

23rd August 2010

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Dear Mr. Fowler,

**RE: RESPONSE BY TAFE DIRECTORS AUSTRALIA TO DISCUSSION PAPER
UNIQUE STUDENT IDENTIFIER**

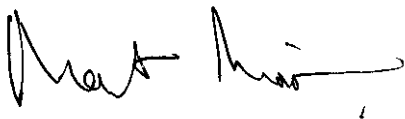
Thank you for your letter of 27th July last, regarding the COAG proposal for a National Unique Student Identifier.

TAFE Directors Australia represents Australia's five dual sector universities with TAFE divisions, and 54 TAFE Institutes – a TAFE sector enrolling some 1.8 million students a year, and delivering accredited training to approximately 85% of the public VET market. Across our 12000 campus sites, this geographic and enrolment spread illustrates our deep interest working with authorities under this COAG "USI" proposal.

Accordingly, I have pleasure submitting the following comments (see attached). These comments seek to detail many views received across our TAFE Institute network some concern about implications of the Unique Student Identifier in the absence of broader links with the schools and wider tertiary sector. IN addition however, while we commit to a broad support for its basis given the issues arising from the (private college) collapses in VET, and disruption to students, it is of concern to TDA that the implementation date of 2012 may be unrealistic.

We welcome speaking with the newly appointed Reference Group under Chair, Mr. Peter Grant, as the next stage in this process of review.

Yours sincerely,



MARTIN RIORDAN
Chief Executive Officer
TAFE Directors Australia

COMMENTS BY TAFE DIRECTORS AUSTRALIA

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A Unique Student Identifier for Australia's Vocational Education and Training System

Purpose

To summarise the issues raised by the consultation paper

- The VET national data strategy action group has issued a 'consultation paper about the introduction of a USI in VET'. NCVER is acting as the secretariat for this project. An extension until cob 24th August was agreed to allow the TDA National Board (meeting in Sydney, 20 August 2010) to consider a final response to the issues raised in the Discussion Paper.

Background

COAG has given in-principle support for the introduction, from 2012, of a national unique student identifier for the VET sector that is capable of being fully integrated with the entire education system. MCTEE was to have developed a business case and reported back in June 2010. However, this business case is still under development and at its June meeting, MCTEE agreed to a public consultation process to further the business case.

Issues

Benefits of a USI

Most of the paper is concerned with a discussion of the benefits of a USI for students, providers, researchers and government agencies. While most TDA members agreed that these are potential benefits, some of the issues raised by the paper suggest that TDA support for the project needs to be cautious and qualified.

- **Benefits to students:** The paper argues that ease of access to their training records will encourage participation in training and skill formation. However, it acknowledges that the benefit to students in tracking their training record depends on "*the parallel development of 'e-portfolio' products*" which, it anticipates, will form a key part of another, separate VET data portal project, and it appears that there is currently no approval or funding for an e-portfolio project. Further, while recognising the AQTF 30 year archiving rule, the paper conflates this with discussion of a 'national qualifications register' but no discussion of how a national qualifications register would (or would not) also record module and skill set outcomes or course completions.
- **Benefits to providers:** The paper acknowledges that a central qualifications register would be of most benefit to smaller and private RTOs by providing a secure and cost-effective way for them to maintaining and archiving student records. However, this could equally be accomplished through those RTOs purchasing a bureau service from a TAFE or university with adequate data storage and appropriate archiving protocols. The paper also anticipates that the USI will allow providers to ascertain students' past records of achievement. Further benefits of the national qualifications register to RTOs are the 'marketing' advantages to RTOs and a greater public confidence in the VET sector.

- **Benefits to researchers and policy makers:** As the paper states, a USI will provide clearer information on VET client behaviour and will assist STAs in streamlining their contribution to the national VET data collection. The paper also contends that student pathways into, across and out of the VET sector will be more apparent. It is not clear how a VET USI will assist tracking out of the sector.
- **Benefits to VET funding administrators:** The paper anticipates that *'increasingly within Australia funding will be based on a student entitlement'* (p. 7) and that a USI will facilitate the ability of governments to limit their subsidies to 'an amount of training' and to manage and reduce the risk of double dipping. However, it is not clear how this could occur unless (a) the assignment of a USI was made a statutory requirement of enrolling in a publicly funded VET program (including enterprise-based programs) and (b) the USI was linked to a tax file number, thereby minimising the scope for individuals to withhold information on previous participation in VET and thereby acquire a new learning entitlement. An added problem is that learning entitlements, to the extent that they exist or are intended, vary considerably across jurisdictions; their quantum is usually significantly less than the minimum student entitlement in higher education and they lack an equivalent benefit to income contingent student loans for government supported higher education places. In the absence of nationally consistent VET fees, charges and income contingent student loans, the use of a USI to manage student entitlements is likely to reduce the attractiveness of VET compared with higher education.

Risks and Costs

The major part of the Discussion Paper, together with most of the discussion questions, is devoted to discussion of the benefits of a USI. Regrettably, there was little consideration of the risks, disadvantages and costs of the proposal.

The paper included a brief general acknowledgement that

- the a proposal for a USI may encounter 'sensitivities' about privacy and commercial in confidence information and notes that protocols will need to be developed to govern these;
- there may be an additional administrative burden on providers in assigning, managing and reporting on USI-based student data.

The paper also acknowledged that *'a comprehensive cost estimate of a USI for VET is yet to be undertaken'* but noted that some information is available from the New Zealand experience, from some developments in South Australia and WA and from work in progress in the health sector. It states that *'A full business case evaluating a USI in VET will need to evaluate establishment and ongoing maintenance costs and which of these costs will likely be borne by the training providers. As a consequence, a full business case will need to evaluate how much of these costs are likely to be passed on to consumers'*, and the paper then asks:-

- What major cost elements need to be detailed in any business case?
- Are there any priorities in considering the potential benefits enabled when constructing a benefit/cost business case?

These are highly pertinent questions but require extensive and well informed modelling which is better accomplished by a commissioned project and then tested among VET providers and clients.

Linking the USI across education sectors

Although most of the paper has regard only for a VET-specific USI, it does acknowledge the COAG requirement that this measure be capable of being linked to student identifiers in other sectors. It therefore offers two possibilities:

1. Link the VET USI to NAPLAN identifier
2. Link the VET USI to the CHESSN used in higher education.

The paper appears to prefer the first of these alternatives. In particular, both the text of the paper and the detail in Appendix 3 are concerned with the relationships between the VET and all other education sectors *except higher education*. It does not assess the impact of a VET USI on higher education nor does it consider how students might be tracked between these two sectors, even though Commonwealth policies are clearly geared to reducing the barriers between them, including the current barrier of incompatible national data collections.

A further potential problem with linking the USI to NAPLAN identifier is that the latter is designed to monitor achievement in compulsory and universal education and not to manage learning entitlements or intermittent and multi-directional participation patterns. Parents, teachers and communities who have accepted the NAPLAN identification process may have serious concerns if this data is then used to govern student access to post-compulsory learning.

Project time-frames and management

TAFE Directors Australia wishes to indicate that the 2012 date anticipated by COAG remains unrealistic.

Past experience has shown major changes to the VET sector need to be carefully designed and that when they are introduced too hastily to meet a government-mandated timeline, significant additional costs and redesign requirements are incurred.

There also appears to be a major risk of duplication, overlap and possible inconsistency with other VET data projects. In particular, the USI project does not have a clear relationship with the recently announced 'My Skills' project or with the Bradley Report's recommendation for the development of protocols to improve the consistency of national statistics collections in the VET and higher education sectors.