

SUBMISSION

Department of Employment and Workplace
Relations

QUALIFICATION REFORM TDA SURVEY RESPONSES

March 2023

About TAFE Directors Australia

[TAFE Directors Australia \(TDA\)](#) is the national peak body that represents Australia's network of state and territory publicly owned Technical and Further Education (TAFE) institutes and university TAFE divisions. All TAFE institutes and TAFE divisions of dual sector universities across Australia are [members of TDA](#). TDA members range from the largest registered training provider in Australia, TAFE NSW to regional TAFEs with significant geographical coverage such as North Regional TAFE (WA). The primary business of TDA members is vocational education and training focusing on nationally accredited qualifications and skill sets, non-accredited training for bespoke employer purposes, and foundation skills. Over half of TDA members also deliver higher education.

1. Do you agree that the proposed model meets the four design objectives of training products of being clear and relevant; accessible, flexible and transferable?

Strongly Disagree

TDA is supportive of the principle underpinning the model to simplify and streamline qualifications within the VET sector recognising that a large number of skills are transferable across different industries. However, TDA is concerned that the implementation of the proposed model will not result in the outcomes which are being sought, and that the benefits will therefore not outweigh the enormous implementation costs that this will entail for large-scale organisations like TAFEs.

TDA does not consider that this model has adequately distinguished between the capabilities and responsibilities of the many players in the national training system. Government is responsible for the national training system, employers are responsible for identifying what they need workers to be able to do now and, in the future, and educators are the ones who should determine how skills are developed and assessed.

The over-prescription in units of competency which DEWR has rightfully identified as a key issue for the sector will not be addressed by making the training and assessment requirements (TAR) a separate training product. If TARs are still primarily industry-led, even with input from education providers they risk becoming overly prescriptive again in response to the specific needs and contexts of industry. The 'completion requirements' also seem to be very similar to the current packaging rules and therefore represent little change from the current system.

TDA supports industry's role in identifying job roles and specifying the required skills and knowledge needed to perform those roles. TDA also supports that Jobs and Skills Councils (JSCs) must, wherever possible, focus on transferable skills not just unique job tasks. That is where industry is responsible. However, the TARs should be determined by TAFEs in consultation with their local employer partners and context. Qualified educators within TAFEs must determine how those skills are developed and assessed.

Without this clear distinction, the proposed model is unlikely to result in the flexibility and innovation that is being sought for the Australian training system. The proposed model also notes that there may be more than one TAR linked to a Skill Standard to account for necessary industry context or different licensing or regulatory requirements. There is therefore obvious potential for proliferation of and prescriptiveness within TARs as we have seen develop in the past ten years with units of competency. We note that DEWR has identified this as a potential issue.

TDA also notes that the proposed model does not take account of the complexity of the AQF and is a continuation of the one-size-fits-all approach to VET qualifications. While it makes sense to have specificity and prescriptiveness in training products for licensed trades, for other qualifications and job roles, this approach is not ideal. A more nuanced approach is required in tertiary education and across different qualification levels, particularly for higher level qualifications like Diplomas and Advanced Diplomas. A Certificate II is very different to a Diploma. Industry may have a view of what needs to be demonstrated at these various levels, but they are not qualified to know how to develop the learning to achieve those unique outcomes.

If there is ever to be an integration between VET and higher education, then change is needed in qualifications for AQF 4-6. Training packages, either their current construct or this model, will not deliver such integration. The proposed changes are insufficiently nuanced to allow innovation and perpetuate a fundamental distrust of education driven approaches. AQF 4-6 can be designed to meet university needs for effective pathways, but this model does nothing to achieve that.

The proposed model also notes that "where a skill is relevant to multiple industries, JSCs will collaborate to develop cross-sector Skill Standards where feasible, to reduce duplication and maximise skills transferability". While TDA is supportive of collaboration, it will be challenging for JSCs representing vastly different industries to do this in practice given the number of stakeholders and different employer interests involved.

