

TVET AUSTRALIA

facilitating quality, equity and innovation in VET

SUMMARY OF KEY POLICY DRIVERS

FOR VET - 3RD EDITION

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AUSTRALIA

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Message from the Chief Executive Officer



It is with great pleasure that I provide the third edition of TVET Australia's *Summary of Key Policy Drivers for VET*. TVET received overwhelming support for the first and second *Summaries*, which helped our stakeholders to navigate the multiple, interconnected policies and priorities for Australia's national training system.

We are working in a dynamic space, one in which education and training has been placed front and centre to be the solution to some of the country's greatest challenges – quality training will boost productivity and support the economic recovery; access to training will increase participation and aid social inclusion; green skills will be a key contributor to the climate change debate; and the application of new information and communication technologies to training delivery and assessment will be vital in today's digital economy.

Users of the training system are less likely to seek 'quality', rather they demand excellence. Employers and industry are impressed by innovation, not simply improvement. Training providers must move beyond required flexibility to a climate of active agility – in which the system is driven almost entirely by the user, and the provider must respond quickly and easily to the user's needs.

There will always be familiar themes to the issues with which the training sector must grapple with, such as quality assurance, access and equity, employer and industry needs, skill shortages, and how the sector intersects with its counterparts – schools, higher education, and adult and community education. However, the sector must also respond to contemporary drivers to respond to issues surrounding, for example, transparency, economic and environmental sustainability, population issues, and the international reputation of Australia's national training system.

This latest edition of the *Summary* picks up policy developments in the training sector since May 2010 as well as incorporating the announcements of the May 2010 Commonwealth Budget. It provides detailed information on progress made towards key areas of reform and also looks forward to the developments on the horizon in order to help our stakeholders anticipate where the next set of policy drivers may emerge. This edition aims to build on the usability of the previous edition, enabling quick and easy access to source documents.

TVET welcomes feedback on the *Summary*, with the view to providing the sector with an ongoing, high-quality product which delivers real value and assistance to our stakeholders.

A handwritten signature in black ink that reads "Neil Edwards".

Neil Edwards
Chief Executive Officer

Purpose

This paper summarises recent Australian Government and other stakeholder policy documents and initiatives in order to provide TVET Australia and its stakeholders with a snapshot of key drivers for the national Vocational Education and Training (VET) agenda in 2010, 2011 and beyond. TVET is a company owned by the members of the Ministerial Council for Tertiary Education and Employment (MCTEE). In 2010, TVET's responsibilities include the provision of secretariat support services to key decision making bodies of the national training system including the National Quality Council, the Flexible Learning Advisory Group, and the National VET Equity Advisory Council.

TVET Australia is also responsible for providing the national training system with access to a range of catalogues listing quality teaching, learning and assessment resources, including nationally endorsed training packages. Through its Training Products Australia (www.productservices.tvetaustralia.com.au) arm, TVET Australia also offers a centralised point of reference for Commonwealth and State-owned training resources, together with a comprehensive selection of materials from private publishers.

Finally, TVET Australia has responsibility for the National Audit and Registration Agency which manages the audit and registration of multi-jurisdictional training organisations under delegation from States and Territories, until this function is subsumed by the new national VET regulator.

Context

In April 2010, MCTEE adopted its vision that *Australia's current and future workforce needs are met through increased participation, educational attainment, skills development and skills use to achieve greater productivity*. MCTEE's vision will be underpinned by its new governance arrangements to improve its operations and focus on matters of national significance. The arrangements comprise the following four Principal Committees who will report to MCTEE and which signal the core policy imperatives for the tertiary education sector: *Workforce Development, Demand and Supply; Access and Participation; Data and Performance Measurement; and Regulation, Quality Assurance and International Engagement*.

The following month, in May 2010, the Commonwealth Budget married skills and infrastructure as the areas of investment which would help Australia to thrive in a changing world economy. The Government put forward a *Skills for Sustainable Growth* package of measures with the aim to support more apprentices and provide training to address emerging skills shortages; improve literacy and numeracy so many more Australians are ready for work; and lift the quality and capacity of VET.

During its November 2010 meeting, MCTEE agreed to implement significant proposals for change to the Australian Qualifications Framework (AQF). The proposed changes are designed to strengthen the qualifications framework, making it easier for students to move between VET and higher education. This move towards an increasingly integrated tertiary education sector coincides with recognition of progress in the establishment of the National VET Regulator and the Tertiary Education Quality and Standards Agency (TEQSA). This meeting also acknowledged revised future arrangements for MCTEE as a result of the Hawke Review of Ministerial Councils.

