SUBMISSION

Department of Education

Department of Employment and Workplace Relations

NATIONAL SKILLS PASSPORT CONSULTATION

About TAFE Directors Australia (TDA)

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 dual sector universities. All TDA members are complex, large education entities ranging in size from TAFE NSW with over 400,000 enrolments, to regional TAFEs in Western Australia and Victoria with about 10,000 enrolments per year. While the primary business of TDA members is vocational education and training, over half of TDA members also deliver higher education.

Consultation on the National Skills Passport

TAFE Directors Australia (TDA) thanks the Department of Education and the Department of Employment and Workplace Relations (DEWR) for the opportunity to provide feedback on the concept of a National Skills Passport.

TDA with input from many members has provided feedback under the five broad principles outlined in the consultation paper. TDA members may also provide a response to this consultation and there may be diversity of views.

It should be noted that My eQuals are a Corporate Affiliate of TDA. That has allowed TDA to see the benefits of this product, and to the extent possible, should not be construed as a conflict of interest to the views expressed below.

Key principle 1: Valuable and useful

TDA is supportive of the broad concept of a National Skills Passport while noting that much of the detail still needs to be fleshed out and a cost/benefit analysis conducted. TDA suggests that there are already government and market solutions that are meeting this need.

From the perspective of TAFE there is benefit to a National Skills Passport, but it is not the most pressing matter requiring funding. Enabling innovation through new models of alignment between higher education and TAFE, including the establishment of a Tertiary Education Commission, or improving interstate licensing arrangements are higher priorities.

Having said that, TDA sees the passport as a potential positive step in enabling learners to progress through their careers where they can share credentials and skills with employers through access to a trusted portal. However, TDA is concerned about imposition on TAFEs where it is likely they will not be adequately remunerated for the role they may be asked to play.

Given the complexity of Australia's post school education environment, the skills passport may reduce the binary nature of vocational education and higher education. As noted in the consultation paper, a skills passport could combine a person's qualifications across vocational education and training (VET) and higher education to more effectively demonstrate their knowledge and skills to employers, encouraging further education, upskilling, reskilling and workforce mobility. Designing a skills passport which achieves this might be a practical project to progress a more joined up tertiary education system.

In terms of its value and use, the consultation paper has identified the different potential users of the National Skills Passport (i.e. learners, employees, employers/business, providers in the education and training sector, and governments). The project team must consult further on the demand from each of these user groups for a skills passport and the resulting benefits/burdens for each.

If done well the skills passport has the potential to streamline existing processes and reduce the time and costs involved in verification of credentials. If there is additional administrative, reporting or financial burden because of the National Skills Passport, the appetite from different user groups may differ and it will be essential that users are able to see the tangible benefits of it. For example, we need to avoid a situation where students and employers are

the main beneficiaries, but education providers carry the additional administrative, reporting and financial burden.

Without having the details of the full scope of the passport, it is difficult to comment fully on potential value or use. For example, if it is proposed that the passport contains only AQF qualifications, this is a different scenario to a skills passport capturing micro-skills, industry training, online short courses, work experience and so on.

The former would need to build on, rather than re-invent, the existing credentialing infrastructure to be of value (e.g. Unique Student Identifier (USI) transcripts and platforms such as My eQuals). The latter would be more of an online digital resume which is created and managed by the individual in much the same way as a resume. They are completely different concepts and may have different benefits and uses for each of the user groups defined. This is dealt with further in the sections below.

In terms of the value proposition of the National Skills Passport for **learners**, it may empower learners by simplifying the recognition of their qualifications, facilitating easier access to educational and career opportunities. It may also allow leaners to find their qualifications more readily and to share them with potential employers.

It should be noted that not all learners are the same and for some they will have difficulty using a National Skills Passport. We have dealt with this under Principle 2.

Employees may benefit from streamlined access to verified credentials, reducing the time and effort required for job applications and career advancements. Job seekers use credentials to demonstrate competency, capacity and relevant experience, and a skills passport may be helpful.

Employers may gain a valuable tool for efficient and reliable verification of skills and qualifications, aiding in informed hiring decisions and reducing associated costs. It could make the comparison of candidates for job roles more straight forward. It may also allow employers to check or confirm that qualifications and experiences are valid and evidenced on a reputable system. However, if employers are the beneficiaries without contributing to the cost, then questions need to be asked if this is the best use of government funding.

TDA members themselves report that a National Skills Passport could lead to changes in their hiring practices. Features like real-time verification and comprehensive skill mapping would enhance its value.

For **governments**, they may benefit from increased standardisation and efficiency in skill and qualification recognition. It may also provide more detailed, high-level data on qualification types and work experiences of the Australian workforce than currently available.

