A dynamic tension: consistency with flexibility in Australia’s national training system

Dr Kaye Bowman
Ms Suzy McKenna

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Project Purpose

- Our NVTRE funded project is a study of the balance between consistency and flexibility within Australia’s national VET system.

- As a case on point we are investigating the introduction of a student training entitlement.

- We will be considering the implications of our findings for future national VET reform.
Project rationale

• 1992 Australian governments’ decision for nationally co-ordinated approach to VET

• 2012 Agreement for a minimum student training entitlement nationally by 2015, flexibly implemented

• Concern expressed by some - in implementing the student training entitlement too much jurisdictional differentiation is re-emerging
Project stages and progress to date

• Literature Review – on the development of the national training system (completed)
• Comparative analysis of student entitlement schemes in each jurisdiction as at 31 March 2015 (in progress)
• Interviews with 17 VET ‘experts’ on their views (in progress)
• Final report (September 2015)
Why a ‘national training system’?

Our interpretation from literature

Cooperative federalism approach to VET from 1992 to:
• Contribute to Australia’s competitiveness in an increasingly globalised world economy
• Allow for mobility of the Australian population and achieve national portability of VET skills
• Allow for firms operating in more than one State
• Enable enterprises to recruit graduates with trusted, valued and consistent VET qualifications from across the nation

Confirmed by experts.
Why a ‘national training system’?

Experts’ views

• In basic terms: the aim was to address the problem that a plumber in Albury could not go and do a job in Wodonga. It was seen as nonsensical to have VET qualifications attained in New South Wales not recognised in Victoria.

• The notion that the state based TAFE systems’ ‘... different ‘trains, tracks and gauges’ created barriers rather than flexibility resonated’.

• To enable Australians to have their gained vocational skills, knowledge and attributes recognised anywhere in the nation and Australian employers to have access to a workforce with VET qualifications of equal value or the same currency throughout the nation.
Purpose of a national training system

Twin end goals repeatedly stated since 1992 (with some variations)

• To advance the skills of the Australian labour force to support internationally competitive commerce and industry and maximise collective prosperity – VET as a national development policy tool

• To advance individuals’ opportunities to optimise and improve their life chances and wellbeing through VET no matter where they reside in Australia – national recognition of VET qualifications
Key intermediate objectives maintained in the nts

From our literature review

• Responsiveness
• Quality
• Access and Equity
• Efficiency
• Sustainability
• Transparency
Key elements of the national system

Our interpretation

1. National frameworks for VET products & providers
2. Development of a training market

Experts’ views

1. Training packages or standards for VET products
2. Regulatory framework or standards for VET RTOs
3. To open up VET to providers beyond public TAFEs
   1 & 2 to have consistent quality; 3) to facilitate responsive delivery, to achieve quality outcomes
Development of national VET products & provider standards - a timeline

1997

Australian Qualifications Framework (AQF)

1996

Competency Standards

Training Packages across all VET occupations and industry sectors (with regular improvements to meet industry needs) Training Package Development Handbook - guidelines

Accredited courses - gradually decreasing in number as Training Packages developed with greater industry focus

National register of accredited courses and, from 1996 onwards, Training Package qualifications

2000

TRAINING PRODUCTS

TRAINING PROVIDERS

1996

NFROTV/ARF - a single framework for recognition of VET courses, providers (Registered Training Organisations) and registering and accrediting authorities

Australian Quality Training Framework (AQTF) - standards for RTOs, registering and accrediting authorities

Methods for RTOs & authorities 2015

Commonwealth NVR Act 2011 establishes ASQA

National register of RTOs and the qualifications on their scope

2010

2015

2012 Standards and Policies for Training Packages
Experts said:
‘To be fair to the states when ANTA was set up [to oversee the development of the national training system] it was never the case that the detail of funding arrangements was part of the deal.’

‘There was and remains varying levels of enthusiasm among the jurisdictions for contestable/market oriented funding arrangements.’

‘An exercise in freeing VET from the tyranny of TAFE ‘middle class” teachers.’
## Training market development - national system objectives

<table>
<thead>
<tr>
<th>Objective</th>
<th>Government involvement in a market-based national training system</th>
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<tbody>
<tr>
<td>Efficient and responsive provision of training</td>
<td>Design and manage a strong market that operates with maximum choice and competition, and enables all participants to pursue their objectives. Where necessary, pursue specific interventions that encourage students, businesses and providers to deliver desired vocational training outcomes (public benefit)</td>
</tr>
<tr>
<td>Fair access to training opportunities</td>
<td>Promote and assist access to vocational training by providing additional financial assistance (such as higher subsidies, fee concessions or income-contingent loans) to individuals who face significant financial barriers to participation</td>
</tr>
<tr>
<td>Ensure public value or benefit derives from public funding</td>
<td>Invest in vocational training through public subsidy, sharing the cost with private beneficiaries (students and businesses))</td>
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<tr>
<td>Ensure quality training is delivered</td>
<td>Strengthen quality assurance frameworks</td>
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<td></td>
<td>Improve availability and quality of training information to support better decision-making</td>
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Source: Vic Department of Education and Early Childhood Development 2 Table 1 p4
National training system - development process

*Our observation - there has been a consistent approach to the implementation of national training system reform initiatives.*

1. Early focus of each new reform has been on its introduction

2. Regular evaluations have then informed continuous improvements against the intermediate objectives (i.e. responsiveness, equity, efficiency, quality etc.)

