

SUBMISSION

Australian Government Productivity Commission

BUILDING A SKILLED AND ADAPTABLE WORKFORCE

September 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. 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.

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Introduction

Thank you for the opportunity to provide feedback on the Productivity Commission's report: *Building a Skilled and Adaptable Workforce*. TDA's submission will focus on the recommendations and information requests outlined in Chapter 2 of the report: *Building skills and qualifications for a more productive workforce*.

We make **nine recommendations** in relation to credit transfer, RPL, and increasing work-related training in small to medium businesses (SMEs). We also discuss the Productivity Commission's recommendation to develop a national database of academic credit decisions and why we **do not support** this as an action.

TDA Recommendations

1. Incentivise publicly funded universities to grant systematic credit for TAFE Diploma students (AQF Level 5) for year one of a related undergraduate degree.
2. Invest in a pilot for co-designed TAFE-HE curriculum in priority industry areas which streamlines articulation to and from the respective TAFE and HE qualifications.
3. Delegate accreditation authority to TAFEs to develop curriculum in priority areas, resourced appropriately (and aligned to JSC resourcing for equivalent training package development work).
4. Require all future training packages and products (i.e. curriculum, units and qualifications) to be designed to enhance curriculum alignment and increase transferability to other relevant products and curriculum across the tertiary sector.
5. Introduce higher levels of scrutiny at RTO registration and limit the number of for-profit RTOs to reduce the attractiveness of the VET sector for profiteering from inappropriate use of RPL.
6. Develop an approved, funded RPL assessor group consisting of TAFEs and a small group of quality RTOs.
7. Require JSCs to develop and include advice on industry standards for RPL as a product of training packages.
8. Link incentives for work-related training to strategies that support achievement or progress towards full qualifications.
9. Place TAFE at the heart of industry training, as the trusted SME advisor for work-related training that benefits employers, industry and individuals.

The rationale for each recommendation is provided in this submission, along with a discussion addressing the Productivity Commission's key findings and information requests.

Credit transfer and RPL

We support actions that improve access to qualifications and reduce financial and personal costs to individuals. Streamlined and transparent credit transfer and RPL processes are critical to achieving this.

Credit transfer, articulation and pathways

Credit transfer between VET qualifications with common (shared) units is simplified through the standardisation of National training packages (curriculum). Regulatory requirements enforce recognition of units already completed i.e. RTOs must offer credit transfer for students who have completed an equivalent unit¹ (where equivalency is determined by training product developers and published on the National Training Register).

Credit transfer can also refer to the articulation agreements that exist between TAFE and universities. This is a more complex matter. In TDA's April 2023 [response to the Universities Accord](#) we recommended that a TAFE Diploma should earn automatic credit for the first year of an aligned degree. It is critical that the credit is applied for the **first year** of an aligned degree rather than applying credit to a number of units that equate to the equivalent of one year in credit points. Unless the credit applies to a block of time (such as the first year) of a degree, credit transfer processes do not shorten the duration for a student to complete a degree; instead these processes reduce the number of elective courses to be completed over the course of study and students still fulfill all the requirements of time served in the degree.

Our recommendation to simplify articulation arrangements between TAFE and HE is supported by research which found such models of VET-HE integration to be more efficient, affordable and sustainable². However, for many universities there is little financial incentive to encourage students to enter at year two or later. Unless there are deliberate financial rewards that recognise TAFE pathways this is unlikely to change.

To streamline and simplify credit transfer and RPL decisions, the Productivity Commission has recommended the development of a national database of academic credit decisions.

TDA does not support this recommendation as it will be costly and complex to develop and maintain and will promote the further development of individual agreements rather than streamlining and systematising credit transfer and RPL decisions. Changes to training

¹ National Vocational Education and Training Regulator (Outcome Standards for Registered Training Organisations) Instrument 2025. <https://www.legislation.gov.au/F2025L00354/asmade/text>

² Hodge, S., and E. Knight. (2021). *The Best of Both Worlds? Integrating VET and Higher Education*. National Centre for Vocational Education Research. <https://www.ncver.edu.au/research-and-statistics/publications/all-publications/the-best-of-both-worlds-integrating-vet-and-higher-education>.

packages and higher education curriculum are made regularly to align education and training to contemporary industry and societal needs, therefore, a comprehensive database such as the one proposed would be subject to continual renewal.

