



Carole Gardner
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Vocational Education and Training Workforce Study
Productivity Commission
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Dear Ms Gardner,

EE-Oz is broadly supportive of the recommendation made in the Commission's draft report and applauds the acknowledgement that the VET sector serves both an economic and social mandate, with potentially conflicting objectives, and that technical trainers operate as dual professionals with important implications for remuneration, initial entry and professional development arrangements.

These concessions define the vocational education system and distinguish it from the primary, secondary and higher education systems. They result from the sector's unique association with industry and necessitate an approach which leverages this association to improve outcomes for all stakeholders.

VET workforce development

The report correctly identifies the danger that establishing minimum educational requirements will create barriers for entry, discouraging much needed recruitment. However, pedagogical training has been demonstrated to improve the efficiency and effectiveness of tuition (improving outcomes) and low entry requirements should not be allowed to erode the number of VET teachers with access to higher level education qualifications.

Trainers in the vocational education sector should be required to *achieve* the Cert IV TAE within two years of commencement. They should then be encouraged to achieve higher level qualifications, such as the industry supported Diploma of Technical Teaching qualification, which incorporates industry specific units for currency verification with educational delivery and management competencies.

The limited opportunity to achieve higher level educational qualifications may be related to ambiguity in current professional development systems. There is concern amongst industry representatives that a large proportion of current professional development budgets are attributed to administrative training, which does not improve student outcomes. It is important that professional development systems distinguish between technical, pedagogical and administrative skills to ensure training is targeted at areas of individual relative weakness or industry sector/ student special requirements.

| Professional Development Category | Stakeholder Priority |
|-----------------------------------|----------------------|
| Technical | Industry |
| Pedagogical | RTO and Industry |
| Administrative | RTO |

The funding of training

The draft report talks at a high level about the role of industry in funding training and driving promoting skills development. This could be supported through the implementation of a technical skill development funding model similar to that for Research and Development funding. Under this model, enterprise would be able to claim a tax deduction (set at 150% for R & D) for expenditure on accredited training programs. Such a funding model, which might include a threshold level of commitment after which the incentive applies, would provide the basis for repositioning skills development as an investment for the enterprise's future prosperity and encourage the strengthening of the demand led approach to skills investment.

This is distinct from the current block funding model which provides a set level of funding for eligible qualification at each AQTF level. The current approach risks 'dumbing down' qualifications, with a natural incentive to reduce the rigor of qualifications in order to improve the relative level of funding to training time. Contributing to investment through a proportional subsidy would ensure firms invest in skills which will provide a tangible benefit, without jeopardizing the level of training being undertaken.

For further information on any of the topics covered in this letter, I would direct the reader to EE-Oz's full submission to the Productivity Commission inquiry into the Vocational Education and Training Workforce, available from the Commission's website

<http://www.pc.gov.au/projects/study/education-workforce/vocational/submissions>.

Your sincerely,

Mr Robert Taylor
CEO, EE-Oz Training Standards
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