Tasmanian Government Submission

Expert review of Australia’s vocational education and training system
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EXECUTIVE SUMMARY

The Tasmanian Government recognises the fundamental importance of vocational education and training (VET) to economic and social well-being in Tasmania and Australia.

The Tasmanian Government believes that, on balance, Australia’s VET system is a positive national asset that should continue to be refined and developed for the benefit of individual learners, employers and industry, to drive local and national economic development.

The Tasmanian Government acknowledges and respects established governance processes between the Australian Government and states and territories such as COAG and Ministerial Councils, as these provide the mechanism to progress nationally significant items collaboratively while maintaining complementarity within the federated VET system.

The federated model of shared responsibility between the Australian and state and territory governments enables the development of skills that are consistent and transferable at a national level in a way that is flexible and responsive to local needs.

Continual feedback from Tasmanian industry, businesses and students indicates that local responsiveness and flexibility is highly valued by employers and industry. The Tasmanian Government believes that this key strength of the current system should be maintained and built on. This submission suggests that strength can be further enhanced through better role definitions and efforts to improve coordination across the system to optimise benefits to students and industry.

Australian Government funding support provided through untied specific purposes payments is critical to ensure that Tasmania can maintain its strengths through flexible and locally responsive training investment.

Major challenges in the VET sector include:

- **The perception of VET in relation to higher education.** There is an opportunity for Australian and state governments and industry leaders to work together to affirm their commitment to VET as an integral part of the education system and promote VET as a critical supply component of an individual’s suite of skills.
- **Responsiveness of the system to complex and diverse product needs of local industry.** The existing model of training product design, development and review, although sound in concept, relies heavily on limited points of industry representation and has varying levels of success in representing small sectors where there are diverse vocational education needs.
- **Quality and consistency of training and assessment.** Attracting and retaining high quality trainers and assessors and encouraging best practice remain a challenge.
- **The adult learning gap.** There are opportunities for a collaborative national approach to address low literacy and numeracy, low participation in education and employment and regional disadvantage.
- **System complexity.** The shared responsibility between the different levels of government and interactions between the VET system and other related services creates a complex system that can be confusing for users to navigate.

The Tasmanian Government suggests that, while there is no need for transformational reform, there are many opportunities for incremental changes to achieve substantial improvements to the VET system, through:

- Clarifying scope and role definitions between Australian and state and territory governments to improve coordination and collaboration between the sectors and provide clarity to all stakeholders.
- Committing to reduce the adult learning gap through investment in innovative solutions and additional support for vulnerable cohorts.
- Creating a level playing field between VET and higher education; by facilitating the three key education sectors (schools, VET and higher education) to work collectively and collaboratively in the national interest; and by promoting the value of VET more generally.
Continuing to reduce administrative complexity within the VET system to increase engagement, use and access by individuals and employers.

Supporting quality VET teaching, including attracting and retaining high quality trainers and assessors.

The main challenge for VET in responding to the needs of the future workforce is to encourage non-standard, creative and responsive approaches to vocational education, while maintaining the core standards associated with competency-based training package development.

The Tasmanian Government believes that any proposed changes to the system should:

- maintain and enhance the inherent flexibility and local responsiveness of the current system
- focus on delivering consistent outcomes rather than consistent processes
- be mindful of the differences between jurisdictions and regions and acknowledge that a ‘one size fits all’ approach may not provide the best outcomes
- appropriately consider the benefits and costs of any proposed changes including at a state and territory level
- result in no net negative financial impact on states and territories.

Due to the extremely tight timeframes for this review the Tasmanian Government believes that any major reform will need to be pursued through existing Federal-State governance processes.

It is critical that all stakeholders are provided with sufficient time to work through any proposed changes in sufficient detail to enable robust decision making, and the full implications, costs and benefits to be appropriately considered.
INTRODUCTION

Tasmania’s vocational education and training (VET) is shaped by its population size, composition and distribution. The issues faced in Tasmania are similar to other rural and remote parts of Australia which have similar population characteristics.

