

Submission in response to the Productivity Commission's Draft Research Report on the Vocational Education and Training Workforce

This is a Western Australian submission which has been coordinated by the Western Australian Department of Training and Workforce Development in relation to some of the findings and recommendations from the draft report on the VET Workforce.

Comments on selected findings and recommendations are provided below.

Draft Finding 2.1:

The emerging tertiary sector might improve pathways and education outcomes for students, including those who experience disadvantage, but it is important that these improvements not diminish the traditional strengths of the Vocational Education and Training (VET) sector.

This Finding is supported.

Draft Finding 3.1:

The VET workforce can be characterised as follows:

- *a predominance of dual professionals, with both vocational and educational skills*
- *older than the wider labour force, as most VET workers gain industry experience before joining the sector later in their working life*
- *high rates of non-permanent employment, compared to the workforce*
- *highly mobile, with over 80 per cent changing jobs within the sector during their career.*

The intentions of many older VET workers to keep working, and the sizeable inflows of new workers into the sector, should contribute to the aggregate supply of VET workers in the short and medium term.

This Finding is supported.

Draft Finding 4.1

A move towards greater managerial independence for public sector VET providers is likely to better enable them to respond to the more competitive environment they now typically face. However, the adoption of a full corporate model for public sector registered training organisations (RTOs) is unlikely to be appropriate, given the number of non-commercial objectives public providers are likely to have, and the desire for governments to retain both ownership and control.

This Finding is supported.

Draft Finding 4.2

Increased use of explicit on-budget community service obligation payments to all VET providers (to compensate for provision of non-commercial activities) has the potential to improve transparency regarding the viability of Technical and Further Education (TAFE) institutes and other government-owned VET providers, while also improving competitive neutrality across providers.

This Finding is supported.

Providers of VET are best placed to provide transitional education pathways for students experiencing disadvantage and difficulty in entering training and the workforce. Historically, State Training Providers (previously TAFE colleges) have taken a pro-active role and, with their wide reach and accessibility, have been the community's provider of choice in providing

the largest share of second chance educational opportunities. These come with extra supports such as mentoring, career guidance and personal counselling. Budgets for Adult and Community Education programs do not generally define the range of elements beyond classroom hours that go towards achieving outcomes for students. Similarly, there is little explicit accounting or reporting on the extra supports provided to students with disability or migrant students who have ongoing settlement issues. Transparency around the considerable resources invested by State Training Providers and their staff in these areas would:

- reinforce the value and importance that the community puts on the services
- recognise the extra impost placed on State Training Providers and
- put a real cost on the services required to achieve the outcomes expected by the community.

Draft Finding 6.1

Over the medium term, in the context of a tightening labour market, the VET workforce will be expected to deliver a greater volume of training, increase the quality and breadth of its training, cater for a more diverse student population, and operate under a more contingent and contestable funding system.

This Finding is supported.

Draft Finding 7.1

Consistent national data about the size and characteristics of the VET workforce are lacking. Many administrative collections exist, at both the provider and jurisdictional level, but they are incomplete, disparate and not widely used or disseminated. Lack of quality data is an obstacle to effective policy making and workforce planning at any level, and to efforts to improve the capacity and capability of the workforce.

This Finding is supported.

It is accepted that the data needs to be collected. However, agreement needs to be reached regarding when, how and for what purpose the data is being collected and how it will be used in future. Data protocols are required.

Draft Finding 7.2

Wage structures in the TAFE sector take no account of the relative scarcity of industry skills being sought. As a consequence, TAFE can find it difficult to attract and retain some VET trainers and assessors with particular industry skills without resorting to over-award payments, while other VET trainers and assessors may be paid more than is necessary to recruit and retain them as trainers and assessors.

This Finding is supported.

Draft Recommendation 7.1

The Ministerial Council for Tertiary Education and Employment should engage the National Centre for Vocational Education Research to develop a comprehensive instrument with which to identify the VET workforce as soon as practicable. This instrument should focus on measuring and describing the workforce, but not unduly increase the response burden for providers.

This Recommendation is supported.

Draft Recommendation 7.2

The National Centre for Vocational Education Research should consider the information required to allow the critical determinants of quality teaching to be investigated quantitatively, and consider the best means of capturing student and industry satisfaction with the VET workforce.

This Recommendation is supported.

Information is collected at the national level, at the State level (by State Training Providers who regularly undertake surveys seeking information about student satisfaction and measures of quality of teaching) and through the AQTF outcome indicator requirements.