The timing of this reform is also extremely challenging for the sector. Australia is in the middle of a skills crisis. TAFEs are already stretched to the limit managing training package transitions, addressing workforce challenges and implementing high numbers of fee-free TAFE places. There are also other major reform processes already in play and it is not clear how the proposed qualification reform model will fit in with these other reforms.

More time is needed for the sector to allow the current reform processes to become further advanced or completed, before contemplating further major disruption to a sector which is critical to the Australian economy.

Both the VET Data Streamlining and the National Training Register (NTR) Enhancement Projects are all proceeding with the unit of competency as the central building block of the training system. Sector stakeholders, led by government are investing significant time, money and effort into these projects which once completed will become largely redundant if units of competency are then replaced by Skill Standards.

In addition, the JSCs will need time to establish themselves, gain a deeper understanding of their industries' workforce requirements and mature as organisations. They will also need time to establish genuine consultative relationships with TAFEs and other key stakeholders and to build trust within the sector. They are not in a position to deal with the magnitude of change that will be required if the new qualification model is adopted, and likely will not be ready for this change for some years.

In the absence of fully operational JSCs, the qualification reform model has been developed by government via consultants, rather than being truly industry led. Any future model would have a greater chance of success if it was developed with and through the properly established Jobs and Skills Councils with their broad set of stakeholders including education providers.

The proposed qualification reform will also impact on the future revised RTO Standards. If the RTO Standards still require RTOs to deliver TARs as per the current requirements for units of competency, there will be no flexibility and innovation in the system for RTOs. The quality of the VET system will still be inextricably linked to the quality of the TARs which, like the current system, will vary greatly between training packages and industries.

Finally, one of the biggest concerns that TDA has with the design objectives of this qualification reform is that the benefits realised for the magnitude of change that will be required for industry and TAFEs to implement this model will not justify the cost. We expand on this further under the transition and implementation section.

2. The proposed model uses new terminology, such as Job Profiles, Skill Standards, Training and Assessment Requirements and Completion Rules. Do you think this terminology is clear and understandable?

Somewhat Unclear

Some of the terminology appears to be just a re-labelling of current elements of the system. For example, TARs are the assessment requirements within the current training packages and completion rules are similar to packaging rules. If these elements of the system are kept in the new model, the fundamental issues with the current system will not be addressed.

The term 'Skills Standards' are not easy to understand in the context of the current system. Industry has responsibility for determining what they want a person to be able to do – this is occupational standards. Industry will understand that term. Trusted and quality RTOs then must be able to determine the learning design that will lead to the person demonstrating the skills and knowledge to perform that occupational standard. The terminology in the proposed model further dilutes the expertise of education providers. This seems contrary to the rhetoric that has prevailed in the consultative stages of this model.

3. Do you agree that the templates for Skill Standards, Training and Assessment Requirements and Completion Rules contain appropriate fields and level of detail to ensure they are fit for their intended purpose?

Somewhat Disagree

While it is appreciated that a distinction has been made between *mandatory* performance and assessment requirements and *non-mandatory* information in the 'Guidance for training provision' section in the TAR, TDA is concerned that despite best intentions, the mandatory section will evolve into the prescriptiveness seen in the assessment requirements of current units of competency.

TDA's position is that training and assessment design must be left to the educational experts rather than industry who do not have the requisite expertise in the design of learning and assessment strategies. Furthermore, determining training and assessment requirements at the national level will stifle the necessary flexibility and innovation needed at the local level to deliver to local industry requirements.

Completion Rules are very similar to current Packaging Rules and will have little impact apart from the costs involved for TAFEs to reconfigure their training and assessment systems and materials. The size of these costs for TAFEs cannot be underestimated.

A key component of any change must be how recognition of prior learning is facilitated. There is little in this model that will enable RPL, which was so very prevalent and useful a decade ago. This will be particularly important when considering developments that are likely to flow through the Universities Accord.

4. Do you agree that the model enables flexibility in training delivery to meet the needs of all users including a range of learner groups and learners requiring additional support, local industry and employers, apprentices and trainees and senior secondary students undertaking VET?