It is important to note that there have been many attempts by TAFEs and universities to pursue credit transfer arrangements. For example, the 2006 report: *2006 Beyond Articulation: a sustainable model for collaboration between Canberra Institute of Technology and University of Canberra*³ project reported on such an attempt. One of the five outcomes of the collaborative project was to develop “a dynamic and user-friendly Web-based articulation information environment to provide information for students and staff on choices, opportunities, options and pathways”. This was a significant piece of work in its development, but sustainability and currency became issues.

TDA continues to promote a more systematic model for credit transfer. One that does not involve expensive databases and one that incentivises harmonisation by giving universities financial rewards for pathways with TAFEs. Perhaps not all universities would participate, but for the willing it would be a significant low-cost solution. TAFEs could work together to achieve this outcome with a collection of universities.

TDA Recommendation #1

Incentivise publicly funded universities to grant systematic credit for TAFE Diploma students (AQF Level 5) for year one of a related undergraduate degree.

While national training packages can streamline credit transfer between some VET qualifications for equivalent units, the specificity of training packages and the principles of competency-based assessment are barriers to credit transfer from HE qualifications to VET. The misalignment of the two forms of curriculum (i.e. VET training packages and HE curriculum) disadvantages students and represents an economic and productivity cost. Training Package Qualification Reform⁴ measures implemented in July 2025 are not

³ Cram, B. (2008). *Beyond Articulation: A Sustainable Model for Collaboration*. Available at SSRN: <https://ssrn.com/abstract=1596404> or <http://dx.doi.org/10.2139/ssrn.1596404>

⁴ Department of Employment and Workplace Relations | Qualification Reform Design Group. (December 2024). *Unlocking the potential of VET: Improving the relevance and transferability of Vocational Education and Training qualifications*. <https://www.dewr.gov.au/download/16685/qrdg-final-report-december-2024/38976/qrdg-final-report-december-2024/pdf>

significant enough to address the barriers and inefficiencies created due to the 'binary distinction' between HE and VET⁵.

Streamlined, seamless occupational pathways require purposeful design to ensure there is alignment between curriculum for related training products across the tertiary system. Curriculum alignment which maximises pathways and learner mobility between and within VET and HE should be considered an essential element of tertiary harmonisation.

We therefore recommend that TAFE institutes and universities are provided an opportunity to co-design and pilot innovative models of aligned curriculum to enable more sustainable and streamlined pathways between the two parts of Australia's tertiary system.

TAFEs have demonstrated their capability to develop quality curriculum quickly and effectively. In 2025, ASQA selected three TAFEs to participate in a delegated course accreditation pilot of AQF5 or AQF6 qualifications in priority industries. The pilot was successful, with three new qualifications developed and accredited within six months – a remarkable response, given that the expected timeframe for JSCs to update an existing qualification is 12 - 18 months from approval and commencement⁶.

Scaling TAFE self-accreditation authority beyond the pilot is an essential step to achieving Recommendation 3. It is also essential for the Commonwealth's goal of tertiary harmonisation.

TDA Recommendation #2 and #3

Invest in a pilot for co-designed TAFE-HE curriculum in priority industry areas which streamlines articulation to and from the respective TAFE and HE qualifications.

Delegate accreditation authority to TAFEs to develop curriculum in priority areas, resourced appropriately (and aligned to JSC resourcing for equivalent training package development work).

The principles of curriculum alignment should be extended to all future training package development. Credit transfer and RPL processes can be simplified and improved by reducing

⁵ Parker, S., A. Dempster, and M. Warburton. (2018). *Reimagining Tertiary Education: From Binary System to Ecosystem*. KPMG Australia. <https://assets.kpmg.com/content/dam/kpmg/au/pdf/2018/reimagining-tertiary-education.pdf>.

⁶ Skills and Workforce Ministerial Council. (2025). *Training Package Organising Framework*. <https://www.dewr.gov.au/training-package-assurance/resources/training-package-organising-framework-effective-1-july-2025>

specificity in training packages and by evaluating and aligning units and their outcomes to other related units and outcomes prior to release.