The key drivers for the current training agenda can be mapped even further through recent reviews, policy documents, frameworks and initiatives across policy portfolios as diverse as education, skills and workforce development; ICT, communications and broadband; energy and the environment; social inclusion; and innovation and industry. Current global issues such as climate change, an ageing population, and the economic recovery continue to influence government decisions and actions which in turn rely on a flexible and responsive training system to provide opportunities for retrenched workers, apprentices and youth; increase access and engagement for equity groups; and equip the workforce with the necessary technical skills for the future, including higher level, green and digital skills.

The summary represents a snapshot in time as at November 2010 and includes announcements made in the 2010-2011 Commonwealth Budget. Further policy developments may have occurred since November, however, which may not be reflected in the summary. For further information please contact TVET Australia on (03) 9832 8100 or enquiries@tvetaustralia.com.au.

Implications for TVET and its stakeholders

The context, agenda and drivers present questions and challenges for TVET and its stakeholders as they consider strategic directions and planning decisions for 2011 and 2012. This paper aims to provide TVET and its stakeholders with a reference of the key themes in order to inform thinking and facilitate discussion. Questions for TVET and its stakeholders to consider might be:

- *What are the high level messages of the national agenda and how can these be reflected in planning for 2011 and 2012?*
- *Who are the new and emerging stakeholders for the national training system and what are their roles and responsibilities?*
- *What are the national training system's stakeholders' value propositions and their key messages? How does the work of these stakeholders link to the key themes of the current agenda?*
- *What challenges and risks do the key policy drivers pose for the national training system's stakeholders?*
- *What are the best mechanisms for TVET and its stakeholders to stay abreast of emerging policy developments and initiatives, and engage with the initiators of these?*

Note to the Summary

The information in this summary is drawn from a range of sources, including COAG and Ministerial Council communiqués, departmental websites, media releases, reports, discussion papers and announcements. The summary is provided as a guide only and is not intended to replace the source documents or overlay any commentary or analysis. The messages and views presented in this document are not necessarily the views of TVET Australia.

1. SKILLS, PRODUCTIVITY AND WORKFORCE DEVELOPMENT

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
Council of Australian Governments (COAG)	<p>1.1 National Agreement for Skills and Workforce Development (\$6.7 billion)</p> <p>The Agreement identifies the long term aspirational targets of the Commonwealth and State and Territory Governments in the areas of skills and workforce development. The Agreement is a schedule to the Intergovernmental Agreement on Federal Financial Relations.</p> <p>2009-2012</p>	<p>The Agreement outlines governments' shared objectives, outcomes, outputs and policy reform directions for skills and workforce development; governance arrangements; principles underpinning the national training system; and funding arrangements. It includes:</p> <p>Targets:</p> <ul style="list-style-type: none"> • Halve the proportion of Australians ages 20-64 without qualifications at Certificate III level and above between 2009 and 2020. • Double the number of higher qualification completions (diploma and advanced diploma) between 2009 and 2020. <p>Policy and reform directions:</p> <ul style="list-style-type: none"> • Reforming training products, services, information systems and regulation to meet a more demand and client driven system. • Driving further competition in current training arrangements and strengthening capacity of providers and businesses to build the foundation and deeper and broader skills required by the 21st century labour market. • Creating an investment environment and settings that optimises investment from all sources (governments, individuals, business and industry) including funding for delivery, tax policy, employment programs and incentives. • Renewal of governance framework to reinforce the role of industry and maximise effectiveness and efficiency in intergovernmental relations. • Ensuring that skills are fully utilised and wastage of human capital is reduced. • Identifying barriers and implementing changes needed in the structure and operation of the training system (both nationally and locally) to improve qualification completions and participation in higher level qualifications by Indigenous Australians. 	<p>Higher qualifications</p> <p>Training Package reform</p> <p>Increased competition</p> <p>Client driven system</p> <p>Indigenous participation</p> <p>Role of industry</p>
COAG Reform Council	<p>1.2 National Agreement for Skills and Workforce Development: Baseline performance report for 2008</p> <p>The report provides a baseline against which the COAG Reform Council will assess and report on governments' future performance under the National Agreement for Skills and Workforce Development.</p> <p>5 November 2009</p>	<p>The Report provides baseline data and a comparative analysis of the performance of governments against the outcomes agreed under the <i>National Agreement for Skills and Workforce Development</i>. Findings include:</p> <ul style="list-style-type: none"> • The performance indicators for ensuring that working age Australians have the skills they need to fully participate in the modern economy are effective. • Establishing performance indicators that can measure the relationship between training, employment and economic growth is far more difficult due to the other variables that affect labour market outcomes. There are problems with the performance indicators for the related outcomes for this theme, requiring further development work to address them. 	<p>Productivity</p> <p>Transparency</p> <p>Higher qualifications</p>

