



**Australian Government**  
**Department of Employment,  
Skills, Small and Family Business**

# Skills Organisation pilots – human services care

Summary report on industry  
workshop outcomes

Sydney 25 September

ISBN



With the exception of the Commonwealth Coat of Arms, the Department's logo, any material protected by a trade mark and where otherwise noted all material presented in this document is provided under a [Creative Commons Attribution 3.0 Australia](#) licence.

The details of the relevant licence conditions are available on the Creative Commons website (accessible using the links provided) as is the full legal code for the [CC BY 3.0 AU licence](#).

The document must be attributed as the (Skills Organisation pilot – human services care roundtable outcomes).



## Contents

Context	4
Purpose of the roundtables	4
Welcome from the Minister	4
Areas where participants are seeking change	5
Improve the quality and responsiveness of training	5
Increase stakeholder confidence in the VET sector	5
Address increasing demand for workers in the sector	5
Improve collaboration of stakeholders in training development	6
Key challenges with existing arrangements	6
Opportunities for Improvement	7
Training package development	7
Curriculum development by RTOs	7
Training delivery	7
Assessment/endorsement	8
Funding	8
Information	8
Regulation	8
Education	9
Scope of the pilot	9
Qualities of the Skills Organisations	9
Governance of the Skills Organisation	10
Next steps	11

## Context

As part of the 2019-20 Federal Budget the Australian Government announced the Skills Package – delivering skills for today and tomorrow.

As part of the Skills Package, the Government committed \$41.7 million to pilot two Skills Organisations. The Skills Organisation pilots will target two key priority industries:

- Human services care (which may encompass one or more of aged care, early childhood education and care and disability services)
- Digital technologies (including a focus on cyber security).

The Skills Organisations are proposed to be industry owned and will adopt a leadership role to support the VET system better meet the needs of employers, the economy and learners.

## Purpose of the roundtables

To progress the design and implementation of the Skills Organisation pilots, the Department of Employment, Skills, Small and Family Business (the Department) held two roundtables with the target industries (including representatives from industry peak bodies, employers, employee representatives and others) to support them to develop and establish these pilots.

The purpose of the roundtables was to seek input and expertise from stakeholders to further develop the scope and parameters of the two Skills Organisation pilots to ensure they meet industry needs. The roundtables provided an opportunity to discuss:

- Existing arrangements for the development of training packages and industry engagement across the skills pipeline
- The key challenges with the existing arrangements
- The potential opportunities afforded by the pilots to trial new approaches
- Possible success measures to evaluate the impact of the Skills Organisation pilots, and
- The proposed staging of the pilots and next steps.

## Welcome from the Minister

In a video message, the Minister for Employment, Skills, Small and Family Business, Senator the Hon Michaelia Cash noted:

- Industry is best placed to take a leading role to design solutions to its skilling needs
- Human services are essential to the lives of all Australians and to the Australian economy
- The human services and vocational education and training (VET) sectors are expected to contribute significantly to employment growth in Australia over the coming years
- It is essential that workers get the right skills to meet changing needs now and into future and that industry has confidence in the quality of its workers' skills

- That the Government is looking to strengthen the VET sector by trialling new industry-owned approaches to skills development to better deliver the skills our workforce needs
- The purpose of this roundtable is to commence a genuine co-design process to explore approaches to industry leadership across the entire skills pipeline.

## Areas where participants are seeking change

Participants were asked to introduce themselves, and to provide a brief overview of what they wanted to learn from the day and where they were most seeking to drive change.

Participants were broadly interested in finding out more about the Skills Organisation pilot and how it might differ to the existing system and create change. Participants were also looking to understand how the pilots would interface with the existing system/governance, including existing Industry Reference Committees (IRCs) and Skills Service Organisations (SSOs).

Participants were looking to drive change to:

### Improve the quality and responsiveness of training

- Ensure that learners, industry and consumers have a meaningful voice in the development and improvement of training packages
- Improve the development of qualifications and training packages such that they are more dynamic/responsive, meaningful to workers and meet the needs of industry
- Improve the quality and reliability of vet qualifications, such that training packages are relevant, practical and deliver real outcomes for learners
- Create a more agile and innovative sector
- Improve alignment with tertiary education and encourage further training for people to reskill and upskill once employed.

### Increase stakeholder confidence in the VET sector

- Participants noted the importance of improving the public perception of the VET sector, including to promote VET as a viable way to progress a meaningful career, rather than a 'fall-back' qualification.
- Employers and consumers (i.e. the people receiving services from VET graduates) need to have confidence in the quality of workers graduating from VET.

### Address increasing demand for workers in the sector

- Participants discussed how the VET system can help address the crisis in recruitment and retention in the human services sectors, including by:
  - Developing clear pathways to support workers into a career in aged care, disability care, early childhood education or teaching

- Improving post entry-level training to upskill the existing workforce to respond to the changing needs of the sector
- Better use traineeships to provide learners with more practical experience in human-centred work.

