work practices; using the opportunities afforded by providing workplace training in enterprises; undertaking industry placements, action learning and other project work; maintaining industry licensing or registration; subscribing to industry publications; undertaking study tours and site visits; staff exchange programs and being active in industry networks.

What do stronger commercial pressures in the VET sector imply for the future size, skills and knowledge requirement, of the workforce?

VET teachers and trainers are required to work in an increasing range of contexts - institutes, schools, online and in a wide variety of workplaces. They are also called on to develop relationships and work collaboratively with a range of specialist service providers, to develop skills in career advice and work placement, and to take greater responsibility for administrative functions, such as managing budgets. They may also act as consultants within individual enterprises, tailoring training to meet specific needs. They need skills in translating training packages into training programs and assessing the outcomes of that training well. They need to be able to develop resources for use by their students, and make appropriate use of available learning technologies.

Increased competition and choice within the VET sector will be an important driver of improvements in RTO capacity. It will be important to have greater transparency with reporting of individual RTO performance in terms of outcomes.

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

Delivery of higher level qualifications is likely to require teachers to deliver in different vocational areas, and to different client groups compared with the delivery of lower level qualifications. Students studying lower level qualifications are more likely to need additional learning support than those studying at higher levels, however given the low levels of literacy and numeracy across the general population, it cannot be assumed that students enrolled in higher level qualifications will not also require learning support.

It is likely that the delivery of higher level qualifications will increasingly occur in dual sector institutions which will require the workforce to operate across the different cultures and teaching/assessment methodologies.

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

Despite the significant investment in the recent COAG RPL project, there is little evidence that there has been a commensurate uptake in RPL. Based on recent consultations by the Training and Skills Commission in South Australia, there are mixed perceptions among stakeholders about the impact of the COAG RPL program, with a significant number of stakeholders commenting that there had been no significant impact; while others believe the program has changed the behaviour of RTOs for the better, and resulted in a better understanding among students and employers of the process and potential benefits of RPL.

For sustainable growth in RPL, it needs to be embedded as an assessment option for *individuals* entering training and a workforce development activity for *enterprises* during a training needs analysis. However, the TaSC's consultations suggest that employers as well as individuals often consider that RPL is not the best option, even when they may be eligible for it. A number of stakeholders commented that employers prefer their employees to undertake learning as part of a

group. For some individuals, the time and effort required to collect evidence is a disincentive. There is also a level of cynicism among stakeholders that RPL is too often a 'tick and flick' process. RTOs commented that RPL is a 1:1 process and therefore can be costly and time consuming.

RPL is embedded in the AQTF and the new AQTF 2010 (operational from July 1) includes an additional requirement that RPL must be systematically validated. The consistent application of the AQTF standard relating to assessment by the RTO and the auditors needs monitoring. Auditors both internal and external to the RTO should be regularly engaged in professional development to assist their understanding of good quality assessment practices, models and instruments.

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?

TaSC has identified the following key effects of government policy on VET:

- policies to assist the disadvantaged and to increase workforce participation
- shifts to a demand driven funding model, with individual choice
- greater transparency of RTO performance.

The move to national regulation of the VET sector and the proposed bringing together of the VET and higher education regulators will also have a major impact on the VET sector and will require a dedicated program of professional development for VET practitioners to ensure a clear and consistent understanding (and application) of national regulations across jurisdictions.

The new AQTF will also have an impact on the VET workforce (particularly Element 1.4 relating to trainer and assessor competencies), and provides the opportunity to be more stringent in the area of quality assurance and in measuring quality of outcomes.

Migration policies and VET for schools policies will also have an ongoing impact – on both the skills and knowledge required by teachers and the range of delivery settings. There is also likely to be an increase in provision of learning in the workplace, as a result of government policies to up-skill existing workers.

