

Vocational Education and Training

VET Reform Roadmap

A shared roadmap for vocational education and training system reform
across the Commonwealth and states and territories.

Introduction

A new role for the VET Reform Roadmap

The Vocational Education and Training (VET) Reform Roadmap was initially developed in late 2019 as an action plan to implement the vision of the former Council of Australian Governments (COAG) for a national training system that guarantees the quality, relevance and accessibility of VET to students, employers and industry. The COVID-19 pandemic, and its ongoing impacts on the economy and labour market, has highlighted the need to take action quickly to improve the VET system to support Australia's economic recovery.

A draft Roadmap was presented to stakeholders in February 2020. Overall, stakeholders supported the direction of the Roadmap and agreed the seven 'reform destinations' were key to implementing the agreed vision for a responsive, dynamic and trusted VET system. In particular, stakeholders considered that reforms to the quality and relevance of training would be central to the success of other areas of the Roadmap, and were supportive of improved national skills forecasting underpinned by higher-quality data.

Skills ministers appreciate the significant contribution of stakeholders to the development of the Roadmap, both directly through stakeholder forums, and indirectly through contributions to other VET sector reviews and inquiries at the Commonwealth, state and territory level over recent years. This work will now be used by skills ministers to guide discussions and the approach to development of a new national skills funding agreement and associated reforms.

The Roadmap serves as a broad framework for considering VET system reform into the future to realise the COAG vision, including through the negotiation of new skills funding arrangements under the auspices of National Cabinet.

As agreed in the Heads of Agreement for Skills Reform, signed by National Cabinet in July and August 2020, jurisdictions will:

- build on progress made in the development of the Roadmap to work on immediate reforms relating to the quality and relevance of training, and
- develop a new national skills funding agreement, with specified directions for reform, including in the areas of micro-credentials and tertiary integration, apprenticeships, foundation skills, pathways for secondary school students, funding, roles and responsibilities and careers information.

The negotiation of the new national agreement may also give rise to reform priorities not currently represented in the Roadmap, as discussions between governments progress.

Immediate responses to COVID-19

The initial draft Roadmap was developed prior to the most significant impacts of the COVID-19 pandemic. As the real and potential impacts of COVID-19 on the economy became apparent, the Commonwealth, state and territory governments acted quickly to change focus to support and secure the national training system and its capacity to meet the critical skills needs of frontline workplaces. This included:

1. Establishing a new **rapid and agile process to support essential skilling requirements during the COVID-19 pandemic period**, which developed new infection control skill sets to ensure front line workers in non-health sectors can work safely and support public confidence as social distancing requirements are eased. These are being delivered nationally through the Infection Control Training Fund.
2. Introducing measures **to keep apprentices and trainees connected to employment**, including by establishing registers of apprentices and trainees stood down or suspended during the COVID-19 pandemic.
3. Putting in place **formal course assurance arrangements to support government-subsidised VET students**. This ensures students are supported to transition to an alternative public or private provider, or receive tuition fee refunds, should their provider close.
4. Supporting **provider viability** of TAFEs and other public and system-critical private registered training organisations during the COVID-19 pandemic so that a core of training system capacity remained operational as an essential service across all jurisdictions.
5. Providing information through VET regulators on **reasonable adjustments** to the delivery of training and assessment to maintain quality of delivery and outcomes while supporting the continuity of training.
6. Establishing the **Infection Control Training Fund**, to jointly invest \$80 million to provide around 80,000 workers with fee-free (or low-cost) courses, with training previously only widely available in the health sector.

A new national agreement and reform agenda

As Australia's response to the COVID-19 pandemic moves from emergency to recovery mode, governments are acting to position the VET system to drive economic recovery through support for workers, school leavers, job seekers and employers, who need access to high quality training that responds to rapidly changing needs and labour market contexts.