Tasmania is a small island state with a population of approximately 528,000 people. Tasmania’s economy is currently experiencing a period of growth. Gross State Product increased by 3.3 per cent in 2017-18 (compared with 1.5 per cent growth the previous year) and business investment expenditure increased by 17.6% in real terms over the same period.

In December 2018, Tasmania’s unemployment rate was steady at 5.8 per cent and the labour force participation rate was 60.2 per cent. The Tasmanian economy is also undergoing a period of structural change with a shift from away from traditional sectors to services sectors.

Strong economic growth and labour demand is projected across Tasmanian regions in a number of key industries (for example, construction in the west and north west, and health care and social assistance across Tasmania). It is conservatively estimated Tasmania needs to grow its total workforce by approximately 11,000 persons (4.5 per cent) by 2023, and the majority of future growth is predicted for the greater Hobart area.

The combined impacts of an ageing workforce, the lowest labour force participation in the nation, and relatively low levels of literacy and numeracy continue to present challenges for employers and industries seeking to meet their current and emerging workforce needs.

For Tasmania to respond effectively to local industry needs and ensure the sustainability of the current period of growth, strategic investment in vocational education that is responsive to the challenges faced by local industry and that accommodates the small size of Tasmania’s training sector and available workforce is crucial.

Tasmanian training sector

Tasmania’s vocational education sector has to respond to an economy that is characterised by dispersed, diverse and primarily small industry sectors.

As an industry sector itself, the training sector also shares these characteristics.

These factors present specific challenges to the State that impact on the capacity to deliver the training that is required to maintain and grow the Tasmanian economy as a whole.

- The challenges of an ageing workforce coupled with relatively low levels of educational attainment and literacy and numeracy levels, together with a regionally dispersed population, results in small markets in terms of both supply and demand for skilled labour. Training providers are often faced with small, dispersed markets making economies of scale difficult to achieve.
- There are approximately 130 private RTOs delivering vocational education, many in specialist areas in which the public provider has limited capacity or experience. Many private VET providers operating in Tasmania are very small or micro-businesses employing only a few staff. Their operating margins are usually extremely tight and they are particularly sensitive to additional costs caused by system changes and regulatory burden. There is the risk of significant negative impacts on students and small businesses if RTOs fail or cease operating.

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1 ABS 3101.0 Australian Demographic Statistics, June 2018 (population 528,100).
2 ABS 5220.0 Australian National Accounts 2017-18.
These challenges are compounded by the need to address the historical adult learning gap (literacy, numeracy, employability and life skills), which is a fundamental precursor to building the capacity and capability of the Tasmanian workforce.

The Tasmanian VET system, therefore, has a strong focus on foundation, pre-vocational and literacy skills, which impacts on the level of investment available to meet immediate industry needs and future skills training.

**VET funding in Tasmania**

The types of VET activity funded by the Tasmanian Government are largely consistent with other states and territories; however, the proportion of spending on activity types and specific qualifications varies due to the distinct nature of Tasmania’s challenges.

Australian Government funding through the Special Purpose Payment (SPP) amounts to approximately 28% of total VET expenditure by the Tasmanian Government. This untied funding allows Tasmania to focus on base-level skills priorities as well as the immediate demands of industry. Over the long term the proportion of VET expenditure focused on industry driven workforce training and development will be increased.

Australian Government funding through National Partnerships is tied to specific activity and national goals, and while a valued investment, does constrain local flexibility and responsiveness.
RESPONSE TO CONSULTATION QUESTIONS

1. What is working well in the VET sector?

Federated model

Overall, the federated model, with a national framework for regulation and product development supported through a COAG Ministerial Council and implementation by states and territories to meet local needs and priorities, has proven to be both workable and effective.

Since the 2012 National Agreement for Skills and Workforce Development (NASWD), there have been considerable improvements to the operation of the VET sector in Australia. The NASWD articulated shared objectives, outputs and policy reform for skills, which have formed the basis for reforms over the last few years.

The Tasmanian Government supports the national approach and the continued improvements to the VET system, particularly:

- the VET Quality Framework as central to the operation of the VET sector
- the 2015 updates to Standards for Registered Training Organisations (RTOs), which resulted in strengthening the Australian Skills Quality Authority’s (ASQA) ability to deal effectively with poor quality RTOs
- ASQA’s risk-based approach to regulation and its cooperative working arrangements with states and territories
- the current reviews of the *National Vocational Education and Training Regulator Act 2011* and the Australian Qualifications Framework (AQF), and the VET Sector Quality Strategy as a joint commitment to a quality training system.

