

# Position Paper

## Quality in a new open market 'national entitlement' system of vocational education and training *How can this be achieved?*

### **Objective: Recognition of high performing providers through the standards for the regulation of vocational education and training and the regulation of those standards**

Australia's move to an open market and national entitlement system in vocational education and training urgently requires a risk-based quality framework. This risk-based quality framework is essential to underpin plans to replace Registered Training Organisations (RTOs), with a new national Licensed Training Organisation (LTO) system.

TAFE Directors Australia (TDA) argues that, while the current Quality Standards must be improved, improvement of the standards in itself will not guarantee consistency in quality of delivery nationally. TDA advocates that regulation by the Commonwealth government should focus on quality outcomes through a more consistent risk-based regulatory framework. What is required is transparent, consistent and expert interpretation of the standards by the Regulator (and the auditors) to support a capable and confident VET workforce to make judgements to meet the standards and assessment principles required by Training Packages.

Inconsistent and, in some cases poor quality delivery by some providers, has resulted in significant reputational damage to the sector in Australia over the past five years. Therefore, TDA supports the resolve of the National Skills Standards Council (NSSC) to lift the quality bar for vocational education and training providers to counteract the damage and ensure a robust sector into the future.

Together, Australia's technical and further education providers, including six dual sector universities with TAFE divisions, are responsible for the majority of delivery of nationally accredited vocational education and training qualifications.

The dramatic increase in the number of vocational education and training providers to 5,000+ nationally has imposed enormous strains on the regulatory framework. There have also been very public failures of private provider colleges that have either closed their doors or been de-registered resulting in substantial reputational damage to the whole system. The damage is not restricted to the TAFE and wider VET providers; it has impacted on employers' confidence in VET qualifications with some employers reporting that individuals receiving training, in some cases, do not have the skills and knowledge required to perform to industry standards.

TDA holds that it is time for a greater focus on quality delivery and assessment. Failure to address quality for delivery across all providers of VET has major political, social and financial consequences.

## The Australian Vocational Qualifications System

TDA in its response to the NSSC Position Paper supported the development of one set of national standards. TDA argued that the bar should be set higher for new providers, recognising that once providers are 'registered' it is very difficult for the regulators to de-register them. TDA applauded the focus of the NSSC on the important role of education in responding to the diverse needs of learners and employers.

TDA advocates that three key principles – **quality, transparency and responsiveness** – need to be asserted by NSSC as the foundation for underpinning the development of a new set of national standards, essential in the competitive training market, especially in the proposed move to 'Licensed Training Organisations'.

TDA supports agreements by Ministers for a more consistent and comprehensive approach to the publication of data that assists learners and employers to make appropriate choices. TDA has supported the development of the MySkills website and the Unique Student Identifier (USI), yet based on an undertaking this would not add to administrative burden and be cost-neutral.

TDA, mindful that standards govern regulation, argues for greater clarity and more precise language in the standards to ensure shared understanding of what is required by regulators, auditors and by providers.

TDA also urges that the regulatory impact statement should be fast-tracked, to accompany any consideration of new standards and a framework. TDA members have outlined the administrative impost that the new standards could potentially impose on TAFE institutes.

## Implementing quality measures in Industry Training Packages

TDA members rejected an ISC sponsored report calling for greater specificity in Training Packages. The incorporation of these quality measures, even if optional, would impose an unreasonable administrative impost on TAFE institutes, while not necessarily improving responsiveness to their diverse range of clients.

TDA considers that national consistency in delivery and assessment can be better achieved through an expert VET workforce that is involved in ongoing professional development and by the introduction of an improved and cost effective process of assessment validation. National consistency can also be improved through more highly skilled and experienced auditors who, as a minimum, can match the skills and experience of the proposed accountable education officers.

Further, TDA considers the quality of Training Packages to be uneven and dependent on the quality of the consultants who are commissioned by ISCs to develop them. There is a good argument for a more collaborative approach by developers and educators to achieve Training Packages that lend themselves more to quality delivery and assessment.

## Relationship between ASQA & TEQSA

TDA recognises that ASQA and TESQA have responsibility for two diverse sectors and that a merger between the two is not likely in the foreseeable future. However, TDA recommends an exploration of the overlap between the two sectors to identify commonalities between the agencies. This recommendation, however, does not infer the adoption of a university centric model as a basis for regulation.

TDA supports the need to reduce the reporting burden for both vocational education and training and higher education providers and welcomes alignment across government agencies that alleviate administrative impost on tertiary institutions.

In a risk based approach to audit, TAFE institutes should be recognised as low risk providers and consistent with this should be subject to a less regulatory approach, in particular TAFE institutes should be granted delegation to alter scope of their registration.

## Our Case

Urgent federal intervention is required to streamline regulation and 'red tape' impacting technical and further education, and VET providers.

TEQSA recently approved streamlined regulation for universities, yet TAFEs and low risk private college providers suffer from onerous regulatory processes, distracting resources to support student delivery and industry workplace training.

TDA makes the case that, while proposed new standards for the regulation of vocational education and training may be timely, the new standards alone are insufficient to ensure quality delivery and assessment across the complex Australian public and private VET system.

To ensure a more consistent approach to the delivery and assessment of vocational education and training nationally, there should be less focus on regulatory compliance and more on quality.

## Recommendations

1

**Federal regulatory agencies (NSSC, ASQA) agree 'Delegations' for TAFE institutes and low risk private colleges, to recognise their low risk status, and streamline course scope and audit requirements and costs;**

2

**The new standards require agreement through further NSSC consultations, before new regulatory burdens are considered, with associated costs, under plans to change more than 5000 RTOs (including all Australian TAFEs) to Licensed Training Organisations; and**

3

**Reform to Training Packages has become a training sector priority. The 11 Industry Skill Councils tasked with producing Training Packages have grown in cost, and urgently need to be directed to address flexibilities for Training Packages delivery and assessment.**