What impacts do you anticipate that the use of technology in the VET sector will have on:

- *teaching delivery and methods over the next five to ten years?*
- *demand for training, particularly from regional/remote areas and overseas?*
- *demand for the VET workforce, both in terms of numbers, and of knowledge and skills requirements?*

Increased use of e-learning combined with on-line discussion forums has the potential to increase the uptake of VET among a number of groups, including rural and remote learners, and existing workers. Teachers will need to be confident and competent in the use of the technology and work with learners and employers to demonstrate its benefits. It is difficult to judge what the impact on the demand for VET workers might be, as the widespread uptake of e-learning is likely to be some time away. Like RPL, many learners (and employers) prefer face to face classroom learning. The use of e-learning and other technologies should be monitored and factored into workforce planning for the sector.

TaSC's consultations have identified significant concerns among a range of stakeholders about the appropriateness of on-line learning for some vocations – particularly in trade areas. The vocational nature of VET – by definition – requires hands-on learning in a workplace environment, hence on-line delivery should be limited to the areas where it can be used effectively to impart skills.

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?

As the foundation of the national VET system, it is imperative that industry has confidence in the content of training packages. It is also critical that RTOs can use them in innovative ways to meet industry and student demand.

The 2009 national review of training products found strong support within businesses and industry for the continuation of training packages and accredited courses as a single national framework. The review identified key areas for reform, and these are being progressed.

In South Australia there is broad support for training packages and the continued role of state-based Industry Skills Boards in ensuring that the process (of developing and endorsing packages) takes into account the State's industry needs. However, there are concerns that many providers lack the capacity and capability to use the packages effectively to develop training and assessment materials in ways which meet the needs of clients.

Among stakeholders there are mixed perceptions about the time it takes to develop new packages and amend existing packages. Some stakeholders commented that the process is excessive in the time required; while others believe it is critical to spend the time necessary to 'get it right'. There is some acknowledgement that recent changes to the process of developing and endorsing training packages has resulted in shorter timeframes.

With respect to higher level qualifications, it is not clear why a shift towards higher level VET would be accompanied by a shift away from competency based training. It is a requirement within all training packages that RPL be offered for any qualification. Depending on the learner profile, it is just as likely that those undertaking higher level qualifications – particularly if they are existing workers – will receive RPL/RCC and will progress based on competencies. Much of the demand for higher level qualifications is likely to be for skill sets rather than for full qualifications, which may reduce the demand for VET teachers, depending on the overall impact on total hours delivered by the sector. It should be noted that RPL can be a time consuming and expensive process, requiring particular skills in the VET practitioner, hence the overall impact is hard to gauge. Again, this is an area that should be monitored.

What are the demographic challenges emerging around the supply of VET workers over the next five to ten years? How might these challenges affect the VET sector's capacity to attract the right number and mix of suitably qualified workers?

As discussed above the ageing of the VET workforce means the sector faces a potential workforce renewal crisis. As older workers leave the sector, concerted effort will be required to attract new workers, and to upskill/re-skill existing workers. Many of the current pool of VET practitioners do not have the qualifications/skill base from which to achieve this.

Despite the significant challenges from an ageing workforce, TaSC finds there is surprisingly little evidence (even within major public institutions) of structured workforce planning to inform strategies to attract, develop and retain the workforce of the future. This is surprising given increased demand for educational services, changing client expectations and significant staff turnover. Even where this work is occurring, planning is seriously hampered by a lack of appropriate data.

What do you think are the key factors influencing an individual's decision to work in the VET sector? Do these vary for different types of potential VET workers? Does VET have difficulty attracting and retaining suitable staff in key training areas?

There is a wide range of motivations for being involved in VET teaching and not all VET teaching staff need the same knowledge and skills – the skills required will depend on the stage in their career, their aspirations and the context within which they operate. Refer Guthrie report, NCVER.

What are the key pathways into and out of the VET workforce? Do these vary for different groups in the workforce, for example by provider type, job role or area of discipline?