Tasmania’s training outcomes (in terms of employment after training) are above the national average, with 88.4% of government-funded VET graduates in 2017 employed and/or in further study after training. This can be attributed in large part to the capacity to implement broader national directions with local specificity.

The Australian Government and states and territories share roles in relation to supporting apprenticeships and traineeships, with the Australian Government providing a range of support services to both apprentices and employers as well as financial incentives to employers. States and territories also fund support programs and financial incentives.

While the federated system works well in terms of its intent and structure, there is an opportunity to strengthen role clarity and coordination of activity between the Australian Government and states and territories.

Untied funding

A key strength of the current VET system is local responsiveness. States are best placed to understand local labour market issues and local needs of employers and students, and can direct funding to areas of highest priority through their specific purchasing arrangements.

Australian Government funding in the form of the SPP that is untied to specific outcomes is critical to the Tasmanian training system. This funding provides the training system in Tasmania with the stability and flexibility needed to direct funding to specific and changing local needs, unique demographics and employment opportunities.

The Tasmanian Government strongly supports the continuation of current SPP arrangements at appropriately indexed or increased levels.

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5 NCVER National Student Outcomes Survey 2018 – summary of results related to employment after training.
There may also be an opportunity for the Australian Government to direct additional funding to needs that are common to all states and territories and to ensure that any directly funded programs complement rather than detract from state-funded priorities.

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**Case Study: Leading the nation in Aged and Community Services - the importance of local solutions**

In Tasmania, localised funding has supported Aged and Community Services Australia (Tasmania) (ACSA) to foster close collaboration between industry, training providers, employment services and schools based on shared goals. Faced with potential labour shortages due to the ageing population and increasing demand for aged care, ACSA developed a comprehensive industry skills plan in Tasmania to understand the challenges of meeting workforce demands and identify viable solutions. As a result the aged services industry now has a consistent standard of workplace placements, a state-wide screening of prospective employees who are streamed to traineeships and pre-employment programs, and a pathway from ancillary services to care roles. An innovative online hub ([https://agedservicestas.com.au](https://agedservicestas.com.au)) links potential employees with jobs, and provides a ‘one stop shop’ for training programs and resources. The aged and community services sector in Tasmania now has a steady stream of well-qualified job applicants, and a workforce dedicated to providing quality care for clients.

2. **What are the key challenges in the VET sector?**

The Tasmanian Government recognises that there are both nationally relevant and locally specific challenges to the VET sector. Both should be considered in any review of the VET sector.

**Perception of VET in comparison with higher education**

*This challenge relates to Terms of Reference item 1 and item 5.*

It will be increasingly important for the three distinct education sectors (schools, VET and higher education) to work collectively and collaboratively in the national interest to maximise skill development and employment outcomes for Australians.

To a large extent each sector operates independently from the other, and a lack of coordination and consistency in approach impacts the level of engagement (by both individuals and employers) with education and training as a whole.

A key element to this lack of coordination is the radically different way in which VET is regulated, managed, and funded from the other two sectors. The VET FEE-HELP funding and regulation issues in particular have contributed to the poor perception of VET. This perception affects career choices of both school leavers and existing workers, and contributes to skill shortages in a number of industry sectors and occupations.

Both industry and training providers agree that work needs to be done to improve the overall perception of VET in comparison with higher education.

In 2016 the Tasmanian Government conducted a review of years 9 to 12. One of the recommendations related to improving public perceptions about the value of VET in schools by involving the community in developing a future vision and implementation actions.

Education about VET should begin at the school level so that students are supported to make good choices regarding their post-school options, including recognition that people are likely to want flexibility in training and may change careers several times during their lifetime.

There is an opportunity for the Australian and state governments and industry leaders to work together to affirm their commitment to VET as an integral part of the education system and promote it as critical to meeting
Australian industry’s skill needs. The opportunities that VET qualifications offer to individuals in establishing, maintaining and changing careers should be emphasised.