Draft Recommendation 7.3

State and Territory governments should not have jurisdiction-wide industrial agreements for the TAFE sector. Current arrangements include caps on the use of casual staff, are prescriptive on hours to be worked in TAFE and encourage uniform wages and conditions. These have the effect of limiting the ability of TAFEs to respond quickly to changes in demand and disadvantage them relative to private RTOs. TAFE institutes should be able to select the mix of employment arrangements, supported by contemporary human resource management practices, that best suits their business goals.

This recommendation is not applicable in Western Australia. Government Wages Policy is for Public Sector employees to be covered by collective agreements that provide for consistent outcomes across occupational groups. TAFE lecturers are a discrete occupational group under the Government's employment framework.

The Agreement¹ also provides for flexible hours arrangements enabling VET delivery in a mix of 'traditional' and 'non-traditional' teaching arrangements, and provides increased remuneration in recognition of adopting the arrangements.

Draft Recommendation 8.1

The Certificate IV in Training and Education (TAE40110) should maintain its status as a high risk qualification. Auditing by state and territory regulators of RTOs with this qualification on their scope needs to be more frequent and more intensive.

The Training Accreditation Council (the Council), as the Western Australian Registering Body, has for some time considered the *Certificate IV in Training and Assessment* as a high risk qualification. The Council believes that given the pivotal nature of this qualification, delivery and assessment of the TAE40110 should remain the ongoing focus of monitoring activities of the registering body.

To this end, one of the recommendations from the Western Australian findings of the National Strategic Industry Audit of the Certificate IV², which has been endorsed by the Council, is that the TAE40110 has been and will be a focus of audits in 2010/11. This means that any audit conducted of an RTO will include the TAE40110 if the RTO is registered to deliver the qualification. The recency and outcomes of previous audits is considered and informs the breadth and depth of audit activity.

¹ Refer Clause 36A – Flexible Hours Arrangement, of the Western Australian TAFE Lecturers' General Agreement 2008.

² The NQC has not released the National Report. However the Training Accreditation Council views the need to act within its jurisdiction as critical to its role in ensuring the quality of training delivery and assessment within Western Australia.

The audit model used by the Council is based on the nationally agreed risk management model. Regulatory responses are dependent on the overall risk rating of a provider which has been informed by track record, performance and likelihood and impact that quality training and assessment will not be delivered. Consideration of risk includes factors relating to performance, financial management, governance and supplementary indicators.

Rather than an approach that arbitrarily identifies that RTOs with TAE40110 on scope require more frequent and more intensive audits, the Council supports the current risk assessment approach that determines the extent and type of monitoring activity that is required to ensure RTOs are meeting requirements. That is, those RTOs assessed as having a lower risk of non compliance and with a history of delivering high quality training and assessment will receive less regulatory intervention/monitoring that those assessed as medium or high risk. However, in keeping the commitment to the delivery of high quality training and assessment in the TAE40110, this qualification will remain as one of the supplementary risk indicators that contributes to an RTO's overall risk rating.

Therefore, the recommendation is only partially supported.

In relation to the matter of quality of teaching in the VET sector, it is considered that quality is impacted by a number of factors of which current delivery practices around the TAA and TAE are but one factor.

Other factors such as:

- quality of training packages across the board;
- availability of quality teaching, learning and assessment resources; and
- opportunities for staff to engage in higher quality targeted professional development programs

all contribute to the quality of VET outcomes.

Draft Recommendation 8.2

State and territory regulators should publish information on audit outcomes and performance indicators for RTOs, to further incentivise providers to focus on quality training and assessment

This Recommendation is supported.

National policy direction is moving into a space that supports the publishing of audit outcomes and performance data for RTOs. In a regulatory environment that supports openness, transparency and accountability, the logical progression is to provide users of the VET system with information about RTO performance to inform consumer decision making.

Although publishing of audit outcomes and performance indicators provides an incentive to RTOs to commit to providing quality training and assessment, caution is recommended in the approach that is ultimately adopted. Quality indicators for RTOs are still in their infancy and a review of these is required to ensure that the data gathered and attributed to an RTO's performance is meaningful, suitable, clearly represents what it is measuring and above all, is easily understood by all stakeholders and is not open to interpretation or manipulation. A considered implementation and educative process for all stakeholders is required to ensure that the outcomes meet the intentions.

