



Submission to the Department of Industry

**Industry Engagement in Training Package Development –
Towards a Contestable Model**

Industry Engagement in Training Package Development

This submission is made by TAFE Directors Australia (TDA) on behalf of its members.

TDA welcomes the opportunity to respond to the Discussion Paper *Industry Engagement in Training Package Development*. Given the role of TDA we believe the association is well placed to respond to the Paper.

ABOUT TAFE DIRECTORS AUSTRALIA (TDA)

TAFE Directors Australia (TDA), established in 1998, represents 58 TAFE providers offering programs in more than 1,300 locations across all states and territories. Members of TDA are the TAFE providers, represented by the TAFE Chief Executives. The TDA national secretariat is based in Sydney and is focused primarily on policy development and advocacy for TAFE providers.

Key Contact

Pam Caven
Director Stakeholder Engagement
TAFE Directors Australia
pcaven@tda.edu.au

INDUSTRY ENGAGEMENT IN TRAINING PACKAGE DEVELOPMENT

The response from TAFE Directors Australia (TDA) to the Department of Industry's discussion paper, *Industry Engagement in Training Package Development-Towards a Contestable Model* was developed in collaboration with the Victorian TAFE Association, in particular a focus group of Victorian members and input from TAFE NSW.

TAFE DIRECTORS AUSTRALIA RESPONSE

TDA understands that the Government supports a contestable model for the development of Training Packages that achieves the following objectives:

- maximum industry engagement in the development process
- value for money for VET stakeholders and governments
- nationally recognised qualifications
- streamlining through cutting red tape

What is also clear is that the current model for the development and maintenance of Training Packages is not achieving these priorities and is not sustainable.

The Discussion Paper focuses on the architecture of Training Package Development (the "how"). The accompanying Paper, *Review of Training Packages and Accredited Courses* focuses on the "what".

TDA supports the central contention that industry should play a lead role in defining the industry standards (competencies) that are required by people working in an industry at a prescribed level.

TDA however argues that RTOs as the deliverers and assessors of qualifications should have substantial input into the development process.

TAFE institutes and dual sector Universities across Australia offer qualifications and skills sets from the vast majority of Training Packages. The qualifications offerings range from Certificate 1 to graduate certificates. The staff have a deep understanding of vocational education and training and the pedagogy to respond to the diverse clients. The staff of these institutes are required to be industry current. The connectivity of staff to industry needs is assured through the standards for NVR registered training organisations.¹ They have demonstrable skills in working with industry. This was very evident in research conducted by Dr John Mitchell for TDA leading to five case studies across different industries and different states and territories.²

An essential feature of the development and maintenance of any industry-defined qualifications must include the input of RTOs on whether units of competence are deliverable and assessable. The Discussion Paper is silent on the role of RTOs in the development process. This oversight needs to be addressed in whatever approach to change is finally adopted.

¹ <http://www.asqa.gov.au/about-asqa/national-vet-regulation/standards-for-nvr-registered-training-organisations.html>

² **TDA case studies** "Reinventing service delivery - TAFE meeting industry needs and government goals"

In this response TDA includes other essential features of industry-driven qualifications and attributes for Training Package Development in commentary responding to each of the three approaches to procuring training package development.

APPROACH 1 TRAINING DEVELOPMENT PANEL

The Australian Industry Skills Committee will “set priorities for the development and maintenance of industry-defined competencies in the form of training packages and skills sets”.

Industry training co-ordinators, based in the Department of Industry will draw on a pool of technical writers from the Training Development Panel.

“The level of industry support and the potential for private financial contribution would be an important criterion for determining priorities for development and review of Training Packages”

Priorities for development and review of Training Packages will be set by the Commonwealth Department.

Comment:

While this approach has the advantages of greater coordination across industry and a level of independence from dominant industry voices it may prove costly for small enterprises to commit time and effort resulting in limited engagement. Further it fails the test of continuity and stability. The discussion paper is unclear if the industry training coordinators are within the government department though it is reasonable to assume that would be the case. TDA lacks confidence that there would be continuity of individuals in the roles of industry training coordinators. Ongoing relationships with industry would inevitably be impaired where longer term relationships cannot be developed with individuals. The governance arrangements as described in the discussion paper are simplistic and lack an appreciation of the complexities of prioritising the development and review of training packages. A revolving door of representatives to the Australian Industry Skills Committee must also be avoided.

TDA is concerned that the approach completely overlooks the critical underpinning development of language, literacy and numeracy skills and the ‘soft’ skills or graduate attributes associated with employability and heightened productivity.

A model based on industry sector committees could lead to training packages being developed in isolation and miss the opportunity to create efficiencies where competencies may be more efficient and effective (eg WHS).

This approach is not preferred by TDA.

APPROACH 2 INDUSTRY ASSIGNS RESPONSIBILITY TO PREFERRED ORGANISATIONS

Industry forms sector committees.

“The industry sector committees would “represent their skills needs and develop and maintain industry defined qualifications”

Comment

This approach, as described in the discussion paper, lacks sufficient detail for TDA to support it.

It seems to be a blueprint for industry peak bodies or large enterprises to be the dominant voice to the exclusion of smaller enterprises and regional and local economies and interests. It is hard to see how the interests of smaller enterprises, the largest employers of Australian employees, would be heard.

TDA maintains that the criterion of “potential for private financial contributions” favours big employers and is a potential conflict of interest.

Industry already provides input into the development and maintenance of Training Packages. Requests to provide additional financial input may be seen as too heavy an impost and drives some enterprises out of the nationally accredited VET system.

This approach is not preferred by TDA.

APPROACH 3: GOVERNMENT CONTRACTS FOR DESIGNATED VET SECTOR BODIES

Under this approach six (approx.) designated VET Sector Bodies would be established.

Comment:

TDA supports this approach as offering the best chance of industry engagement in a consistent and ongoing way. These industry sector bodies could engage across the sector and balance the needs of different industry groups, large and small. Additionally these Bodies would have a capacity to reflect the national nature of Training Packages (or their replacement) and to work with the cross sectoral nature or qualifications. Technical competence is a pre-requisite for taking on the task of developing training packages but this goes hand-in-hand with an ability to write competency standards, to liaise with industry to elicit information and having a thorough understanding of the VET sector. Technical competence includes an intimate understanding of what a training package *is* (set of industry standards) and what a training package *is not* (a delivery plan for training and assessment). Approach 3 offers the best chance of harnessing all these attributes while ensuring the independence of developers.

The proposed lead VET sector Body could develop quality policies and procedures across all VET sector bodies.

TDA offer support for Approach 3 with the following caveats:

- 1. That RTOS are involved in the development and maintenance of all Training Packages throughout the development and sign off period to ensure that the packages are deliverable and assessable.**
- 2. That RTOs be regarded as “the peak industry” for the development of the Training and Assessment qualifications.**
- 3. That strong controls need to be agreed and implemented to achieve compliance with standards for development of Training Packages, further streamlining and efficiencies in**

training packages and consistently high service standards from any new Designated VET Sector Body.

- 4. Access to some kind of 'future scan', including qualitative and quantitative research are required of the Designated VET Sector Body.**
- 5. Membership of the each Designated VET Sector Body includes the requirement for high level educational and regulatory expertise.**

21st December 2014.