The perception of VET is also linked to improving the quality of VET training and assessment, which is raised later in this submission.

**Responsiveness of the system to complex and diverse product needs of local industry.**

*This challenge relates to Terms of Reference items 2, 3 and 4.*

**Meaningful participation in training product development**

A persistent challenge is to ensure that industry is able to participate in a meaningful way to ensure the training system is responsive to changing industry needs.

The existing model of training product design, development and review, although sound in concept, relies heavily on limited points of industry representation and has varying levels of success in representing sectors where there are diverse training needs. Tasmania’s industry sectors are composed primarily of small and micro businesses, potentially having vastly different needs and perspectives, making adequate representation difficult.

Relying on national representative bodies to accurately represent Tasmanian experience is problematic and results in a lack of a nuanced response to regional and local issues.

Tasmania engages effectively with industry groups through its Strategic Community and Industry Partners consultation framework. The state also supports industry to develop training and workforce development plans at state and local levels, followed by programs to implement those plans. The provision of industry specific information and resources to industry and employers supports this process.

However, Tasmania, as a smaller jurisdiction, has difficulty in adequately resourcing the training product design, development and review process to a level that ensures endorsement of training packages is appropriate for local industry. The resulting reality is that work is prioritised to ensure those issues of most unique relevance to Tasmania and relating to priority industry sectors are raised, but this approach risks missing other issues of consequence.

One example is the recent process involving the Maritime training package. The maritime industry is important to Tasmania, being a growing export market and large employer. Changes in the training package were likely to significantly impact businesses working in the sector in Tasmania, but the processes required to provide input into the package review were onerous, and there were limited resources in the Tasmanian industry association to commit to the process. Continued improvement is required to enhance the ease of participation for small businesses and small industries.

**Training product flexibility**

The Training Product Reform Joint Working Party is considering ways in which training products could be designed to be flexible enough to adapt to changing industry needs, particularly when there are short timeframes, and to maintain relevance for future skills and emerging technologies. The Tasmanian Government supports this process.

The current system of training product development often leads to products that are not made available in a timely way, and as a result, lose industry relevance and local applicability.

Linked with the critical issue of improving the capability of the VET workforce, it is important that enough flexibility is maintained in the system to empower and encourage trainers to build curriculum in response to local needs. The tighter the requirements of the training package, the less opportunity for trainers to demonstrate agility and responsiveness to their students and industry.

The development of shorter form credentials (such as micro-credentials, skill sets, and short courses) is also an opportunity to improve VET responsiveness to industry. The current AQF review is considering the inclusion of shorter form credentials into the AQF.
In the last few years, to meet identified industry needs, Tasmania has funded locally approved skill sets based on units of competency in training packages. Skill sets made up 15% of all government-funded enrolments in 2017 and demand for skill sets is increasing. Industry uptake is reflected in enrolment figures, with those in the workforce accounting for at least 78% of 4153 skill set enrolments in 2017.

In a 2018 survey of government-funded students in Tasmania, 92% of those that had completed a locally recognised skill set in 2018 indicated that the training helped them achieve their main reason for undertaking the training, 95% indicated that they would recommend the training, and 96% indicated they would recommend the training provider.

**Quality and consistency of training and assessment**

*This challenge relates to Terms of Reference items 1 and 7.*

The Tasmanian Government supports the way in which the AQF provides for a fluid system of transferrable skills for both individuals and employers.

However, for industry and employers to have confidence in the VET sector, there needs to be consistency of training delivery and assessment so that employers are assured of the skills and competencies of persons with a particular qualification.

**Supporting quality teaching**

A key strength of the VET system is the requirement for trainers and assessors to have industry experience in addition to being good educators. VET teachers have a complex job: they must have up to date industry experience; they need to teach a range of students from 17 to 70 year olds, and from vulnerable cohorts; and they must be increasingly good educators to teach skills for current jobs and the jobs of the future.

The role of the VET teacher is a complex and demanding one and, although improvements have recently been made to the qualification requirements for trainers and assessors, there is still concern in the sector that the training is not sufficiently relevant or appropriate to the demands faced by trainers and assessors on the job.