For **providers**, the USI transcript already captures accredited information including VET qualifications, skill sets and units of competency. The USI transcript is used by TAFEs to assess the existing skills and qualifications of a prospective student in the context of career aspirations, possible study options, entry requirements for course admission and to determine recognition of prior learning (RPL). Therefore, it is unclear what extra the National Skills Passport will provide for VET providers.

Some TDA members report that the current process for accessing and verifying skills and credentials incurs significant administrative costs and time delays. Verification of skills and

credentials involves manual procedures, leading to prolonged student recruitment timelines and increased operational expenses. The time impact results from having to sight, copy and file hard copies of qualifications and licenses. A passport system may not necessarily save that time and could in fact add more time if staff had to go online to check for the qualifications there as well. Additionally, if unaccredited training, micro-skills or non-validated work experience were included in the passport, it is unlikely to assist with the RPL process in TAFEs given the rigidity of training package requirements leading to learners becoming disillusioned with its value.

While a skills passport may reduce the cost and time impacts, consideration needs to be given as to whether other interdependent systems may also need to change (e.g. regulatory and compliance requirements). For example, the Australian Skills Quality Authority (ASQA), the Victorian Registration and Qualifications Authority (VRAQ) and Department of Education audit requirements may specify holding certified hard copies of qualifications and licenses.

Some TDA members anticipate that a skills passport could lead to improved efficiency in assessing student applicants' qualifications. This could lead to faster decision-making, reduced administrative burdens, and enhanced accuracy in evaluating candidates' skills and competencies. However, members also noted that initially, considerable extra time would be needed for student management and teaching staff having to learn new systems and interpret new data. For course admissions, TAFEs require students to provide certified copies of their credentials, or via the USI website. Time and cost impacts are difficult to estimate but there are administrative costs, teacher assessment/review costs and time impacts.

The skills passport has the potential to reduce administrative costs and time by providing a standardised platform for skills verification, simplifying the assessment and recognition of prior learning. However, this is dependent on the type, validity and completeness of the information in the passport. If the individual does not have a full record of their education and training, then the passport is incomplete or inaccurate the same issues will remain.

The value proposition for a National Skills Passport for TAFEs and other VET providers therefore needs further reflection given the maturity and availability of existing VET data and credentials and how and whether the passport would improve on current processes.

If the skills passport is to move beyond AQF qualifications, skill sets and units of competency/subject level information, the complexities begin to arise in terms of how to decide what can be included, who can add credentials to the passport, how and by whom are they validated and will the skills passports be oversighted in any meaningful way. The enormity of these questions should not be under-estimated.

To be useful, the passport must not duplicate existing platforms, it must produce tangible benefits to all relevant stakeholders, it must be cost effective and streamline current credentialling platforms.

Key principle 2: User-centred

TDA supports the concept of user-centred design throughout the development of the business case for the skills passport and that it must be adapted for a diversity of users. Universal design principles will be key. The skills passport should prioritise user-friendly design, ensuring accessibility for users with varying digital literacy.

Organisations currently engage with credentials through a mix of digital verification systems and manual processes. Training providers use credentials for credit transfers, RPL and for meeting entry requirements. Employers use them to match to the job role, confirm education and training requirements, and ensure licensing requirements are evident e.g. forklift tickets.

If an individual has their own electronic and hard copies stored safely and easily accessible, the process is straightforward. However, for those with the following challenges the above approach could be problematic:

- those who have lost the original copies of transcripts and CVs
- those who do not have a fixed home address
- those with low literacy and digital skills
- those from disadvantaged cohorts e.g. (non-English speaking, older people, First Nations, those with disabilities or mental health issues)

The current system is also open to fraud, forgeries and bogus qualifications due to the increasing sophistication of design software and AI.

The current process is cumbersome, time-consuming, and sometimes prone to errors. Digital sharing is more streamlined but not universally accepted now. A cyber-safe online system could assist. However, there are questions around how older qualifications and records are to be added into a new system. There will be many people and providers who would struggle with this. It could be an enormously costly exercise.

Individuals from different backgrounds may face varied challenges, such as language barriers or limited access to digital infrastructure, impacting their experience. These cohorts may find the current processes and methods challenging, but may also find a fully online one to be challenging too unless the providers are responsible for all of the credential transferring. Digital literacy levels and the ability to navigate a passport may present barriers to some students or employers adopting the passport and the expected benefits.

Economic hardship can affect access to resources needed for credential verification, creating additional barriers for individuals in financially challenging situations. Some cohorts may find the current processes and methods challenging. This may be because of educational and knowledge issues, but also lack of IT equipment to prepare electronic copies and undertake document uploads. Unless providers do all of this in the future then a fully online system may still be too challenging for some. Individuals managing physical and mental health challenges may find the current process overwhelming, and a more accessible and supportive system may be needed for them. Poor internet and IT challenges will always present a challenge to minority cohorts.