TDA Recommendation #4

Require all future training packages and products (i.e. curriculum, units and qualifications) to be designed to enhance curriculum alignment and increase transferability to other relevant products and curriculum across the tertiary sector.

Recognition of Prior Learning (RPL)

Recognition of Prior Learning (RPL) can reduce the time and cost needed to complete a qualification. As the process acknowledges skills already achieved through prior study and experience in the workplace, RPL can also improve a learner's self-esteem and motivate them to re-engage with further learning⁷.

The Productivity Commission acknowledges the barriers and risk inherent in the RPL process. Compliant, comprehensive RPL assessments can be time consuming and costly for both the applicant and the training provider, and the process requires an assessor with advanced expertise and knowledge⁸ due to the individualised nature of the assessment. The RPL candidate must invest time to participate in assessment and evidence-gathering activities such as an interview (commonly called a competency conversation), and collating documentary evidence such as employment records, work testimonials and transcripts of education and training already completed. Skills assessment may also be required. If the candidate cannot demonstrate competency in every requirement specified in a relevant unit of competency, they will be required to undertake 'gap' training and assessment to be deemed competent (potentially, at additional cost).

Measures to incentivise RPL without additional quality control will increase the likelihood of profiteering by non-genuine and bad faith actors. The Productivity Commission's *Building a skilled and adaptable workforce* report notes the risks (page 40) and that the current way of managing this is through ASQA investigative and regulatory actions in response to fraudulent providers. While TDA commends ASQA's diligence in their investigation and

⁷ Osborne, K. & Serich, C. (2020). *Exploring the Recognition of Prior Learning in Australian VET*. NCVER. https://www.ncver.edu.au/_data/assets/pdf_file/0040/9660766/Exploring_the_recognition_of_prior_learning_in_Australian_VET.pdf

⁸ Mitchell, J. & Gronold, J. (2009). *Increasing the Confidence of Advanced RPL Assessors* [conference paper], 12th Australian Vocational Education and Training Research Association Conference, Sydney, New South Wales, <http://hdl.voced.edu.au/10707/57557>

commitment to action, this approach has disadvantaged students who have had their qualifications cancelled, and employers who face the risk of employing non-qualified workers. Regulatory actions and associated media attention - such as this [ABC](#) report which reveals the potential extent and impact of fraudulent activity by bad faith operators - reduce public confidence in VET, thus damaging the reputation and esteem of the entire sector.

Relying upon regulator activity alone to manage the risks of poor provider behaviour is not a sound strategy. In its July 2025 submission to Treasury's Economic Reform Roundtable, TDA recommended reducing the attractiveness of the VET sector for profiteering by applying higher levels of scrutiny to new Registered Training Organisations (RTOs) and limiting the number of for-profit RTOs.

TDA Recommendation #5

Introduce higher levels of scrutiny at RTO registration and limit the number of for-profit RTOs to reduce the attractiveness of the VET sector for profiteering from inappropriate use of RPL.

Given that RPL assessment requires assessors with advanced skills, and given the ongoing risks associated with fraudulent and poor-quality RTO practices, TDA recommend that TAFE and a small group of quality RTOs are identified and funded to conduct RPL assessments.

TDA Recommendation #6

Develop an approved, funded RPL assessor group consisting of TAFEs and a small group of quality RTOs.

This recommendation would support TAFEs to innovate and improve RPL processes. TAFEs have the capability to work with individuals, industry and other stakeholders to develop robust RPL systems that are also user-friendly.

The **Case Study** below from **Canberra Institute of Technology Electric Vehicle Centre of Excellence** provides just one example of the potential.

Case Study

Canberra Institute of Technology (CIT) Electric Vehicle TAFE Centre of Excellence Transport Canberra and City Services RPL Pilot Project

CIT Electric Vehicle TAFE Centre of Excellence has developed an RPL tool which simplifies student assessment.

The tool enables assessors to observe tasks and collect assessment evidence directly in the workplace during the student's usual work week. It has been developed to support workforce RPL and training needs for Transport Canberra and City Services (TCCS) workforce transition to an electric vehicle (bus) fleet.

Phase 1 of the tool has been developed to support students accessing RPL, with templates that include dropdown examples of evidence types.