Draft Recommendation 8.3

Industry and Business Skills Australia should amend the Evidence Guide for TAEDEL401A to require those seeking to demonstrate competence at the Certificate IV level to prepare and deliver at least four consecutive supervised training sessions. An assessor from outside an RTO delivering the unit should evaluate a student's competence through observation of two of these sessions.

The current training package requirement is a minimum only and therefore a suggestion to go beyond the minimum may warrant further consideration especially given the critical and pivotal nature of this qualification.

The view of the Department of Education Services (DES) as the regulator within the VET sector is that there is merit in exploring the concept of a practicum or supervised delivery to support the attainment of competence of this capability. Advice from auditors suggests that four consecutive sessions has value and that if this approach is considered by IBSA that it needs to be made clear that these should differ sufficiently to enable the full range of competencies required in the TAEDEL401A unit to be demonstrated.

Also, this recommendation would only apply to those participating in learning and assessment sessions and is therefore silent about RPL candidates. Consideration is needed of how those individuals wanting to upgrade their skills and qualifications through RPL could meet such a requirement. This may also have implications for determinations of equivalent status between the TAA40104 and TAE40110 both at the qualification and specific unit level.

Training Packages are developed by industry for industry and, therefore, the Productivity Commission must refer any issues with the Training Package back to the appropriate area for further investigation.

The report makes no case for its notion that two of the supervised delivery sessions should be in the presence of an external assessor. It is silent on the role of that external assessor. It also calls into question the role and competence of assessors in general and challenges the underpinning assessment framework of the competency based system.

Therefore, the recommendation is only partially supported.

The first part of the recommendation has merit for further consideration by Innovation and Business Skills Australia. The second part of this recommendation is not supported.

Draft Recommendation 8.4

Within two years of commencing employment, VET practitioners should have completed the Certificate IV from TAE10. Industry experts, working under supervision, should be encouraged but not required to obtain a Certificate IV in TAE. Within two years of commencing delivery of training or assessment, enterprise trainers and assessors working under the supervision of someone with the Certificate IV, should have completed the Skill Set relevant to their role.

This response speaks only to the first part of this recommendation as it is the competencies of RTO trainers and assessors (VET practitioners) as prescribed by the AQTF that falls within the regulatory jurisdiction of the Training Accreditation Council.

The National Quality Council has determined that the benchmark qualification level for trainers and assessors who train/assess nationally recognised qualifications and courses is at Australian Qualifications Framework (AQF) Certificate IV level. Currently, this qualification is the Certificate IV in Training and Assessment from the TAE10 Training and Education training package.

Following the implementation of the new TAE10 Training and Education training package, the NQC has reviewed its policy for trainer and assessor competencies. From 17 June 2012, trainers and assessors must hold the TAE40110 Certificate IV in Training and Assessment qualification/competencies or be able to demonstrate equivalent competencies.

In addition, the reviewed Australian Quality Training Framework (AQTF) which came into effect in July 2010 has also strengthened the requirements for trainers and assessors which require providers to ensure their trainers and assessors:

- have 'current industry skills directly relevant to the training/ assessment being undertaken'; and
- continue to develop their VET knowledge and skills as well as their industry currency and trainer/assessor competency.

This means that all prospective RTOs and continuing RTOs, both public and private, must ensure that trainers and assessors have the necessary training and assessment competencies, in addition to having vocational competence relevant to the industry area in which they train/assess, and a commitment to ongoing capability development.

We should not lose sight of the NQC policy on 'working under supervision' or the ability to be able to demonstrate equivalence.

It may be noted that provisions in the TAFE Lecturers' General Agreement are consistent with this recommendation. Lecturers' employment may be terminated if Certificate IV or equivalent is not completed within two years of commencement.

It should also be noted that there will be cost implications for RTOs who need to upgrade their VET practitioners to the TAE10 within two years.

This recommendation is supported.

Draft Recommendation 8.5

In order to improve delivery to Indigenous VET students, VET providers should attempt to secure the services of more Indigenous VET workers. Possible strategies include ensuring the presence of Indigenous staff members on recruitment panels and charging an Indigenous HR manager with attracting, coordinating and retaining Indigenous employees across their organisation. Recognising that it is difficult for VET to attract skilled Indigenous VET workers who are also being sought by industry, the VET sector should also put in place strategies to support Indigenous students to complete their studies within the VET sector.

The Western Australian Government's *Training together – working together* Aboriginal workforce development strategy has been initiated to ensure that Aboriginal people have an improved opportunity to participate in the State's emerging and future skills requirements and job opportunities.