The flow on effects of poorly trained trainers and assessors is felt across all industries and has the potential to contribute to any entrenched view that VET is inferior to higher education.

It is not just a matter of increasing the number or level of qualifications required for VET trainers and assessors. Rather, a coordinated national approach led by the Australian Government to invest in building capability within the VET workforce to produce quality outcomes for the jobs of today and tomorrow could have significant benefit, with a particular focus on the way in which training for VET teachers is delivered and inclusion of wrap-around skills that focus on delivery to vulnerable and other cohorts.

**Attracting trainers and assessors**

The VET sector is characterised by inconsistent demand for, and supply of, trainers.

One of the key challenges to attracting skilled trainers is the disparity in pay between working in an industry and working as a teacher. The disparity varies depending on the industry sector – in some industries, an expert operator can attract a salary double that of a VET teacher.

Periods of boom in industry mean that trainers often return to industry to take advantage of increased wages. At the same time, attracting new trainers becomes even more difficult and demand for training in that industry may be increasing.

This issue is sometimes further exacerbated by competitive funding systems (by states) that encourage casual and sessional employment. This type of employment provides limited opportunities for professional development, which contributes to a failure to increase the standard of teaching and assessment, and limits the advantage to the individual to transfer out of industry into teaching.

This issue is acute in Tasmania due to the small size of the training sector. Retaining both quality trainers within an RTO, and quality RTOs within the sector, particularly those that can deliver training in niche qualification...
areas, is becoming more difficult and more costly. This ultimately impacts on outcomes derived from available VET system funding.

**Encouraging best practice**

ASQA’s risk-based approach to regulation and its cooperative working arrangements with jurisdictions has greatly improved its effectiveness in dealing with poor quality RTOs. However, there is also a need to encourage and reward outstanding practice in VET for those RTOs that consistently perform well above the ASQA minimum standard ‘bar’.

The Tasmanian Government’s endorsed RTO system attempts to reward high performing providers through its purchasing system. It requires RTOs to demonstrate evidence of strong past performance and active relationships with employers and industry. High performing RTOs are rewarded with repeat contracts, but it is difficult within a state government purchasing environment to provide any sort of incentive or recognition to those demonstrating outstanding performance.

Exploring how high quality can be rewarded at a national level may assist in improving the overall quality of RTOs and reduce the impact of negative profit-seeking behaviours by a small number of less reputable RTOs on the quality of the VET system as a whole.

**Addressing the adult learning gap**

*This challenge relates to Terms of Reference item 6.*

Tasmania faces significant challenges due to an ageing population, higher than average unemployment, underemployment and disadvantage, particularly in regional areas. These factors correlate strongly with relatively low literacy and numeracy and low educational attainment.

Tasmania’s youth unemployment rate is above the national average, and Tasmania has an above-average proportion of 15-24 year olds who are neither in the labour force nor in full-time education.

The Tasmanian Government applies a number of strategies and actions to address these demographic issues; however, the most effective action that supports disadvantaged adults to achieve literacy and employment outcomes is wrap-around one-on-one support.

The Terms of Reference of this Review of VET note that it may examine whether additional support is needed for vulnerable cohorts. The Tasmanian Government supports this consideration and notes that any initial additional investment into improving the base-level skills of the vulnerable members of the population will be recouped both in terms of economic productivity and in terms of the long term reduction in pressure on VET national, state and territories budgets, as well as having flow-on effects in other areas, such as welfare spending.

Interventions for these challenges need to be developed to meet the needs of people within particular regions. States and territories are in an ideal position to work with local and regional communities to develop and fund a range of innovative programs that include work experience and are linked to real jobs.

**System complexity**

The VET sector has undergone a several periods of reform and change, which while delivering many benefits has also added to the complexity of the system and generated a level of confusion about service offerings for learners, employers and service providers.

In addition, both levels of government share roles as funders and purchasers and regulators, in some cases being responsible for closely related services to the same groups of clients. This can lead to confusion and duplication of effort. For example, there is currently an overlap in support services for apprentices and trainees.