Students can upload their evidence directly through CIT's Learning Management System. This streamlines the process, reduces the need for frequent teacher–student meetings, and facilitates follow-up and evidence collection through eLearn.

Phase 2 of the project is currently underway, with University of Canberra Information Technology (IT) students integrating AI technology into the RPL process over 12 weeks to further simplify and streamline assessment and evidence gathering activities.

Phase 3 will focus on developing a streamlined RPL tool and implementing a holistic assessment approach.

Training Package design for curriculum alignment: RPL, pathways and credit transfer

The goal to streamline and improve the awarding of credit, advanced standing, and recognition of prior learning will provide benefits to individuals and industry. The development of a national database, however, is more likely to perpetuate the development of individual agreements, rather than enabling the development of a systematic and streamlined approach to credit and recognition of prior learning (RPL).

The responsibility for leadership in relation to RPL is not clear. JSCs have responsibility for development of training packages, however the responsibility for implementation of the training package curriculum lies with training provider. Training packages remain a barrier to credit transfer, RPL and pathways to further study. Training package units do not easily translate to practice in RPL assessment due to specification of assessment conditions and requirements which encourage an atomised, rather than holistic view of competency. Instead, **industry standards** which provide guidelines relevant to RPL assessment decisions could be developed. The standards would provide support to both candidates and assessors and ensure a more consistent and transparent approach to RPL. These standards should be developed by JSCs as a product of Training Package development and made publicly available on the National Training Register.

TDA Recommendation #7

JSCs should develop and include advice on industry standards for RPL as a product of training packages.

A role for AI

TAFEs are currently trialling the use of Generative AI tools to enhance and streamline many educational and administrative functions – including to streamline the processes associated with credit transfer and assessment of RPL. The TAFE Queensland Case Study below illustrates innovative ways that TAFE might use AI to fast-track the administrative tasks associated with RPL.

Case Study

TAFE Queensland pilot: Generative AI to support RPL processes

TAFE Queensland has undertaken a project to trial the use of generative AI to support various administrative processes involved in the conduct of RPL assessment.

The project's intent was to use draft RPL assessment tools with the following components:

- *Assessment summary*
- *Guidelines for professional conversations including questions and benchmark answers*
- *Direct observation requirements*
- *Portfolio of Evidence/Document register including suggested documentation*
- *Requirements for employer/supervisor verification*

These components were then contextualised to produce complete trainer and student guides, and subject matter experts and educators reviewed the documents through a quality assurance process before use.

Using generative AI has streamlined the production of the RPL documents while also ensuring consistency.

Following on from this successful pilot, TAFE Queensland is now making further improvements to extend the capability of AI in product development activities. This includes developing an AI connector to training.gov.au to allow population of unit requirements to standardised organisational documents such as assessment matrices, assessment templates or RPL kits.

There are common barriers to a more widespread adoption of Generative AI in TAFEs as trusted public providers. For example, there are significant risks associated with data security of sensitive enterprise, government and student details; it can be difficult to identify, pilot and evaluate tools to establish which are appropriate and 'fit for purpose'; and there are financial considerations in that public TAFEs operate with fiscal responsibility and fixed budgets for ICT infrastructure and software.

A national approach to alleviate these barriers would enable TAFEs to leverage and learn from the work of innovators, such as TAFE Queensland. There are established IT vendors who have ongoing relationships with TAFEs and universities – they could be commissioned to become part of a collaborative solution to enabling a strategic, national TAFE approach to maximise the opportunities of Generative AI implementation.

Increasing workplace and employer supported training.

Increasing the opportunity for work-related and workplace training is important for individuals, organisations and Australia's economic future. Work-related training is important for skills development. If linked to the achievement or progress towards achievement of a relevant full qualification, work-related training can be life-changing, particularly for those with limited capacity to participate in formal training outside of work hours due to (for example) additional caring or cultural responsibilities – issues that have a greater impact on women.

Qualifications will be increasingly important for participation in future employment. Jobs and Skills Australia forecast increasing shortages of suitably skilled and qualified workers, reporting that more than 90% of the expected employment growth over the next decade will be in occupations that require a tertiary or vocational qualification⁹.

It is imperative then, that incentives supporting work-related training are linked to embedded pathways to a relevant qualification.