While the Certificate IV in Teaching and Assessment (TAA) – now TAE – is the required entry level qualification to become a VET trainer, there are many pathways into the sector – reflecting the varied motivations outlined above.

There is general (though not unanimous) agreement through the research and from the Training and Skills Commission's consultations that the Certificate IV is appropriate as the *entry level qualification* for VET practitioners **if taught well**. There are significant concerns, however, that this is not always

the case. Concerns include: short course delivery (less than 7 days); lack of vocational/discipline context and that the qualification is often achieved through a 'paper trail' (RPL only).

Even when taught well, it is widely recognised that the entry level qualification **must** be accompanied by relevant vocational experience.

One qualification cannot be expected to cater for the skills requirements of all practitioners working across a range of very different roles, and this is reflected in the current qualifications profile of the VET workforce. It is acknowledged that the VET workforce, like its client base, is segmented and that for some practitioners, for example workplace trainers and assessors, the Certificate IV may be appropriate. For others, however, helping people to learn and imparting knowledge is a skill developed over a number of years, through continuing professional development, mentoring and peer support.

According to NCVET (see Guthrie report), little is known about the qualifications available (and their uptake) which can help practitioners progress to higher levels. The Diploma of Training and Assessment is currently being reviewed and there is an opportunity to make sure that it covers the key skills and competencies required beyond the Certificate IV and that the Training Package encompasses industry-endorsed skill sets for those practitioners who only require a few specific skills/competencies – but with clear pathways to attaining the full Diploma.

The AQTF 2010 (operational from July 1) includes requirements for continuing professional development of RTO staff (Element 1.4). The move to greater use of outcomes measures under the new Standards provides a lever to embed capacity building within relevant guidelines/auditing arrangements. Element 1.4 offers the opportunity to be stringent in assuring both suitable development processes and levels of investment. The new AQTF also includes a greater focus on business performance of RTOs, which in turn will require auditors to have new skills in assessing this element of the Standards – including making assessments about the extent to which RTOs have in place workforce plans linked to business plans.

What are the implications of the falling rate of completion by apprentices for the future supply of VET workforce?

It is not clear that the completion rate among traditional trade apprentices is falling and it is even less clear what the long term impact on supply of VET teachers might be, given the range of motivations and pathways into VET teaching.

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

Industry currency is seen as being of the utmost importance in VET. This is so for learners and trainees, who want to make sure they are learning current skills, and also for enterprises - who want to have confidence in the currency of the VET system. Thus, one of the professional development issues that emerges time and time again is getting the balance right between maintaining vocational currency and fostering skills to improve teaching, learning and assessment practices. If the former is ignored then the danger is that vocational skills will be imparted well, but these skills may not be best meeting current individual and industry needs.

The quality of the VET workforce is tied directly to its vocational/discipline currency and its pedagogical skills. Any strategy to build workforce capability must address both these core elements. It is important to acknowledge that needs may be met by appropriately balancing the skill sets of work teams and business units within individual providers.

Would increasing qualification standards make entry into the VET workforce more appealing and/or more difficult? Would these changes produce better student outcomes?

The research (see Guthrie) shows that there has been, and continues to be, a parity of esteem issue for VET teachers and trainers, caught as they are between school and higher education. While a number have higher education qualifications, many have VET level qualifications, which are at the appropriate level for them to practice in the vocational areas in which they teach. It is a question of

whether professionalism is defined solely by qualification level, or whether the attributes and practices of those who teach and train in VET are similar to those that characterise other professions.

The diversity of potential qualifications and skills required in VET is a reflection of the diversity of the sector's mission and the variety of the interest groups and clients it supports. Thus, multiple and 'fit for purpose' entry points (with associated training solutions and qualifications) may be most appropriate.

There is danger in raising the qualification bar too high as this may mean that people with current industry experience and knowledge will be lost to the system.