## Improve collaboration of stakeholders in training development

- Participants noted the importance of involving stakeholders in the development of training packages including employers, learners and consumers.
- Some people in the sector are experiencing reform fatigue so the pilots should look to minimise the administrative impact and cost on employers, learners and consumers.
- It is important to draw connections and collaborate across sectors wherever possible to leverage existing structures and processes that are working well.
- Governance of the system could be streamlined such that it doesn't act as barrier to development of quality training. For example, by 'connecting the dots' between different government agencies and governance committees.
- The pilot should be mindful of balancing the needs of different stakeholders in training provision. For example, balancing what employers are seeking from workers (with a focus on skills) with what consumers are seeking (with a focus on values).

Participants discussed the phased approach to the pilot and noted that broader consultation will be required regarding the pilot following this roundtable.

## Key challenges with existing arrangements

Through discussion, participants confirmed some of the problems that the Skills Organisation pilots were designed to address (some of which were identified in the Joyce Review), including that:

- Qualification development can be slow and unresponsive
- Confidence in the VET sector is declining, including in the ability to deliver skilled workers that are 'job ready'
- There is limited national architecture to support strong, systemic industry leadership in the quality of training delivery and learner outcomes
- There is limited industry visibility, engagement and influence over training delivered by RTOs to ensure learners gain practical skills
- Lack of employer understanding of the VET sector, including arrangements that support the development of qualifications.

Participants also discussed the challenges they have experienced that were more particular to the human services care sector, including:

- Difficulty ensuring ongoing, lifelong learning and keeping worker skills up to date
- The casualisation of the workforce, where workers are often working for multiple employers, can change the nature of reskilling/upskilling

- Low pay and poor conditions in the sector and the low value placed on this work makes it difficult to attract and retain quality workers
- The highly regulated nature of the sector
- The outcomes delivered by workers in this sector are vital for the wellbeing of consumers, who are often vulnerable
- Industry demand for workers means that employers have limited ability to be 'fussy' about the quality of a person's qualification/skills
- Registered Training Organisations (RTOs) and industry often have different expectations regarding the meaning of 'job ready'
- The current system provides financial incentives for RTOs to maximise the number of people completing training, rather than incentivising delivery of quality, skilled workers.

## Opportunities for Improvement

Against this backdrop, participants brainstormed a range of different ideas and approaches to address some of these challenges. Participants broke into groups to further develop these ideas and consider how they might be trialled through the Skills Organisation pilot. Ideas included changes to:

### Training package development

- Develop a set of core competencies that are stable and transferrable across sectors (aged care, disability, early childhood education and care). These would act as building blocks and could be added to, such that learners could work within a specific sector or specialise in a specific subject matter or skill.
- Additional competencies could also be developed in a way that enables them to be quickly implemented to respond to more immediate needs (e.g. With regards to provision of care to LGBTIQ clients, clients with dementia, etc.).

### Curriculum development by RTOs

- RTOs could work with industry to translate the curriculum/training materials into 'industry language' to make it easier for employers to understand the curriculum and better assess how it aligns with their expectations of learner outcomes.
- Employer, learner and consumer feedback should more strongly influence the development of the curriculum and training and assessment materials. This would improve the feedback loop regarding how RTOs deliver training.

### Training delivery

- Employers could be more involved in the delivery of training and facilitate practical learning on the job and to upskill their workforce by:

- Embedding employers within RTOs to deliver training
- Employers acting as mentors for learners
- RTOs delivering training or embedding trainers within employer organisations
- Reducing online learning and increasing face-to-face, on the job learning.
- Large employers could develop partnerships with RTOs to train staff in line with their needs and in return provide on the job experience in their organisation.

## Assessment/endorsement

- To highlight RTOs that are delivering quality outcomes for learners, providing workers with the skills needed by employers and improve the feedback loop regarding training delivery, arrangements could be implemented such that:
  - Learners' skills are independently assessed by employers or an independent party
  - Quality RTOs are endorsed by employers.

A number of other ideas were raised but it was broadly acknowledged that these related to the broader environment and would lie outside of the Skills Organisation pilot, including with regard to:

## Funding

- Increase the accountability of RTOs to deliver quality workers. This could be achieved by making payments to RTOs based on quality outcomes (rather than number of people completing qualifications).
- More appropriately target government funding (e.g. Under the NDIS or in aged care) to support on the job learning/traineeships (e.g. Where a trainee accompanies a qualified worker, an extra subsidy is paid to the employer).

## Information

- Improved use of data 'straight from the coalface' to inform understanding of RTO performance/quality of training delivered. For example, by using performance reviews undertaken by employers to understand gaps in core competencies and skills.
- Improve ASQA's ability to respond to intelligence from industry, for example through established forums where employers share findings and feedback regarding the quality of qualifications delivered by different RTOs.

## Regulation

- Consider changes to regulation to enable learners to undertake on the job training and experience earlier in their learning journey, prior to having a qualification (e.g. In early childhood education and care).