The VET system also interacts with other services such as employment services, income support and welfare, and higher education. While there are similar policy objectives across all of these systems, there are often unintended impacts on the VET system created through the supporting policy structures and incentives of the other systems.
One example of this interaction is when employment services providers receive incentives to place clients in training programs at a Certificate III level. This level is sometimes too high for the clients to successfully complete, resulting in jobseekers undertaking training that does not improve their employability, or that is not in an area of local priority need or employment demand.

Tasmanian Government-funded programs for jobseekers, particularly those with low education levels, that have focused on work experience combined with skill sets (at Certificate I or II level) in industry areas where there are employment outcomes are effective in transitioning people into employment, and also provide a pathway for those people to enter into higher level qualifications.

3. What changes would you make to the VET sector?

The Tasmanian Government believes that the fundamentals of the VET system, including governance, the VET Quality Framework and training package development and approval process, do not need to be changed to any significant degree.

The Tasmanian Government notes there have been a number of reviews in recent years of different parts of the system and recommends that the outcomes of these reviews are taken into account. There could be advantages in consolidating the many changes that have been made over the last few years, together with more active promotion of the VET sector.

Employer and student satisfaction surveys, and reviews such as the Training Package review, clearly show a high level of satisfaction with the system.

The Tasmanian Government recommends that any proposed changes to the system should appropriately consider the benefits and costs of any changes – including at a state and territory level.

It is critical that all stakeholders are provided with sufficient time to work through any proposals in sufficient detail to enable robust decision making, and consider the full implications, costs and benefits.

Within this context, the following changes could be considered:

**Clarify roles and improve coordination between the Australian Government and state and territory governments**

The Tasmanian Government believes an important first step in optimising the funding, policy and regulatory settings of the VET sector is for states and territories and the Australian Government to agree on a clear statement of goals and objectives and a strategy for the future. Within this, role definitions need to be clearly defined and articulated and principles for the coordination of VET nationally agreed.

In doing this, it is critical that stakeholders are mindful of the differences between states and territories and their component regions, and acknowledge that a ‘one size fits all’ approach is unlikely to provide optimal outcomes. The Australian Government should instead pursue a collaborative and co-designed approach with states and territories to ensure programs reflect local need in line with agreed national objectives and goals.

**Invest in and commit to reducing the adult learning gap through additional support for vulnerable cohorts**

As a state, the extent of Tasmania’s adult learning gap is distinctly apparent. However, national data and research demonstrates that rural and regional areas throughout Australia share similar trends of low literacy, numeracy and employability skills, low unemployment and high disadvantage.

The adult learning gap is one of the most fundamental impediments to Australia’s ongoing economic strength and sustainability.

Investment in additional support for disadvantaged adult cohorts, particularly wrap-around supports, will:

- increase the participation rate in the economy
• increase the available pool of employees
• ultimately increase the amount of investment available to industry for industry-specific training.

The Tasmanian Government has a strong interest in supporting inclusive economic growth, and invests significant funding for foundation skills support in the VET system, and in programs that support the provision of training to vulnerable cohorts in innovative ways.

There is an opportunity for the Australian Government to explore innovative responses to this issue and support intensive and sustainable locally based programs to ensure that outcomes are realised on a larger and more effective scale.

Create a level playing field between VET and higher education

It will be increasingly important for the three key education sectors (schools, VET and Higher Education) to work collectively and collaboratively in the national interest.

Australian and state and territory governments could confirm their commitment to VET as equally valuable in responding to Australia’s skill needs as higher education through mechanisms including funding structures, income contingent loans, and promoting both VET and higher education as valid and complementary educational pathways.

As part of this, it is important to improve the articulation between VET and higher education to encourage students to undertake qualifications that best suit their career aspirations.

There is an opportunity for the Australian Government (in collaboration with states and territories) to fund targeted programs that support and demonstrate the value of combining both VET and higher education to improve career outcomes for students.

The current Review of the AQF is also considering the issue of the relationship between VET and higher education and the perception of there being a hierarchy of qualification types within the AQF that values higher education over VET.

There is a need to raise the profile of VET by highlighting its contribution to high growth industries and the economy, and the opportunities it provides in relation to ongoing employment and pathways to higher education.