COVID-19 has required governments to bring forward aspects of the draft Roadmap for immediate policy development as part of a new agenda for reform led by the National Cabinet. Drawing on the Roadmap, under the Heads of Agreement for Skills Reform, governments have agreed as a priority to move forward on reforms that:

1. **Simplify, rationalise and streamline national VET qualifications** across industry occupation clusters and the Australian Qualifications Framework (AQF), and introduce improved industry engagement arrangements. Reforms will consider a new industry engagement model that will underpin the shared responsibility that industry and government have for growing a skilled economy, and enhance industry leadership with clear roles, responsibilities and accountabilities in order to accelerate and streamline existing training package arrangements.
2. **Strengthen quality standards**, building Registered Training Organisations' (RTO) capacity and capability for continuous improvement and developing a VET workforce quality strategy. Reforms will ensure that training outcomes are trusted by learners and industry through strengthened quality standards that support excellence and continuous improvement of training delivery.

Under the Heads of Agreement, governments are also establishing a national approach to supporting displaced workers, with a particular focus on tailored supports for disadvantaged cohorts and those at risk of long-term unemployment through the **JobTrainer** Fund. Through the Fund, the Commonwealth, states and territories will together invest up to \$1 billion to provide up to 340,000 Australian school leavers and job seekers with access to free, or low cost, training places in areas of identified skills needs from September 2020. The Fund will enable job seekers and school leavers to access both short and long courses to develop new skills in growth sectors and pursue pathways to further qualifications.

Under the new National Skills Agreement, governments will also discuss reform directions described in the Heads of Agreement and drawn from the Roadmap, including:

1. Developing and funding nationally accredited **micro-credentials** and individual skill sets, in addition to full qualifications, and supporting lifelong learning through an integrated tertiary education system.
2. Providing stronger support for **foundation skills** and ensuring access for all Australians with low levels of language, literacy, numeracy and digital literacy.
3. Promoting **apprenticeships** and other employment-based training, including pre-apprenticeships, and undertaking reforms to boost geographic mobility and labour supply.
4. Strengthening **VET pathways for secondary school students** and improving the quality and vocational relevance of VET in schools.

5. Working with the National Careers Institute (NCI), to reduce the proliferation of **careers information** available, and supporting the NCI to provide access to career information that best enables people to make decisions about their learning, training and employment pathways.
6. Enhancing **transparency and accountability**, through clear roles and responsibilities for governments and industry, and increasing data collection and analysis that is shared publicly to support regular assessment of governments' policies and performance.
7. Adopting a **new funding model** that improves national consistency for students, integrates subsidies and loans and is linked with efficient pricing and the skills needed by employers.

In addition to reform directions drawn from the Roadmap, governments will also discuss:

8. Supporting a **viable and robust system** of public, private and not for profit providers, with contestability in VET markets, to ensure high quality training and student choice.
9. **Increasing real investment in VET**, while undertaking agreed reforms needed to ensure this investment will improve outcomes for Australians and the economy.

The VET Reform Roadmap

The Roadmap provides a point-in-time view of a reform approach to support a modern and well-functioning VET market that delivers for learners and industry. The aim of the Roadmap was to ensure:

Learners

1. have access to high quality and relevant nationally-recognised education and training, and their VET qualifications and credentials are valued, provide the knowledge and skills required by employers, and build labour market resilience and further education pathways.
2. are able to make informed decisions about their study and career options, and benefit from expanded options for gaining the skills needed by employers and the community.

Industry

1. finds the VET system simple to navigate and can trust that qualifications and credentials include the knowledge and skills required in the workplace.
2. has access to an adaptable workforce with relevant and transferrable skills to meet its needs and support productivity.
3. uses and invests in employment-based training and has confidence in the model to deliver skills for current and future industry needs. Industry is actively engaged in national governance.

The system:

1. provides a high degree of leadership, quality, stability, transparency and accountability to meet Australia's skills needs and reflect the shared responsibility of governments.
2. is simplified and drives excellence in the delivery of training and practice of regulators, and supports all learners to make decisions about their full range of study and career options.
3. is data-driven, using evidence to improve outcomes.
4. has agreed principles for shared investment in VET by governments, industry and learners, including through consistent loan arrangements.
5. is flexible, responsive and relevant to local training needs.