TDA Recommendation #8

Link incentives for work-related training to strategies that support achievement or progress towards full qualifications.

Specialist training advisory services for SME businesses

The Productivity Commission seeks advice on the provision of training advisory services for SME businesses (Information Request 2.5). Rather than develop and fund additional mechanisms to for the provision of SME advisory services, we recommend that the Commonwealth utilise the service that already exists across the national footprint of public TAFEs.

⁹ Jobs and Skills Australia (2024), *Employment Projections*, <https://www.jobsandskills.gov.au/data/employment-projections>

TAFE has demonstrated capability to partner with businesses of all sizes to support their workforce training needs and business goals. As a trusted provider of accredited and bespoke non-accredited training, TAFE already provides specialist advisory services to ensure the alignment of industry and employer needs with the broader requirement of transferable capabilities that ensure that the future employment needs of learners are also met.

The **case study** examples below illustrate TAFE's capability to partner with industry to develop work-related training which benefits employers, workers, and the economy.

Case Studies

TAFE's capability to partner and advise industry on work-related training

Charles Darwin University (CDU) TAFE division and Humpty-Doo Barramundi

CDU and Humpty-Doo Barramundi are collaborating to develop aquaculture skills in Northern Australia through the "Watch it Grow" program. This pre-employment program, also involving [NT Seafood Council](#) and [ISACNT](#), provides a pathway into a [Certificate III in Aquaculture](#) with Humpty Doo Barramundi and potentially [Paspaley](#). The program includes both study and work experience, supporting the growth of skilled workers in the aquaculture industry.

Kangan Institute and FOTON driving net zero

Kangan Institute and Foton Mobility Distribution (FMD) have collaborated to develop a [training solution](#) to drive Victoria's clean energy future. The TAFE and hydrogen vehicle leader have co-designed a pilot program that equips workers with skills to work with hydrogen-powered fuel cell electric vehicles (FCEV), an emerging technology reducing transport emissions.

The pilot is backed by the Victorian Government's Skills Solutions Partnerships program and is delivering a number of high value outcomes:

- Specialist training for technicians servicing hydrogen FCEVs*
- Safety-focused programs for business owners supporting FCEV adoption*
- Upskilling for TAFE teachers from across Australia*
- New FCEV training units, developed by the Mining and Automotive Skills Alliance (AUSMASA)*
- High-quality course materials to be used widely across the sector*
- New hydrogen safety technology installed at Kangan Institute's Automotive Centre of Excellence*

TAFE Queensland and All-Purpose Transport

TAFE Queensland is working closely with [All Purpose Transport \(APT\)](#) to attract, retain, and develop a highly skilled workforce by offering formal qualifications and professional development opportunities to employees and owner drivers.

In collaboration with TAFE Queensland, customised training programs cover a wide range of skills necessary for the transport and logistics industry. This includes not only driving operations but also roles in customer service, fleet management, inventory control, finance and warehousing.

South Metropolitan TAFE (Western Australia) and Peel Health Campus

Tailoring an accredited training solution specifically for [Peel Health Campus](#), South Metropolitan TAFE (Western Australia) worked in conjunction with the health provider to upskill a selected group of existing staff members towards an Assistant in Nursing (AIN) outcome.

After analysing the current skillset of the group, the hands-on training provision involved basing a South Metropolitan TAFE expert lecturer at Peel Health Campus one day per week. The staff were trained to achieve the qualification of the [HLT33115 Certificate III in Health Services Assistance \(Assisting in Nursing Work in Acute Care\)](#).

This qualification is a pathway to healthcare positions such as Nursing Support Worker and Personal Care Worker, where the role provides key assistance to health professional staff for the care of clients.

TDA Recommendation #9

Place TAFE at the heart of industry training, as the trusted SME advisor for work-related training that benefits employers, industry and individuals.

Conclusion

Increasing the opportunities for more Australians to participate in education and training and to achieve qualifications is important for individuals and the national economy. Streamlining pathways, recognising previous effort, investment and experience, and aligning work-related training incentives to the broader purposes of education should be considered essential policy elements in relation to these goals. TDA's recommendations build upon the outcomes of existing reform policy and align to the Commonwealth's broader goals for a harmonised and strengthened tertiary education sector with TAFE at the heart.