Strongly Disagree

The best way to enable flexibility in training delivery to meet the needs of industry and the broad cross section of learners that TAFE serves is to allow TAFEs to develop training products directly with and for employers. TAFEs already have a demonstrated track record in this regard and the work being done in the renewables energy industry now demonstrates this responsiveness. Allowing TAFEs to self-accredit (like universities) would allow for responsiveness and the speed to market sought by industry, especially in emerging industries and qualifications that are not licensed trades. Large TAFEs are capable of self-accreditation, note that they are pursuing self-accreditation through TEQSA for higher education. This would give them the freedom to design innovative products alongside and where useful to training packages. TAFEs could then more easily connect with university programs and map their pedagogy for effective pathways to higher education.

As mentioned above it is essential that a one-size model for every AQF level is not the only solution. Curriculum developed learning outcomes must be allowed to complement the competency-based training that dominates now. Higher level training products must be built to allow for pathways to higher education. This means creating learning design that allows integration between the sectors. Therefore, curriculum with learning outcomes must be an alternative.

An important principle which will promote more flexibility in training delivery is that TAFEs must be able to exercise judgement in how to deliver the outcomes wanted by employers. TDA acknowledges that in licenced trades stronger controls must be in place. As we know the industrial awards for many of these qualifications have been built around current training package constructs. The cost of change in this area, and indeed the associated worker risk, must be assessed in the context of the benefit of this reform. TAFEs are concerned that the changes proposed for these qualifications propose genuine risk to future and current workers.

While the principle of portability is supported, TDA members regularly report that they must deliver components of a training package that their local employers do not need or use equipment that is considered outdated. Judgement must also flow to the teacher during assessment and how best to ensure that the learner has the competency outcomes, not whether they can do each task. Self-assurance processes led by ASQA would be fundamental in determining which RTOs have these broad capabilities in product design and assessment judgement.

In terms of the different user groups, the people who are enrolling in TAFE institutes are extremely diverse. Only 26 per cent of students at TAFEs are aged between 15 and 19 years old. 74 per cent of students at TAFEs are aged 20 or older, with 53 per cent being 25 or older (NCVER Total VET Students and Courses 2021). Many have already been in the workforce but are looking for a start in a clearly defined career pathway, or they are looking to re-skill, upskill, or are returning to work after a prolonged absence. Many TAFE students are 'second chance learners' (those who have not previously acquired qualifications) and require extensive support. It will be important to carefully consider how the proposed qualification

model will work for these different cohorts of learners and whether the Skill Standards are fit for purpose for these very different cohorts who are using VET at different stages of their life.

5. Does the proposed model provide trainers and assessors with the right level of information to consistently deliver training and assessment that meets the needs of industry?

Too much information

No – it is overly controlled and not outcomes focused. Quality RTOs must be responsible for all matters of training and assessment. Expert, industry current trainers and assessors employed in accordance with the Standards for RTOs by quality assured education providers should be enabled and trusted to make decisions about training and assessment methodologies that are relevant to their learners, local industries and communities.

Over prescription in the TARs will result in poor learning outcomes and will restrict the ability of TAFEs to adapt and respond quickly to the changing needs of employers.

Collaboration and Engagement

What can be done to support greater collaboration and engagement in the development of qualifications? (maximum 300 words).

TDA has maintained time and time again that flexibility is needed to be locally responsive. This must be a principle of any qualification reform. Additionally future proofing this model for greater higher education and VET integration is needed. This model does not facilitate either of those aspects.

Collaboration and engagement are possible if there is an outcomes perspective by industry, not a prescriptive approach. This model entrenches prescription.

TDA acknowledges the significant duplication of content across units of competency which was the result of the various industry bodies working in silos when developing qualifications over a number of years. Greater coordination and oversight across all the JSCs and greater trust between key stakeholders would be required to support improved collaboration on qualification development. This may take some time to achieve given the JSCs are still in their infancy.