DESTINATIONS	PHASE ONE	PHASE TWO	PHASE THREE	WHAT DOES SUCCESS LOOK LIKE (END STATES)
<p>TRUSTED AND RELEVANT QUALIFICATIONS AND CREDENTIALS</p>	<p>Streamline existing training package arrangements.</p> <p>Develop a new model for VET qualifications, across industry occupation clusters and the AQF.</p> <p>Develop a framework for micro-credentials.</p>	<p>Improve the use of national data analytics for skills demand forecasting and to monitor impact.</p> <p>Develop future arrangements for industry engagement, including consideration of Skills Organisation pilots.</p> <p>Implement new standards for VET qualifications and credentials.</p>	<p>Implement new approach to qualification design across the full range of the AQF, with rationalisation of qualifications by at least half.</p>	<p>Learners can expect VET qualifications and credentials to be valued, provide the knowledge and skills required by employers, and provide employment and education pathways.</p> <p>Industry finds the VET system simple to navigate and can trust that qualifications include the knowledge and skills required in the workplace.</p> <p>The system is significantly simplified and qualifications are more responsive to the changing needs of industry and learners, ensuring the relevance of education and training to workforce needs.</p>

DESTINATIONS	PHASE ONE	PHASE TWO	PHASE THREE	WHAT DOES SUCCESS LOOK LIKE (END STATES)
<p>HIGH QUALITY EDUCATION, TRAINING, AND ASSESSMENT</p>	<p>Implement changes to ASQA's governance, regulatory approach and practice.</p> <p>Build RTO capability and capacity for continuous improvement.</p> <p>Consider a new industry endorsed system for independent, moderated and/or graded assessment. Develop a VET workforce quality strategy.</p>	<p>Develop new RTO standards and quality framework, focused on excellence.</p> <p>Commission leading TAFEs and other RTOs to develop and disseminate leading practice teaching resources. Trial alternative assessment models.</p> <p>Implement VET workforce strategy.</p>	<p>Rollout of new quality framework/standards and assessment arrangements.</p>	<p>Learners can expect every provider to offer high quality education, training and assessment that supports their transitions to further study and employment.</p> <p>Industry can readily identify the best providers and have confidence in graduate skills and knowledge.</p> <p>The system drives excellence in practice of providers, educators and regulators and encourages options for reformed approaches to assessment.</p>

DESTINATIONS	PHASE ONE	PHASE TWO	PHASE THREE	WHAT DOES SUCCESS LOOK LIKE (END STATES)
<p>APPRENTICESHIPS AND EMPLOYMENT-BASED TRAINING THAT IS ATTRACTIVE TO EMPLOYERS AND INDIVIDUALS</p>	<p>Promote apprenticeships and traineeships.</p> <p>Explore alternative models for employment-based training.</p> <p>Refine data collection on apprenticeships, traineeships, and pre and higher apprenticeships and traineeships.</p> <p>Review existing government and industry support for apprenticeships and trainees.</p>	<p>Trial and evaluate new models for employment based training.</p> <p>Improve employer navigation through the Australian Apprenticeship system.</p>	<p>Implement new model(s) for employment-based training, alongside existing arrangements to respond to industry needs.</p> <p>Improve the design of government and industry support for apprentices and trainees to better target skills needs.</p>	<p>Learners benefit from expanded options for gaining skills needed by employers and the community.</p> <p>Industry uses and invests in employment-based training and has confidence in the model to deliver skills for current and future industry needs.</p> <p>The system has a broader range of models for employment-based training to meet emerging workforce needs.</p>