3. Greater harmonisation of practices across jurisdictions then sought as necessary or desirable.
## Consistency with flexibility – by element

<table>
<thead>
<tr>
<th>Element</th>
<th>Consistency required</th>
<th>Flexibility required</th>
<th>Current tensions</th>
</tr>
</thead>
</table>
| Training Packages linked to AQF| Outcomes of training meet defined workplace specifications ‘so that everyone knows what they are getting’ and to improve productivity | Delivery of outcomes -how achieved and assessed, to enable customization for individuals & enterprise | • TP large/complex - need paring back or ??  
• Generic vs specific skills  
• Attaining flexibility in practice  
• CBT contested view |
| RTO Standards                  | Minimum for entry to training market, to deliver TP outcomes               | State (public funding) contract criteria can go beyond                                | • Robust enough for more user driven training market?  
• Funding contracts ‘trump’ standards |
| Training market                | Public funding:  
• Supports COAG/NPSR Agreement objectives  
• Level playing field for providers | Public funding:  
• To obtain the right mix of skills needed  
• To contain VET places within budget       | Public funding:  
• Subsidy, fee, price, differentials  
• Extent public and private providers involved |
The student training entitlement

A jurisdictionally flexible national training reform

Expert view- naming it as a ‘national’ student training entitlement is misleading

Essential requirement all jurisdictions are to meet:’
“...all working age Australians (from post-school to aged pension age) without a Certificate III or higher qualification are provided access to a government-subsidised training place to at least the first Certificate III qualification (and including to foundation skills or lower qualifications contained within the Certificate III qualification), subject to the individual meeting the course entry requirements and eligibility criteria, and from any registered training organisation (RTO), public or private, which meets state-based criteria to deliver the entitlement.”
The student training entitlement

Key objectives

– Access and equity – Certificate III minimum required for good job prospects; COAG targets set for 2020

– Training market development – student choice of provider

– Expert view (minority cynical?) – shifting costs of training to individuals
Student training entitlement is one aspect of funding models. VET FEE HELP is another part.

<table>
<thead>
<tr>
<th>JURISDICTION</th>
<th>NAME</th>
<th>overall funding model</th>
<th>TIMING of student entitlement</th>
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</thead>
<tbody>
<tr>
<td>ACT</td>
<td>Skilled Capital</td>
<td>From Jan 2015</td>
<td></td>
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<tr>
<td>NSW</td>
<td>Smart and Skilled</td>
<td>From Jan 2015</td>
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</tbody>
</table>
| NT           | Entitlement to government subsidised VET place | From 2013 – public providers  
From 2014 – other providers                                    |                                                                     |
| QLD          | Great Skills Real Opportunities| From July 2013                                                                          |                                                                     |
| SA           | Skills for All (to 1 July 2015)| Refocused from 2014\  
Earlier versions from 2011                                                      |                                                                     |
| TAS          | Skills for Work (Career Start)| 2014 in private providers                                                                |                                                                     |
| VIC          | Victorian Training Guarantee  | Refocused from 2014\  
Earlier versions from 2009                                                           |                                                                     |
| WA           | Future Skills                 | From Jan 2014                                                                          |                                                                     |
Student training entitlement

- Entitlement implementation tasks to be determined by jurisdiction:
  - Student eligibility
  - Level of entitlement (beyond a first Certificate III)
  - Courses available (up to first Certificate III (or higher as a first or 2nd)
  - Government subsidies, student fees and overall provider prices of entitlement courses
  - Overall public funding control measures
  - Provider eligibility, approval and performance criteria
  - Availability of information to students and others
Student training entitlement

Our preliminary analysis by jurisdiction (supported to a degree by experts)

Student eligibility - similar

Level of entitlement - all meet minimum, most go beyond = source of confusion

Courses available – variable, to meet perceived local needs, changing too frequently in some instances

Government subsidies, student fees, overall provider prices - highly variable

Overall public funding control measures – some variability

Provider eligibility, approval and performance criteria – beyond RTO Standards 2015 in some areas…. processes, performance measures and audit regimes differ

Availability of useful information to students – hopeless, not fit for purpose - but more information is available than before, information asymmetry
Student training entitlement

Experts’ views on implementation – work in progress

All knowledgeable but not all across the detail – too much!

Most mainly aware of early Vic and SA schemes – naïve market designs, most unfortunate!

Eligibility – think it varies/perhaps confusing with other publicly subsidized training. Only ‘nationalish’ in nature.

Courses available – differences understandable – always been so – but more consistency may be possible/desirable. Frequent adjustment of funded courses not helpful.

Fees, subsidies and prices have always varied a lot. But now too much and level of these may be an issue. Linked to government budget sizes and controls.

Information – students’ need better understanding of the entitlement & why the variations, and accessible, different to what is now available information to make informed choices – but has improved
Student training entitlement

Implications for future national VET reform

What do you think?
Implications for future national VET reform

Our emerging thoughts

• Draw a line in the sand now – review or start again! Or how dare anyone tell the jurisdictions who, what, when, where and how much to fund! Jurisdictional flexibility has always been a feature of the training system.

• Have we robust enough RTO standards for a more open training market with public funds at stake?

• Sort out funder vs regulator responsibilities & how and when they exchange information.

• Provide information designed for students to make informed choices - more transparent, easier to find, understand & compare.

• Sort out role of public provider in the training market and support in accordance.

• Review equitability and accessibility.

• Fewer providers with bigger longer term contracts.

• Do students really make poor choices?
Thank you!

For our project details please go to: http://www.ncver.edu.au and search NCVER News #337 for the link.

Kaye Bowman kaye.bowman@bigpond.com
Suzy McKenna mcksuzy@gmail.com

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