The project initiated by DEWR to reduce duplication and streamline the number of units of competency should be continued. Greater collaboration and engagement could also be achieved by allowing TAFEs and other quality education providers to self-accredit qualifications developed hand in hand with industry to meet jurisdictional, geographical and/or industry needs. Greater local flexibility is required to meet the needs of employers and learners.

Longer term, there needs to be a greater focus on evaluating the impact and effectiveness of training products for the Australian economy. This will ensure that our training products are continually improving over time and will ensure that the creators of training products are accountable for the outcomes achieved (or not achieved) through vocational education and training. These outcomes must also be assessed against the cost of change.

Implementation and Transition

If the proposed model were adopted, what support would you need to assist with transition and implementation? (maximum 300 words)

Currently the 'unit of competency' is the main building block of the VET sector in Australia. Every Learning Management System (LMS), every Student Management System (SMS), all teaching, learning and assessment resources, information databases, funding mechanisms and so on are based on units of competency. To fundamentally change from units of competency to Skill Standards would come at an enormous cost to TAFEs which have high numbers of qualifications on scope and high numbers of students to manage and transition. TAFEs would need significant time and additional funding in order to support the transition and implementation.

TDA encourages DEWR to undertake detailed evidence-based financial and regulatory benefit impact analyses to better understand how the model would affect TAFEs and other RTOs, students, industry, the entire VET architecture and broader economy and to assess whether the benefits of the new model actually justify a change of this magnitude. TDA is not supportive of the implementation of the model in its current iteration.

TDA also encourages DEWR to consider making other less significant changes to the current system which could potentially achieve the same outcomes with much less cost and disruption to the sector. TDA and its members have already provided detailed feedback to DEWR in terms of guidance for training package developers and in terms of regulatory issues which could be addressed relatively easily resulting in positive impacts for students, industry and on the efficiency and effectiveness of TAFE operations.

A set of principles that encourage innovative products, local responsiveness and partnerships with industry and universities should underpin any proposed reform of this scale. These principles have not been articulated and therefore the model that is proposed is unlikely to deliver improved outcomes in these areas.

Other Feedback

Are there aspects of the proposed model you need further clarity on? (maximum 300 words)

Further clarity on how the JSCs would be supported to collaborate on qualification (Skill Standard) development would be welcome. Further clarity of Jobs and Skills Australia's role in the oversight of the JSCs, particularly in the context of preventing proliferation and duplication of training products in the future training system would also be appreciated noting the enormity of this task.

Further clarity on the funding that would be made available to the VET sector to support the transition and implementation would also be welcome.

Further information on any financial or regulatory impact analyses that have been conducted would be appreciated.

Advice on the plans for training package transition should this model not proceed is needed. The impact on enrolled students of constant training package transition is enormous. TDA has recently corresponded with the Minister for Skills and Training on this matter. TDA

asserts that the redirection of limited resources to manage training package transition is limiting Australians' opportunities for genuine learning and skilling. The cost of the transition process needs to be genuinely reviewed. TDA proposes all enrolled students should be transitioned in timelines that are best managed by quality and trusted providers.

Do you have any other feedback on the proposed model? (maximum 300 words)

The constancy of training package transition that has been inherent in the current national training system imposes a huge cost burden. This must be addressed in whatever reforms are in place. TDA advocates that there is little genuine awareness of the enormity of these transition costs, especially when qualifications become non-equivalent. This cost is felt by learners and by RTOs in terms of directing resources from learning and skilling into administration and system compliance.

An assessment of the last ten years of this cost to taxpayers should be undertaken. After all 2023 is a year when, by necessity due to the lack of formation of the Jobs and Skills Councils, there has been a pause. This is useful reflection in that many of the training package changes that have been imposed in the past may have not been necessary within the timelines suggested by industry. TAFEs are bracing themselves for the expected avalanche of training package changes once the JSCs are functional. This model is unlikely to have any impact on this problem unless there is a fundamental mind shift.

TDA thanks PWC and DEWR for the work it has undertaken on the proposed model and for the opportunity to provide feedback through this survey. TDA and its member base are available for further consultation on the model as required.