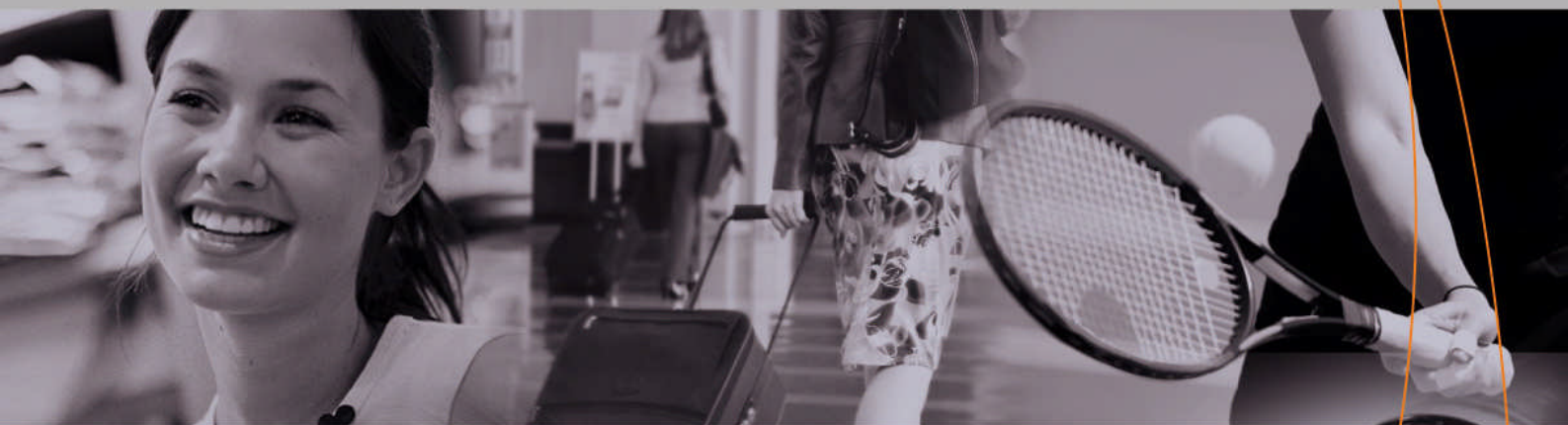


VET Training Products in the 21st Century



March 2009
Response to the Consultation Paper

About Service Skills Australia

Service Skills Australia is the Industry Skills Council for the service industries. Skills councils are the recognised national bodies providing advice on industry training and skills development needs to government and industry.

Service Skills Australia represents the interests of businesses across sectors including retail and wholesale, sport, fitness, community recreation, outdoor recreation, tourism, meetings and events, hospitality, restaurants and catering, caravans, hairdressing, beauty, floristry, community pharmacy and funeral services.

Service Skills Australia supports skills development for our industries by:

- provide industry intelligence and advice to Skills Australia, government and enterprises on workforce development and skills needs;
- actively support the development, implementation and continuous improvement of high quality training and workforce development products and services, including training packages. SSA currently manages a total of 10 industry training packages;
- provide independent skills and training advice to enterprises, including matching identified training needs with appropriate training solutions; and
- work with enterprises, employment service providers, training providers and government to allocate training places.

Introduction

We thank the National Quality Council for the opportunity to provide this submission to the review of VET Products in the 21st Century.

This submission from Service Skills Australia is based on feedback from a range of our stakeholders, including employers, employees, industry peak bodies and unions and registered training organisations (RTOs), public, private and enterprise.

Staff and selected Industry Advisory Committee members attended some of the public forums, in addition Service Skills Australia's board members have participated in a targeted focus group with NCVET consultants on key questions of the review.

This document will present Service Skills Australia's position on the key questions outlined in the VET Products in the 21st Century Consultation paper (February 2009).

Key messages and issues

Service Skills Australia advocates for a national system of vocational education and training that is:

- Constructed on industry developed standards, qualifications and assessment guidelines.
- Provides for *nationally* portable qualifications for employees and potential employees across Australia

- Is underpinned by a nationally consistent quality and regulatory framework that supports the delivery of industry outcomes

The underpinning principles that support the broad and wide ranging consultation that goes into developing industry standards, is a significant benefit for the nation's VET system. The process of training package development and the bipartite principles that underpin the work of an industry skills council (ISC) provide great potential for industry – especially those in fractured, disparate industry sectors – to come together to agree on common work standards.