Is a workforce development plan needed? How might a plan be developed? What would be its key elements?
Without capable people - supported by the right policies, budget settings, industrial relations arrangements, procedures and organisational environment - providers cannot be capable organisations. This in turn implies these elements are central to any strategy to develop the capacity of the workforce to drive quality outcomes.

The starting point for developing such a strategy is a comprehensive analysis of the supply and demand factors impacting on the current and future VET workforce. As highlighted above, this is difficult given the significant data constraints.

Given the blurring of boundaries between education sectors, a strategy for the development of the VET workforce should acknowledge the leakages between the TAFE, VET, school and university sectors.

TaSC believes that a VET sector workforce development strategy should encompass:

- programs and initiatives to transition people who want to move into training roles from other roles in industry
- regular (perhaps mandated) work placements for practitioners; and strong links with industry to ensure relevance
- consideration of the development needs of auditors and technical experts
- working with professional associations and unions to raise the status of vocational teaching and assessment, to develop professional standards and to advocate for the greater use of industrial awards to embed professional development requirements and associated rewards
- incentives for practitioners to work more closely with industry and raising industry awareness of the services on offer from the VET sector, and what to expect from a quality provider
- access by practitioners to appropriate equipment and teaching resources
- a mix of institutional and workplace learning/blended delivery models
- developing and maintaining a network practitioners across the sector, as well as coaches/mentors.

Improving capability also depends on the extent to which learning is part of the provider's broader organisational culture.

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?

See Guthrie.

Are administrative and technical support roles in VET changing? If so, is the workforce readily available to fulfil these changing roles?

As described above, the roles of VET workers are changing significantly and job roles are becoming blurred. The new AQTF will impact further with its increased focus on business performance of RTOs. This in turn will require auditors to have new skills in assessing this element of the Standards

– including making assessments about the extent to which RTOs have in place workforce plans linked to business plans.

According to the research, VET practitioners report considerable tension between their core teaching and training activities and the pressure to become involved in other work functions such as revenue-raising and administrative tasks. There can also be tension between the call to act flexibly to meet customer needs and the drive to comply with AQTF requirements and ensure consistency of outcomes.

How might job design change to enhance workforce efficiency and effectiveness?

Team based approaches and the development of strategic relationships with external service providers would allow the opportunity for RTOs to deliver client centred services while also enabling staff to work in a range of settings, with a range of clients and with other workers with a range of skills.

Giving the changing job roles, the diversity in clients and delivery settings and the increased use of technology there is significant scope for job redesign and the development of flexible working arrangements.

Can you foresee a greater role for performance pay in promoting workforce efficiency and effectiveness?

As the sector struggles to attract and retain skilled workers there may be an increase in the use of performance payments. However, pay is not necessarily the key motivator for many individuals: flexible working arrangements and other workplace practices are likely to be just as – or more – effective. Professional development opportunities are also important motivators.

The success and acceptance of performance pay will depend upon the system's ability to measure performance having regard to the diverse student base and their needs.

Is the core-periphery model evident in the work practices of public and private VET providers? If so, what implications does it have for the efficiency and effectiveness of their workforces?

Without adequate data on the VET workforce and its working arrangements it is difficult to ascertain the extent of different models in practice. The changing nature of the sector implies however that the use of core-periphery models will increase in the future. This can be a very effective model if implemented appropriately.

Are teaching and non-teaching roles in VET blurring? If so, what does this imply for the efficiency and effectiveness of the workforce?

As discussed above, teaching and non-teaching roles are becoming increasingly blurred, providing opportunities for job re-design and team based approaches. Efficiency and effectiveness will be determined by the capacity of management within organisations to undertake workforce planning and to implement appropriate workforce development strategies.

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

Funding models (and program guidelines) have the potential to impact significantly on productivity and student outcomes. Funding models vary significantly between jurisdictions and between programs. Funding models which incorporate greater contestability, increased use of RPL, more workplace based learning and completion payments, for example, are likely to result in greater productivity – if implemented well. It will be important to ensure that greater contestability does not lead to reduced quality outcomes for clients. This will require stringent guidelines for publicly funded VET, strong regulation, ongoing professional development for VET practitioners and informed clients of the system.