As a starting point, a National Skills Passport could include comprehensive data on AQF level qualifications, skill sets, units of competency/subjects, licences and other accredited training. Micro-skills and workplace skills could be included but only if they can be independently verified. A new system or framework would need to be put in place for this and it is not clear how this would be oversighted and quality assured.

The passport should be limited to those skills and attributes that have been verified as genuinely held, as opposed to a "claim". Otherwise, the integrity and reputation of the passport will be impacted.

Key principle 3: Integrated and interoperable

TDA strongly supports the notion of leveraging and building on existing digital infrastructure and data standards to inform the development of the National Skills Passport. This includes existing credentialling platforms such as the USI and My eQuals (which is already used by all university providers in Australia and over half of TDA's members). The My eQuals platform also assists TAFEs with compliance with the RTO Standards in terms of awarding qualifications within specified timeframes.

TAFEs operate a range of systems including Student Management Systems (SMS), credentialing platforms, and data reporting tools. Integration with a National Skills Passport would be beneficial to streamline data management and to improve the efficiency of qualifications recognition. The integration with systems like myGov would provide a user-friendly interface for individuals.

A single data reporting standard across the VET and higher education systems is a key requirement for the passport to be effective, otherwise the passport will simply be a place for the results from two sectors to live with little or no relationship between the two. Features of such a standard should include clear and consistent categorisation of qualifications and skills, interoperability with existing systems, and flexibility to accommodate the diverse nature of qualifications in both VET and higher education.

If changes to data standards were proposed, the significant impact of these changes on the sector must be recognised upfront and managed within transparent and realistic times. Lessons from the VET Data Streamlining project are pertinent here as the project seeks to modernise how VET student activity data is collected, managed and used. It will be important to ensure that this project does not run in isolation of any proposed changes to reporting standards as part of the business case for the National Skills Passport.

Key principle 4: Trusted and reliable

The issues of verification and quality assurance are central to the legitimacy of the skills passport. The government would need to develop a mechanism for quality assurance of the contents of the passport (what is included and how it is verified).

There may be value for some stakeholders in a National Skills Passport that includes skills and qualifications that are not verified, validated, regulated, or accredited including work experience, unaccredited micro-skills, industry or other training. However, this would significantly change the status of the skills passport. It would essentially become a digital resume, which is curated by the individual, much like a normal resume or LinkedIn profile.

TDA would expect that AQF qualifications would be validated in the same way that they are currently (by the issuing body). It is unclear how other non-accredited education and training would be verified by an employer or third party given the enormity of this task. TDA's main comment on this is that the quality assurance function will likely be the most challenging and complex part of the design and ongoing success of the skills passport.

The validation process is one of the most important components in ensuring the usability of the National Skills Passport. Everything that appears in the passport should contain a

reference to the issuing organisation. In many respects the passport could be an improved portal to the information already included in the USI as the "source of truth".

Where AQF documentation has been issued and is the source within the passport, then the validation comes from the reporting provider. The challenge will come from validating non-assessed skills if the intent is for the passport to contain such information. While there could be value for some stakeholders in including unverified information in a National Skills Passport it opens up a much more complicated and riskier project.

The introduction of National Skills Passport is a significant initiative for government, and it is not the first time it has been considered. The USI is already meeting aspects of this need as are commercial solutions such as My eQuals. Very objective reflections on demand are needed to ensure that the ultimate users and beneficiaries are going to use a National Skills Passport, if not the process of selling the idea, the cost of development, and the administrative burden outweigh the potential value.

Key principle 5: Privacy enhancing and secure

TDA agrees that the National Skills Passport must protect the privacy of those who choose to use it. There may be lessons about privacy and security concerns to be learned from existing credentialling platforms. Privacy and security must be at the heart of a National Skills Passport and individuals must be able to control third party access at all times and have confidence that it is secure.

Third-party access to an individual's National Skills Passport should be carefully managed. Individuals should have the flexibility to grant one-off access, provide permanent revokable access, or set timebound access based on their preferences. Clear and transparent controls should empower users to manage and monitor access to their information. This is similar to how access is currently provided to the USI transcripts to RTOs – a one off, fixed term, read only access.

Consent in a National Skills Passport context involves individuals having control over the information they share. Users should be informed about what specific data is being accessed and for what purpose. In terms of age accessibility, it is essential to consider secondary students as potential users, ensuring that the National Skills Passport is accessible to them when they are ready to start building their skills and qualifications. Indeed perhaps it is with students currently in early high school that this initiative, if it is to proceed, is scoped for and limited to.

Conclusion

While TDA has reservations that there is sufficient demand for a National Skills Passport to be prioritised above other innovative ideas, should it proceed we look forward to working with the government on this initiative.