

Consultation Paper - Improving industry engagement and reforming qualifications in Vocational Education and Training (VET)

Submission to the Australian Government

1 March 2021

1 Does the role of industry need to be strengthened or expanded across the VET system? Why/why not? Please consider the following prompts in your response (max 600 words)

1.1. What does industry engagement mean to you?

1.2. How can industry be encouraged to connect with and use the VET system? What does this look like?

1.3. Are there any roles for industry in the VET system that are not covered or outlined in the case for change?

Industry engagement is a lot like 'motherhood'. It is hard to argue against and we all agree that is important. Can it be improved? Of course. Should we continue to increase and improve it? Of course. Is it broken? That all depends on your view of the purpose of VET. And that depends on who you are.

The ideal level (and quality) of industry engagement depends to some extent what the VET system is to industry and employers. If they are the end user of the process (i.e. employer), then they often just want to be confident that they are employing someone who has the skills that they require.

However, the expectation of government is that industry is fully immersed in the VET system and has a strategic imperative to ensure that the VET system keeps up with its skills needs.

While the objective of having an industry led VET system is attractive, it needs to be recognised that industry has varying levels of capacity and understanding of the VET system and therefore varying levels of abilities to 'lead' the system.

The quoted employer satisfaction in the VET sector is not a good indicator. Firstly 1 in 5 are not happy with the VET sector and secondly, the survey is only of employers who are engaged with the VET sector. What about all the employers who have never engaged or have disengaged? NCVER research indicates that only 25% of employers are using the VET system.

Importantly, around 80% of students undertaking VET do so without any commitment or engagement from industry or an employer. They are seeking entry level training or career advancement. Many of these students end up in a wide variety of jobs and jobs roles. It is difficult to be overly prescriptive about what they are or are not taught. Employers that recruit VET graduates can't expect enterprise specific knowledge and skills.

Many employers don't want to engage with VET – they just want to be able to get the workers and skills they want when they want them. Apart from some very large employers and some employers of apprentices and trainees, they generally don't want to know what is in a Training Package Qualification or Unit of Competence. They rely on their RTO.

Also, Most employers are small, don't have HR staff and are heavily focussed on running their business. Understanding and engaging in the VET system is not on their priority list.

The Food, Fibre and Timber Industries Training Council is an industry association that provides advice to the WA government on the skill and workforce needs of its industry. We are constantly talking to industry about their labour and skill needs. However, it is difficult to talk to them about specific qualifications.

As a consumer, they don't know what VET products the products are out there. For many, the thought of even purchasing a VET product is very unlikely.

So, to do our job, we must provide a lot of context around any information that we are obtaining. We seldom talk qualifications but mostly converse around job roles and tasks.

If we send out qualification review requests from SSOs, we don't receive many responses, often none. They are not interested in dissecting a qualification and suggesting performance criteria and assessment requirements.

So, we often respond on industry's behalf. As we are constantly talking to industry about skill and labour needs, we have a good understanding of their workforce needs, the specific job roles, and any industry standards. We can translate what we know into qualification language and processes.

2 Are you aware of the current industry engagement arrangements that are in place to design and develop VET qualifications i.e. the Australian Industry and Skills Committee and the Industry Reference Committees? (Selected Response Yes/No)

3 (If yes to Question 2) How effective are the current industry engagement arrangements in VET in meeting your needs? Please consider the following prompts in your response (max 600 words)

3.1. What works well and what could be improved? How could it be improved?

3.2. How well are you (or your organisation) represented by these arrangements?

3.3. How well do current arrangements allow collaboration across industry sectors on common workforce and skills needs?

The Food, Fibre and Timber Industries Training Council engages industry stakeholders to gather and report on current and emerging industry trends. We obtain feedback on industry skill needs, priorities and skill development issues, concerns, or suggestions for funded training in Western Australia

To do this, we have a network of over 600 stakeholders including employers, unions, RTOs, employee, and industry organisations.

In many respects, we echo the functions of the current SSOs and as such, are heavily engaged in training product development. However, the key difference is that we are not only engaged with industry about training product development. We are gathering information on skill shortages, barriers to employment and training, and industry trends.

Secondly, we are engaged locally with industry and understand what is impacting them here in WA. So, our information is more robust and rounded.

The focus of this paper is about 'Training Package' review and development. Qualifications and Units of Competence only describe occupations and occupations tasks – the outcomes of training. They do not describe the learning pathways, resources, content, assessment etc.

We don't hear a lot of criticism about training package content. We hear more about poor quality training, unable to access training, RTOs not being able to develop curriculum due to funding shortages and poor engagement between industry and RTOs.

Training Package development is important, but it is not the main game. It should be quiet and in the background. Yes, it must be open and transparent, but the focus should be on the delivery of training.

The development of Training Packages has become ever more detailed and specific about every task and criteria that the student needs to perform. Too much prescriptiveness requires constant review as technology and jobs change. The desire for quality assurance is understandable, but specificity generates more complexity and slows responsiveness to change. Make Training Package Qualifications and Units of Competence more generic, not more specific. Industry has vital role in specifying desired training outcomes but shouldn't be expected to specify content.