What are the advantages and disadvantages of having a range of regulatory approaches for the VET sector?

There are few, if any, advantages of having inconsistent regulation across jurisdictions. Innovation and competition can be achieved through other mechanisms such as contestability, funding models and guidelines, and the provision of client information and services (such as careers and labour market information, and brokerage services to assist firms with workforce planning).

Currently, despite the fact that all jurisdictions operate within the AQTF, there are significant variations in regulation across jurisdiction evidenced by the existence (or not) of specific guidelines for the registration of providers and delivery of services; and variation in quality across jurisdictions.

Is the current regulatory framework efficient, fit for purpose and consistent with the principles of competitive neutrality? What about the forthcoming national regulatory framework?

The current framework is applied inconsistently across jurisdictions, which has implications for firms operating across borders/nationally, as well as for students moving between jurisdictions.

The new AQTF has been strengthened in some key areas, including financial viability and provider capability, but it will be critical that the new national regulatory framework does not result in minimum standards which are lower than those applying in the most highly regulated states currently. Several jurisdictions have developed guidelines for RTOs which could be adopted nationally.

Should publicly-funded and privately-funded RTOs face the same minimum standards?

All providers should face the same standards regardless of funding source. In practice few providers are likely to operate as publicly or privately-funded *only*, particularly as the level of contestability of public funding increases. As some jurisdictions move towards entitlement models, with full client choice of providers, it is likely that some providers which have only received private funding in the past will increasingly attract publicly funded students.

What sorts of policy, governance and regulatory measures relating to workforce planning might enhance the efficiency and effectiveness of the VET workforce?

The AQTF 2010 goes some way towards ensuring a greater focus on workforce planning within individual providers. It will be important that this element is monitored and audited regularly to assess the extent which it is being complied with.

Skills Australia has called for a national workforce development strategy for the sector. For this to be effective, it must be based on sound workforce planning which, in turn, relies on robust data sources. It is critical that organisations such as the NCVET have access to data from administrative data systems in place to support national regulation.

What types of workforce planning activities do you think can be most effectively undertaken by individual providers, and which types of workforce planning activities lend themselves to a coordinated, overarching approach?

Individual providers are best placed to plan for their internal workforce needs and their strategic relationships with other service providers, based on an assessment of future trends in demand - which in turn will be based on social, economic and demographic factors such as government policy, changing client profile, and industry growth areas. Demand trends should be assessed against current and future supply trends, which will be influenced by the age profile and retirement intentions of the workforce, job turnover, and the provider's ability to attract, retain and up-skill workers.

Each jurisdiction has a role to play in assessing the future VET workforce needs, to ensure there will be an adequately skilled workforce to develop the State's future workforce and to support industry growth areas. At this level, planning needs to be informed by robust analysis of key factors influencing future demand and supply. It also needs to take account of leakages (of skilled workers) between education sectors and between VET and industry.

There is also a role for organisations such as Skills Australia to undertake high level planning for the sector at the national level, which draws on the planning undertaken in each jurisdiction.

What are the implications, for VET workforce planning, of the growing role of internal VET competition and contestability and student choice in the VET sector? How does workforce planning, in this environment, continue to take account of industry requirements for skilled workers?

The move to a more 'demand driven' system of education and training does not lessen the role for planning. Clients of the system, together with providers wanting to deliver services, must have access to high quality information about the future prospects for industry sectors – which can help guide decision making. Clients will also need accurate information about the quality of providers to assist their choice in a more contestable market.

Government has a key role in the provision of information to inform the market – and it must work with industry to collect, analyse and publish this information in formats which are useful to the range of potential users.

The strategic use of caps and incentives (on enrolments) will still be appropriate, particularly for specialist occupations. This will help ensure that imbalances (under or oversupply) are avoided as far as possible.