The *Training together – working together* strategy assists Aboriginal people to participate effectively in the workforce and ensures that the development and application of their skills is within a workplace context. It contains recommendations to make better connections between employers and Aboriginal people and, through a more unified system of support, helps individuals progress through the various transitions towards sustained employment, thereby reducing long-term welfare dependency.

Five Aboriginal Workforce Development Centres have been established across Western Australia. A Role Model Strategy and a Mentoring Strategy have been developed to support the attraction, recruitment and retention practices of employers. Cultural Awareness training is also an important component of the Aboriginal workforce development strategy.

VET providers have a range of strategies to support Aboriginal students. State Training Providers receive explicit funding under the National Partnership Agreement for Skills and Workforce Development. The state funded Aboriginal Education, Training and Employment Officer (AETEO) Program operates in targeted regions throughout Western Australia and places emphasis on training that leads to employment. Where possible, the funding for the AETEO is provided to community based organisations.

Recognising that Aboriginal people require specialised language services in order to benefit from education and training activities, a bi-dialectal approach to teaching and learning in the VET sector will be introduced in 2011. A new professional development resource will be launched—*Tracks to Two-Way Learning*—and associated professional learning opportunities offered to Aboriginal people and non-Aboriginal people working collaboratively. The goal is to build on the linguistic strengths and knowledge of Aboriginal people at the same time as building their knowledge of Standard Australian English. This capacity building is aimed at producing skilled and qualified Aboriginal people to take up paid employment in a range of government services and agencies and other workplaces as cultural and communication brokers. A qualification will be developed, initially at certificate III level, to support Aboriginal participation in a range of higher level qualifications. It is anticipated that, over time, the improvements in communication and the increasing success of Aboriginal people in vocational qualifications will impact on improved outcomes in health, justice, education and other public sector services as well as higher rates of employment. The VET sector will especially benefit from this capacity building effort having greater access to Aboriginal graduates who can undertake roles in the programs where language, literacy and numeracy support is embedded in vocational training.

Ensuring that VET delivery is more responsive to the needs of Indigenous students is a high priority in Western Australia.

This recommendation is supported.

Draft Recommendation 8.6

State and Territory governments should assess the adequacy of funding provisions for ongoing professional development of their VET workforce. Nongovernment RTOs should identify capability needs within their workforces and target funding accordingly. Professional development should be a joint responsibility of RTO employers/owners and employees. Industry and Business Skills Australia should consult with the sector and develop options for ongoing professional development that address competency gaps and/or contribute to further capability development.

The idea that *State and Territory governments should assess the adequacy of funding provisions for ongoing professional development of their VET workforce* is supported. The results of such an assessment and the initiatives that come out of it should be included in workforce development planning for the VET workforce.

Qualified support is given to that part of the recommendation that proposes that *Non government RTOs should identify capability needs within their workforces and target funding accordingly*.

It is agreed that RTOs should identify capability needs within their workforces. However, funding for professional development of the VET workforce has diminished. Traditional national funding sources like Reframing the Future no longer exist. The Australian Flexible Learning Framework is undergoing a review and the likelihood of further funding from this source is largely unknown at this stage. Western Australian State Training Providers (formerly TAFE Colleges) receive State Training Quality Committee (STQC) professional development funding via the DPA for their academic staff members.

In relation to the statement that *Professional development should be a joint responsibility of RTO employers/owners and employees*, it is suggested that Government should also be included in this list.

Professional Development of the VET workforce needs to be seen by the Commonwealth, State and Territory governments as being a shared responsibility. Therefore a national workforce development project in the form of a national partnership arrangement may be appropriate in identifying national priorities and allowing for implementing local solutions. A shared financial investment in the sector which covers both public and private registered training organisations would be appropriate.

Draft Recommendation 8.7

Governments should not endorse or contribute funding to a registration scheme for VET trainers and assessors.

The AQTF provides adequately for the competency requirements of VET trainers and assessors.

There is no evidence to suggest that there will be a guaranteed improvement in the quality of training and assessment as a result of an application process to register trainers and assessors. It is not clear what the intended outcome of such a process will achieve.

There are too many unanswered questions as to governance, resourcing, ongoing maintenance, compliance and potential deregistration.

In summary, it is considered that a registration body would not assist in attracting and retaining lecturers and would make it more difficult for State Training Providers to engage staff.

A registration scheme for VET trainers and assessors is not supported.