Training Council staff have engaged with several IRCS over the past few years, either as a guest or a formal member. While there is much to commend about the current arrangements, we've noted that whilst members are passionate about their respective industries, they have little or no knowledge of other industries within the context of their IRC. They may lack expertise in the projects being considered, relying on the one member who says they do. They are also generally not experts in VET and/or the labour market.

Issues to do with RTO delivery, delivery quality, funding, employer recruitment and labour demand have been excluded from their remit. It is also noted that many IRC projects are supported by subject matter experts or technical advisory committees; these lack transparency and are becoming the real decision makers in Training Package development.

We have also noted that many SSOs provide little direction in discussions as the secretariat, they have been directed to be as neutral as possible and not influence IRC's deliberations.

SSOs understand the VET system as they are funded and employed to concentrate on VET issues. IRC members are volunteers with other responsibilities. SSOs should be able to provide IRCs with more and broader advice

4 What can be done to drive greater collaboration across industries to broaden career pathways for VET graduates and maximise the workforce available to employers? Please consider the following prompts in your response (max 600 words)

4.1 How can workers be equipped with skills that can be applied across different jobs? How can industry support this through the VET system?

4.2. How can we break down silos and improve collaboration across industry groups?

This is an important and challenging issue. Getting different industry groups to collaborate will always be very difficult. Industries and employers naturally want the best outcome for themselves not for the nation. It needs to be recognised that industry has varying levels of capacity and understanding of the VET system and therefore varying levels of abilities to 'lead' the system.

The Food, Fibre and Timber Industries Training Council has over 80 peak bodies under its coverage. For some industries there are more than one peak body, in particular agriculture has approximately 20.

Some of these associations have paid staff but some are manned by volunteers. Those with paid staff may have the opportunity to engage with the VET sector but in most cases, this engagement is quite small.

Whilst most associations recognise the connection with training and workforce, many of them underestimate the contribution that the VET system could provide to their industry.

So, to have expectations that there is collaboration between industry groups is unrealistic. Why would one group want to talk to another group to broaden pathways? How would one industry group identify commonalities within another industry group?

This is where organisations such as ours comes in. We have the knowledge of both industry and VET to be able to identify commonalities and improvements to career pathways. We can see the synergies.

Outside of collaboration, to broaden career paths, The AQF hierarchy could be used as a guideline. At the lower level, the learner needs to know technical and job specific skills, therefore we may need specific qualifications for each job role. However, at the higher levels, qualifications are very similar covering knowledge in capital, human resources, people, finance etc. Yes, every industry is different, but the conceptual knowledge and skills can be universal. Qualifications should be guidelines that can be contextualised to suit individual learners. An experienced lecturer can contextualise the content for a particular industry.

5 Are qualifications fit-for-purpose in meeting the needs of industry and learners now and into the future? Why/why not? Please consider the following prompts in your response (max 600 words)

5.1. Are the different needs of industry and learners effectively considered in designing qualifications in the current system? What works well and why?

5.2. Are there issues or challenges with the way qualifications are currently designed? What are they and what could be done to address these?

By and large we think that the current Training Package Qualifications and Units are generally fit for purpose. Training Package Qualifications and Units are about documenting the main jobs and tasks being undertaken in the economy.

The current AISC strategy for rationalisation of training products has merit. Creating or maintaining unused Qualifications or Units doesn't achieve anything. However, rationalisation should not just be about deleting low activity qualifications also be about combining Qualifications and Units. There needs to be a process for consolidating training approaches in thin markets.

In WA, we have extremely thin markets. In some industries we have had no VET activity for several years. Mostly this is because low student numbers have meant that it is difficult for an RTO to service. However, the skills are still relevant and still current. Low activity qualifications in WA, does not always mean low demand.

We also note that a recent approach to rationalisation has seen the combining of Qualifications and creating streams, while maintaining or increasing the number of Units. This is not rationalisation.

There is a lot of discussion about qualifications being kept up to date with changing technology. As previously mentioned, Training Package qualifications that are too prescriptive requires

constant adaption as technology and jobs changed. They should be used as guidelines and an experienced lecturer can embed new technology and processes in the delivery of content.

6 Are there any further issues in relation to improving industry engagement in the VET sector that you would like to provide feedback on? (max 600 words)

Consultation with industry should not just be about training package development. Conversations about skill shortages, the trends within industry and how the VET sector can respond to those needs are vitally important. This not only gets them engaged in skilling conversations but also educates them about how they can optimise their workforce by training.

The lack of industry engagement is not only with training package development. There needs to be more focused research on identifying the barriers within the VET system before offering up solutions. Why are some industries not engaging in the VET sector? Why has the perception of VET gone down over the years?

The Food, Fibre and Timber Industries Training Council is concerned about an 'umbrella' approach by the commonwealth with industry engagement. You cannot identify economic and social priorities, at a national level. You need to recognise the uniqueness of WA industries and how this influences the operation of their businesses.

It's not just about consultation. It's about developing a network that provides you with the depth of understanding of the nuances in doing business in WA. And this can only be understood in a local context by people who live and work here in WA. Conversations need to be at the local level.

And finally, an important focus is to educate industry about the value of skills and workforce development. Many small businesses don't have good 'people management' systems and don't understand the contribution that training can give to their businesses. There should be more assistance for businesses to building their capabilities in workforce development.

Further information:

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