Reduce system complexity

The Tasmanian Government believes that any proposed changes to the system should maintain and enhance the inherent flexibility and local responsiveness of the current system.

The VET system could benefit by improved planning, complementarity and co-ordination of state/territory programs and services to provide maximum value for funding and reduce confusion for employers and individuals. For example, requirements for employment service providers should not create disincentives or create barriers to jobseekers undertaking training that has the potential to lead to ongoing employment. Australian Government programs should not duplicate services already provided by a state or territory.

Developing a more co-ordinated system has the potential to greatly reduce complexity in the system for industry, employers and individuals.

Reduce administrative burden in the VET system

The responsiveness of the VET system is constrained by the extensive regulation of the system, which often results in onerous administrative burden through multiple complex processes for the system’s component parts. The administrative burden needs to be balanced against the need to maintain and improve quality.

The impacts of this administrative burden include:

• added costs for smaller RTOs and reduced potential to increase capability and capacity

• reduced employer engagement with the apprenticeship system
• increased confusion and reduced industry engagement with National Training Package development and implementation.

As priority, the Tasmania Government would advocate for action to simplify the apprenticeship and traineeship system through locally appropriate approaches and to minimise unnecessary requirements of RTOs and employers.

**Improve the capability of VET trainers to improve quality outcomes**

Improving the capability of trainers and assessors and attracting quality trainers and assessors to the VET sector is a key priority. Although the Australian and state and territory Governments have explored how to achieve this on multiple occasions, it remains an outstanding issue that needs to be considered in any review of the VET system.

There should be national investment in developing capability in the VET workforce, with a particular focus on equipping trainers to respond to future challenges and disruptive changes in industry and in the VET sector. Previous national investment in building capability in e-learning and responding to competency-based assessment was valuable and a coordinated, national approach is recommended.

Improving the quality of training and assessment by attracting and retaining high quality trainers and assessors will also contribute to developing a more positive perspective of VET.

This is an area that would benefit from a national approach and where additional funding support could be considered by the Australian Government.

4. **How can VET help Australians prepare for the future workforce (as industry requirements and job patterns change)?**

The Review of the AQF recognises that the nature of work is changing, with the demand for professions and technical skills and interpersonal and creative skills increasing. The discussion paper refers to these as “enterprise and social skills”7 and notes that there is no settled way of teaching many of these skills. The discussion paper also notes that many of these skills are context-dependent and therefore problematic to include within a taxonomy that applies to all qualifications8.

The challenge that such skills are not easily able to be defined or assessed is an issue being considered by the Training Product Reform Joint Working Party. The working party has proposed that banks of units of competency be developed (or updated) for foundation skills and “future work skills” to encourage the use of these common units of competency across a range of training packages rather than having unique units within every training package. It proposes that such an approach could promote transferability of skills and would assist in training products being more flexible into the future.

It is noted that this work is proving difficult to define at this stage because of the nature of these skills and the lack of understanding about how they could be taught or assessed. However, Tasmania supports further consideration of these issues and continuation of the current program of work.

The changing nature of work and the likelihood that many people will have multiple careers in their lifetime, emphasises the importance of lifelong learning. The VET system is an important provider of lifelong learning and should be able to respond to changing job roles and requirements to re-skill to maintain relevance and productivity in the workplace.

In the more immediate term, the Tasmanian Government considers that VET has a vital role to play in upskilling the existing workforce where roles change due to technological advances or other disruptive impacts. Many tasks susceptible to automation are lower-skilled, repetitive tasks and the challenge is to retrain workers doing these

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tasks and retain them in the workforce. Identifying these types of work and upskilling and retraining existing workers through increased digital literacy is, therefore, a priority for VET.

The main challenge for VET is to encourage non-standard, creative and responsive approaches to vocational education, while maintaining the core of standards associated with competency-based training packages.

The Tasmanian Government will continue to invest in workforce development plans to assist industry to identify future skills needs and will prioritise funding to develop and deliver innovative programs that meet emerging industry needs. The Tasmanian Government is also committed to improving collaboration between schools, VET and university to maximize future skill development and employment outcomes for Tasmanians.