DESTINATIONS	PHASE ONE	PHASE TWO	PHASE THREE	WHAT DOES SUCCESS LOOK LIKE (END STATES)
<p>ALL LEARNERS ACCESS AND THRIVE IN TRAINING THAT IS RIGHT FOR THEM</p>	<p>Improve national coordination of consumer information, to support decisions on VET, pathways and career opportunities.</p> <p>Deliver a national campaign to change attitudes around VET and higher education to support peoples' lifelong learning.</p> <p>Establish a national approach to ensure equity and consistency in outcomes for all learners.</p> <p>Develop strategies to improve the quality and delivery of VET in schools.</p>	<p>Implement a national approach to ensure equity and consistency of outcomes for all learners.</p> <p>Increase and improve opportunities for school students to engage in work-based learning.</p> <p>Improve quality and delivery of school-based VET.</p> <p>Enable learners to track qualifications and credentials over a lifetime of learning.</p>	<p>Full implementation of strategies to improve quality and delivery of VET delivered to school students, including opportunities for school students to engage in work-based learning, so there are meaningful pathways and career outcomes.</p> <p>Evaluation, monitoring and reporting on implementation and outcomes.</p>	<p>Learners make informed decisions about their study and career options, throughout their lives.</p> <p>Industry has a sufficient supply of workers with the right skills and aptitudes to meet its needs and support productivity.</p> <p>The system supports all learners to make decisions about their full range of study and career options, and access VET at any stage of their lives. The system is data-driven, using evidence to improve outcomes.</p>

DESTINATIONS	PHASE ONE	PHASE TWO	PHASE THREE	WHAT DOES SUCCESS LOOK LIKE (END STATES)
<p>STRONGER ALIGNMENT AND INTEGRATION BETWEEN VET AND HIGHER EDUCATION</p>	<p>Commence work on a revised AQF.</p> <p>Identify/consider models of integrated VET and higher education courses and delivery.</p> <p>Review VET Student Loans (VSL).</p>	<p>Pilot new courses that integrate both higher education and VET.</p> <p>Create flexible entry and exit points between VET and higher education.</p> <p>Implement reforms to income-contingent VET student loans (VSL).</p>	<p>Modernise qualification frameworks to support parity between VET and higher education.</p> <p>Undertake applied research in collaboration with industry, higher education providers and/or NCVER.</p>	<p>Learners have equal confidence in both the VET and higher education sectors.</p> <p>Industry has access to an adaptable workforce with relevant skills from VET and higher education.</p> <p>The system has more consistent loan arrangements between VET and higher education.</p>

DESTINATIONS	PHASE ONE	PHASE TWO	PHASE THREE	WHAT DOES SUCCESS LOOK LIKE (END STATES)
<p>GOVERNMENT VET INVESTMENT SUPPORTS ECONOMIC AND SOCIAL PRIORITIES AND COMPLEMENTS THE INVESTMENT OF INDUSTRY AND LEARNERS</p>	<p>Understand the cost of training that is responsive, high quality and accessible.</p> <p>Consider the Productivity Commission review of the National Agreement for Skills and Workforce Development.</p> <p>Consider principles, roles and responsibilities for VET investment by governments, industry and learners.</p>	<p>Implement strengthened skills and occupational demand forecasting.</p> <p>Review and update models on cost and price analysis.</p> <p>Agree on a framework for public and private investment in national VET.</p> <p>Agree Commonwealth/state and territory funding arrangements.</p>	<p>Evaluation, monitoring and reporting on implementation and outcomes.</p>	<p>Learners can access nationally recognised education and training when and where they need it.</p> <p>Industry is confident that investment in VET aligns with its skills and occupational demand needs.</p> <p>The system has agreed principles for shared investment in VET by governments, industry and learners.</p>

DESTINATIONS	PHASE ONE	PHASE TWO	PHASE THREE	WHAT DOES SUCCESS LOOK LIKE (END STATES)
<p>NATIONAL ARCHITECTURE AND GOVERNANCE GIVES THE VET SYSTEM CREDIBILITY, IMPACT AND STABILITY</p>	<p>National Skills Commission (NSC) commences on 1 July 2020.</p> <p>Revise national architecture and governance arrangements for the system.</p> <p>Develop a monitoring and reporting framework to improve transparency and accountability.</p>	<p>Agree on reforms to national governance and architecture to ensure VET is high quality, relevant and accessible.</p> <p>Implement improved public monitoring and reporting.</p> <p>Improve availability of data and information on VET system performance.</p>	<p>Evaluate new national governance and architecture.</p>	<p>Learners have access to, and a voice in, high quality and relevant education and training.</p> <p>Industry has access to high quality and relevant education and training and is actively engaged in national governance.</p> <p>The system provides a high degree of leadership, quality, stability, transparency and accountability to meet Australia's skills needs and reflect the shared responsibility of governments.</p>