



MASTER BUILDERS
A U S T R A L I A

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Mr Mike Woods
Deputy Commissioner
Productivity Commission
Locked Bag 2, Collins Street East
Melbourne Vic 8003

Dear Mr Woods

Thank you for the opportunity to comment on the Draft Report of the Productivity Commission's Vocational Education and Training (VET) Workforce Study. Master Builders' 30,000 members are the largest employers of VET-qualified tradespeople in the country, and so we have a particularly strong interest in the future of the Australian training system.

Master Builders is seeing an emerging shortfall in VET trainers and assessors both in traditional trades and paraprofessional areas. The current cohort of training professionals is predominantly in late middle age and there is no evidence of a significant stream of younger trainers and assessors coming on line to replace those staff approaching retirement. This relates partly to the wage differential between VET and construction occupations, and also to the fact that training has not historically been well promoted as an attractive career option within the industry. The generally positive outlook in the Draft Report towards future VET workforce numbers therefore needs some qualification according to the field of study, particularly as Master Builders estimates that the number of construction apprenticeships will need to double over the next decade to meet employment demand.

In relation to training and assessment qualifications, there are still many training professionals in trades and paraprofessional areas who do not have the Certificate IV in Training and Education (TAE, formerly Training and Assessment). Master Builders strongly supports a higher proportion of VET training staff holding the Certificate IV TAE, but recommends an extended transition before making this qualification compulsory for all trainers and assessors, to avoid worsening the shortage of available trainers in the short term. Master Builders does not support occupational registration for VET trainers and assessors. It should be the responsibility of VET providers to maintain appropriate standards in this area, which will then be subject to regular audit by the National VET Regulator.

Expectations of VET trainers and assessors are rightly very high. In addition to knowledge of current industry practices and contemporary adult learning methods, trainers and assessors are expected to understand cross-cutting issues such as sustainability and issues of learning disadvantage such as poor literacy and numeracy. Rather than overloading the Certificate IV TAE with materials, Master Builders recommends that there should be an increased focus on professional development for VET trainers and assessors, including in-service training, continuing

professional development programs and the opportunities to undertake education qualifications at Diploma and high levels.

In relation to public VET providers, Master Builders recommends that there should be a structural separation of Institutes of TAFE from state and territory governments. Structural separation would free TAFE management to pursue innovative and competitive training solutions in response to industry and learner priorities. As recommended in the Draft Report, this should be accompanied by an increased freedom for Institute Directors to set the wages and conditions of staff. At the same time, Master Builders recommends that all VET funding streams should be made transparent and contestable between TAFEs and private RTOs, including funding for community service obligations.

Master Builders agrees with the Draft Report that the current level of data on the VET market in Australia is highly problematic and recommends that this should be a priority for further work. Master Builders supports the development and publication of new VET quality indicators as long as these are developed collaboratively and are not unnecessarily burdensome for providers to administer. Master Builders does not support making the findings of VET provider audits public as this would undermine the co-operative and improvement-oriented nature of the audit process.

Master Builders argues that there is a role for government in promoting VET as a career pathway, in partnership with industry and other stakeholders. This issue should be explored in more detail in the final version of the Productivity Commission's study. Measures in this area could include wider availability of careers information, funding for innovative workforce development initiatives among VET providers, or facilitating closer co-operation and exchange of personnel between VET providers and employers. Ideally this last measure would contribute to greater involvement by industry in the determination of competency outcomes in onsite learning contexts and better inform the future direction of training package content.

The challenges for the future VET workforce in Australia are multifaceted and complex. Public funding for VET has been chronically low for many years, and so attracting and retaining quality staff in sufficient numbers will always be difficult, particularly where (as in construction trades) there are much better paying options. However, a flexible and competitive VET system, in which training staff are highly regarded as skilled professionals, would constitute an important first step towards sustainability in the VET workforce.

If you require any additional information in relation to this issue, please contact Dr Alex Maroya, National Director Training in the first instance on (02) 6202 8888 or email amaroya@masterbuilders.com.au. We would also welcome the opportunity to meet with you to discuss any of the matters raised in this submission.

Yours sincerely



Wilhelm Harnisch
Chief Executive Officer