

SUBMISSION

Australian Government Productivity Commission

NATIONAL COMPETITION POLICY ANALYSIS 2025

June 2025

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 <u>members of TDA</u>. 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.

TAFE Directors Australia

CIT Bruce Room C218 35 Vowels Cres BRUCE ACT 2617

www.tda.edu.au

Introduction

Thank you for the opportunity to comment on the Productivity Commission's *National Competition Analysis 2025.* This submission will focus specifically on **Identified Reform # 1 and 2,** providing general support for the development of a national occupational licensing scheme, and a more harmonised approach to Australian regulatory frameworks and standards. TDA argues that equitable access to the Standards must also be assured for successful implementation of the reforms.

Identified Reform #1: An occupational licensing scheme that provides for labour mobility nationally

Service provision in many occupations in Australia are regulated according to occupational licencing requirements. Licencing requirements are usually in place to safeguard the public against risks relating to quality and safety. Unfortunately, requirements and licences can vary significantly across Australian states and territories, creating an overly complex operating environment for national industry organisations, and for TAFEs involved in national training provision. Inconsistent national licencing requirements exacerbate national workforce shortages in critical skills areas as it restricts worker mobility.

While this is an area of concern for established industries, the complexities are particularly constraining for the establishment and growth of emerging and new industry areas, such as Clean Energy. For example, the Electric Vehicle and Hydrogen industries have a current need to develop a future national workforce with the skills and knowledge to service and work on electric and hydrogen-powered vehicles. Unfortunately, there is a misalignment of the licencing requirements across Australian states and territories which constrains the ability for organisations to manage and train a national workforce. This has a flow on effect for TAFEs tasked with the recruitment of appropriately qualified and licenced educators, and provision of industry relevant training for a future-ready workforce.

Industry example: Barriers to deploying a national workforce

TDA hosts regular *TAFETalks*, thought-leadership webinars featuring experts from TAFE, industry, and government addressing important education, skills, and workforce topics. A recent *TAFETalks* event which focused on Clean Energy featured a representative from an Australian-owned distributor of new energy vehicles, who described the challenges the company faced as they attempt to manage a national footprint. He stated there were restrictions imposed by inconsistent national occupational licencing requirements which constrain worker mobility.

Past and future *TAFETalks* events, including the recording of the Clean Energy event hosted on the 4 June 2025 can be accessed via this link: <u>https://tda.edu.au/events/tafe-talks/</u>

Achieving consistency in national licencing schemes, particularly for new and emerging occupations, will be critical to achieving the Australian Government's goals in relation to Net Zero, Skills, and Productivity.

Identified Reform #2: Adopting international and overseas standards in regulatory frameworks and harmonising regulated standards across Australia.

As noted in the Productivity Commission's Call for Submissions, adherence to mandatory and voluntary standards provides assurance that quality, safety and productivity expectations are articulated, agreed and met. According to DIIS (2016)¹, Standards **'level the playing field'** in an ever-changing, global marketplace. In this submission we provide general support for the proposal for a more harmonised approach to Australian standards. However, TDA argues that for such a proposal to be effective, and to genuinely 'level the playing field', equitable access to the Standards must also be assured.

Harmonisation of regulated Standards across Australia

TDA is generally supportive of the proposed reform to harmonise regulated standards across Australia, and where appropriate, adopting international and overseas standards. The current situation, in which industry standards vary across jurisdictions and internationally, creates a complex operating environment with potential to impact upon quality, safety and efficiency.

Accessibility of regulated Standards

For Standards to be universally adopted (nationally and/or internationally), they must be embedded into relevant vocational curricula – and Standards need to be accessible for education providers and learners.

The current standards licensing model is not fit for purpose and makes equitable access extremely difficult. Education providers are responsible for ensuring learners have access to Standards as an essential component of their studies. However, due to the licencing arrangements in place, TAFEs and other educational providers pay significant fees to ensure students have the access they need.

¹ DIIS (Australian Department of Industry, Innovation and Science) 2016, *Australia's Standards and Conformance Infrastructure: An Essential Foundation*.

https://www.industry.gov.au/sites/default/files/June%202018/document/pdf/australias-standardsand-conformance-infrastructure.pdf

For nearly a decade TDA has been advocating for TAFEs to have free or low-cost access to the standards. We have worked with the Victorian TAFE Association (VTA), The Copyright Advisory Group for TAFE (CAG TAFE), the National Copyright Unit (NCU), and the universities and libraries sectors in raising our joint concerns over the lack of fair and equitable access to Australian Standards for our students. In May 2024, further correspondence was sent to the Hon. Ed Husic MP, then Minister for Industry, Science and Resources, seeking low-cost educational pricing, or preferably, **free access to mandatory standards** and removal of any restrictions that limit student access to standards or impede teaching practices.

Conclusion and recommendations

In conclusion, TDA is supportive of reforms to increase harmonisation of occupational licencing and Standards across Australian states and territories. However, if TAFE is to remain at the heart of the VET sector in Australia and deliver on the government's skills agenda, it is crucial that such reforms include the means to facilitate fair and equitable access to the Standards (i.e. free or low cost) for TAFEs and other educational institutions.

Please contact me at jdodd@tda.edu.au or on my mobile on 0408 514 183 for further information.