## Education

- Provide education and communications materials targeted to industry to improve their understanding of how to use and influence the skills pipeline.
- Provide more information to learners before they enter a course about the skills they will need, transferability, career progression, etc.

## Scope of the pilot

Participants discussed the clustering of disability, aged care and early childhood education and care sectors and how early childhood learning is materially different in nature from other human services. Participants noted:

- Early childhood education and care workers are similar to other human services workers in that they must connect with consumers and support them to achieve outcomes
- However, early childhood workers are expected to deliver outcomes aligned to the national quality framework and, in this way, the skills they require are more aligned with those of teachers. Also, their career pathway is not likely to cross into the disability or aged care space but more likely to progress to primary teaching.

Participants discussed the scope of the Skills Organisation pilot and its ability to trial the ideas put forward in the context of each sector. Participants questioned whether multiple Skills Organisations could be established through the pilot, but it was broadly agreed that the one Skills Organisation could have multiple foci to trial different ideas in the context of different industries. It was also acknowledged that any implementation of Skills Organisations beyond the pilot stage (subject to decisions by Government) would necessarily result in industries, with varying levels common interests, being supported under a single organisational structure.

The group discussed how the new Skills Organisation might be kept accountable and report to Government, including how states and territories would be involved in decision-making. It was noted that there would likely be a series of agreed checkpoints for government agreement, e.g. Selection of the Skills Organisation, approval of the work plan for the pilot, etc.

## Qualities of the Skills Organisations

Participants discussed the qualities that would be required for the Skills Organisation to develop (and further consult on) a series of ideas and, from that, develop a workplan. The required qualities included:

- Strong research and development capacity (to ensure it can deliver for the future)
- Depth of industry understanding
- Capacity to bring employers together
- Be not-for-profit
- No vested/commercial interest (although there were differing views amongst participants about what this meant)

- Entrepreneurial in mindset – the ability to think about the future free from the constraints of existing structures
- The ability to access independent expertise as needed
- The ability to translate knowledge across different sectors, groups of stakeholders
- The ability to bring government agencies, funders and regulators together across sectors.
- Specifically, for employers:
  - A track record in engaging with VET sector, high performance in VET, innovation in training
  - Commitment to training, building capacity, professional development, recruitment and retention
  - A history of broader collaboration within sector and the ability to engage the sector
  - A history of attracting and retaining quality workers, retaining workers
  - Ability to demonstrate the relationship between the quality of their workers and the competencies/skills they have.

Participants agreed that, above all, the Skills Organisation must be able to innovate, drive change and bring industry (and other stakeholders) along with them.

## Governance of the Skills Organisation

Participants brainstormed ideas for what the composition and governance of the Skills Organisation might look like. For example:

- Leverage existing national arrangements (e.g. Skills Service Organisations and Industry Reference Committees) to deliver against a revised scope of work within the current framework.
- Create a new Skills Organisation with a number of industry representatives that act like a board.
- Select a large, established provider that is currently delivering services across both aged care and disability as the new Skills Organisation.
- Undertake a joint venture between an existing large provider and large RTO.
- Select a large, existing peak body or other established group as the new Skills Organisation.

Under any of the above governance models, it was discussed that the new Skills Organisation could:

- Employ secretariat and administrative support, and relevant technical expertise
- Subcontract to existing organisations within the VET sector to access relevant technical expertise
- Seek specific expertise from industry (e.g. through existing councils, peak bodies, employers, unions, etc.)
- Have Terms of Reference that define the organisation's expected outcomes.

The group discussed that one organisation may be engaged to develop the work plan and this structure could change to enable the actual delivery against the work plan (from mid-2020).

The group identified the challenge in identifying one (or a small number) of existing entities that would have the confidence of, and acceptance by, industry to be funded as a Skills Organisation.

Participants agreed that some aspects of the existing pipeline are working well – there are existing mechanisms for industry to communicate with RTOs about what they do and don't want from their training but still need to facilitate closer links between employers and RTOs. This can inform where effort might lie in developing the governance model. Participants also agreed we should take care in deconstructing the existing system.

## Next steps

Next steps were discussed and included:

- The Department will email participants requesting:
  - Feedback on the draft summary of workshop outcomes
  - Examples of innovative models/approaches (or research projects) that achieve (or explore) better outcomes across the skills pipeline.
  - Names of up to three employers within their industry that: a) have a strong commitment to the training system; b) have a strong track record of innovation and/or engagement with the training system; and c) strong collaboration of its organisation.
  - Names of up to three RTOs that have a strong track record for quality delivery and collaborating with employers in the care and early childhood education sectors.
- The Department will distribute a summary of the day and the slides to all participants. Participants may distribute notes to their broader networks to maximise feedback.
- Participants will provide feedback on the summary, including further consideration of governance models and their pros and cons where possible.
- The Department will utilise feedback from participants to determine priorities and next steps in the co-design of the Skills Organisation pilot.