Whilst the NQC paper makes the commitment to an industry led system, it is crucial that the needs of industry are responded to across all of the VET system – from design and development of work standards through to the implementation of those standards across the country. To that end, the above points are underpinned by the following issues:

1. The end user and customer of the nation's vocational system is industry – they are the drivers of the nation's productivity.
2. Industry requires skilled labour be able to undertake activity in a work context—regardless of what “diverse” pathway the learner takes to industry, in the end, it is about the skilled work that they undertake in an employment context.
3. The labour market is a national labour market and any system must support this. The notion that courses and qualifications can be developed just to suit local/regional areas is counter to this proposition. Training package qualifications are developed to enable customisation to meet local and regional needs.
4. Industry agrees that the training system and its products must evolve to meet the needs of the 21st century—but above all it must be a nationally consistent, industry led system.

Response to issues

The paper makes a commitment to an industry led training system where industry has “a continued role ... in defining workplace competence”. The paper also restates the COAG commitment to “continued existence of industry performance standards as the basis of training packages” and we applaud this.

The definition and development of competence

The current definition of competence should be retained, with some minor modifications (indicated below in red).

*Competency requires the application of specified skills, knowledge and attitudes relevant to effective participation in an industry, industry sector or enterprise. It covers all aspects of workplace performance and involves performing individual tasks; managing a range of different tasks; responding to contingencies or breakdowns; and, dealing with the responsibilities of the workplace, including working with others. Competency **requires is** the ability to apply relevant skills, knowledge and attitudes consistently over time, and in the required workplace situations and environments, **to the required standard.***

This current definition is appropriate and serves its purpose. Challenges occur in the system when the definition and work standards in training packages that meet this definition, are translated into practice (implementation).

VET qualifications

Service Skills Australia believes that the current VET qualifications system should be maintained. However, a slight modification should be made in the recommendation VQ1 to read (change in red):

*...Retain training packages as the **central** organising framework for all VET qualifications...*

SSA also supports option VQ3; that training packages “specify the required contexts for assessment at the unit of competence or qualification level”.

Service Skills Australia does not support options VQ4 and VQ5 as this runs counter to the principle of nationally consistent and portable qualifications. Training packages already provide the flexibility required by industry to deliver development and recognition pathways that meet a variety of industry needs whilst still ensuring a quality national outcome.

Training packages – structure and content

Whilst Service Skills Australia believes training packages should evolve, it is not supportive of option TP2 if moving to this model occurred at the expense of watering down industry expectations and requirements (TP1). Keeping in mind the key principles and issues provided in this submission to date, our stakeholders need to see more detail in the models proposed. Stakeholders have a range of questions on the proposed models, including how training providers would practically use the new training package documents and industries role in maintaining and developing such documents.

Service Skills Australia’s feedback to the review is:

- Any separation of the performance standards in units from assessment guidance and supporting information should result in the two products being formally “endorsed documents”

Service Skills Australia advocates for greater industry engagement in the development and recognition/assessment of work skills, so any risk of minimising industry statements and standards to optional would be of great concern.

Credit systems and recognition arrangements

Service Skills Australia would give in principle support for option CR2 – confirming that further investigation around introducing a national credit system and the details of such a system with industry involvement is essential. SSA recognises the link that this section of the review has with the Bradley Review.

Strengths and weaknesses

The paper provides a summary of the key strengths and weaknesses of the current system. Service Skills Australia would agree with the identified strengths, however, many of the identified weakness’ SSA would hold as strengths:

- Current approaches to defining competency focus mainly on tasks and roles related to occupational competence and are not sufficient in building foundation skills and the broader personal competencies required to achieve the COAG outcomes;

Industry would hold that

- a) focus on work is a key strength of the system and,
 - b) foundation skills can be developed as part of the development of broader personal competencies. For instance, units of competency at AQF levels 2 and 3 in the service industries will often encompass employability skills of communication, team work etc and accommodate the diverse variety of literacy and numeracy levels that often occur in the service sectors.
- Directly aligning and mandating units of competence and qualifications through national training packages limits provider responsiveness and flexibility;

Currently training providers have the scope to customise TP qualification to suit individual enterprise, local or regional needs, by grouping together a wide variety of elective units of competency to meet specific industry needs. Service industries qualifications have flexibility in core and elective structures that allow for provider responsiveness and flexibility. There needs to be a sense of equilibrium between delivering a minimal range of skills and knowledge for a specific employer and delivering a well balanced range of skills and knowledge in order to prepare a person for the workplace. Training providers are able to deliver short specific skill sets under fee for service arrangements.

- The current national training package development and endorsement process is too lengthy and cumbersome to address changing needs and may not address the needs of some individual enterprises;

Training package qualifications are designed for a national response and not individual enterprises. They are however, designed to allow for the needs of a diverse range of industry stakeholders. Often the needs of individual enterprises are easily accommodated by training packages. It is often the inflexibilities when training packages are implemented (such as funding, auditing and other policy issues) that do not address the needs of industry, rather than training packages themselves.

Training packages are no longer going through the three to five yearly review process. They are now in a “continuous improvement” process that is far more responsive to the needs of industry. Updates and improvements to training packages can occur on the basis of feedback from industry. This responsive process has many supporters in industry. It is our experience that the process of endorsement and implementation can add some 12 to 18 months onto the time it takes to get a revised training package to market. In saying this, Service Skills Australia is mindful that too many changes to training packages may be too overwhelming for the system.

- National training package qualifications are most relevant to learners in work-based learning pathways and are less appropriate to other VET learners, questioning whether competence can be consistently and reliably assessed across learner groups and learning pathways; and

Industry requires skilled labour able to undertake activity in a work context—regardless of what diverse pathway the learner takes to industry. In the end, it is about the skilled work that they undertake in an employment context.

- National training package requirements and possibilities are not fully understood and consistently interpreted.^[2]

SSA agrees that the nature and requirements of training packages are not readily understood. SSA makes a concerted effort to effectively communicate how training packages should be used – but more needs to be done. SSA works with state training authorities, public and private providers and employers. One of the key messages of this communication is that training packages are not curriculum—they are not only about training. They incorporate assessment guidance and they are descriptions of work and what tasks and activities should contribute to an outcome. The critical questions that need to be asked to have a more informed conversation on this perceived weakness are:

If training packages are not readily understood, why?

What has changed from the original concept of training packages that makes them so complex now?

What needs to change in order for them to be simplified whilst, at the same time, ensuring that they continue to reflect industry requirements?

With this in mind, Service Skills Australia would argue that the weaknesses of the current system that need to be addressed are:

- Quality – the VET system needs to improve strategies for measuring and developing consistently high quality training and assessment services across the country. We advocate that industry have a stronger voice in determining the quality of delivery and assessment of these products and providers through industry supported measurement frameworks.¹
- Improved regulatory systems - The burden of inconsistent national approaches to VET training places a huge administrative burden on employers and registered training organisations alike. There should be more consistency at state and territory levels with the national standards. A coordinated nationally consistent approach to regulation and funding of skills development would contribute significantly to increasing the attractiveness of the nation’s skilling system. The level of complexity in VET acts as a barrier to greater integration of VET with business – especially SMEs².

¹ Service Skills Australia has already started work on a series of projects and activities that undertake to explore further the role of industry in quality assessment and training. We have produced a series of User Guides for some of our sectors training packages, and aim to produce more of them in the next 12 months. In addition to this we are working with the NSW STA to assist auditors evaluate the capacity of RTO’s to deliver service industries qualifications through a process known as the “pink slip”.

² Please refer to a recent submission of Service Skills Australia to the Productivity Commission’s Annual Review of Regulatory Burdens. <http://www.pc.gov.au/projects/study/regulatoryburdens/social-economic-infrastructure/submissions>

Conclusion

SSA is strongly supportive of a more integrated national system.

We support:

1. Retaining the current definition of competence with some minor modifications
2. Maintaining the current VET qualification system and also support options that strengthen industry's engagement in specifying "required contexts for assessment". Any option that runs counter to the principle of nationally consistent and portable qualifications we would not support.
3. We would like more discussion and detail on the models proposed for Training Packages (Structure and Content) and would advocate for greater industry involvement in the development and recognition/assessment of work skills.
4. We give in principle support for a credit matrix (option CR2) on the proviso of further investigation with industry involvement being undertaken in this area.

Australia's labour market is national and any system must support this at both policy and implementation level. The way that VET and higher education speak to each other should be seamless. Bradley suggests a strong integration between the current VET and higher education sector to create a greater "tertiary sector". The different drivers of VET and higher education—industry-driven versus student choice, competency-based versus curriculum based, labour-market responsive versus academically driven – and the ingrained perceptions of each sector by the other make this a challenging task.

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