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
		<ul style="list-style-type: none"> • There are contextual differences between jurisdictions, in particular characteristics such as the Indigenous status and socio-economic status of the population, and labour market conditions. However, these contextual factors are likely to be less relevant to understanding changes in performance, and hence less likely to be relevant in subsequent years' reports as the focus shifts to assessing the performance of jurisdictions over time. • Findings against the outcomes of the Agreement are: <ul style="list-style-type: none"> • Many working age Australians have low levels of literacy and numeracy skills. • Literacy and numeracy skills differ significantly according to socio-economic status. • Reliable data on the literacy and numeracy levels of working age Indigenous Australians is unavailable. • Younger age groups have higher levels of literacy and numeracy skills than older age groups and younger age groups are more qualified than older age groups. • Nearly half of working age Australians (48.1%) are without minimum level qualifications (at or above Certificate III). The proportion is also much higher for Indigenous people (76%) and the gap between Indigenous and non-Indigenous Australians without minimum level qualifications has increased. • A higher proportion of working age Australians in the most disadvantaged areas are without minimum level qualifications. • A large majority of VET graduates are employed after training (80.7% nationally), however, Indigenous Australians are less likely to be employed after training (70.8%). Employment outcomes after training are also linked to socio-economic status. • Nationally, six in ten VET graduates report improved employment status after training. The proportion for Indigenous Australians was very similar. • No appropriate data sources are available to measure the number of hard to fill vacancies, and the proportion of people employed at or above their level of qualification by field of study. Findings from an interim data measure show that all jurisdictions registered an overall decline in skilled vacancy rates throughout 2008. • The Report also refers to the COAG targets (see <i>1.1 National Agreement for Skills and Workforce Development</i>): <ul style="list-style-type: none"> • The first target will be based on 2009 data. Target figures for States and Territories have not yet been determined. As an <i>indication</i>, in 2008, 48.1% of Australians did not have minimum qualifications; based on this figure, the target would be to halve this proportion to 24.1% by 2020. • The second target will also be based on 2009 data, so target figures for States and Territories have not yet been determined. As an <i>indication</i>, in 2008, there were 48,959 higher qualification completions in Australia; based on this figure, the target would be to double this number to 97,918 by 2020. 	

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
COAG Reform Council	<p>1.3 National Agreement for Skills and Workforce Development: Performance Report 2009</p> <p>The report provides an indication of performance, where possible, of Australian Governments against outcomes and targets agreed under the NASWD. It also analyses the impact of relevant National Partnerships and provides evidence of good practice.</p> <p>22 October 2010</p>	<ul style="list-style-type: none"> The Report also makes a series of recommendations to improve the performance reporting framework, most of which seek advice from the Productivity Data Development Group. <p>This is the first report of the performance of Australian Governments in meeting agreed skills and workforce development outcomes and targets against the baseline year of 2008. The COAG Reform Council experienced a number of challenges assessing Governments' performance, which limited the extent to which it could report on achievements against targets and outcomes as well as the contribution of the relevant National Partnerships. The challenges largely related to data availability, jurisdictional data comparability and the relevance of the performance indicators set for the outcomes. The Reform Council reiterated recommendations for improvements to the performance reporting framework that it made in its Baseline Performance Report 2008.</p> <p>Findings against the targets within the Agreement include:</p> <ul style="list-style-type: none"> Target 1: The ACT is the closest to reaching the target with 36.6 percent of 20 to 64 year olds without qualifications at Certificate III level and above. This is compared to Tasmania where 51.5 percent of 20 to 64 year olds are without a qualification at Certificate III level or above. Target 2: A target is yet to be set, however, the Reform Council noted the contribution of the Productivity Places Program to raising training commencements and enrolments. <p>Findings against the outcomes within the Agreement include:</p> <ul style="list-style-type: none"> Outcome 1: No new information was available since the 2008 Baseline Report and data on Indigenous Australians remains unavailable. Outcome 2: A small but statistically significant improvement in the proportion of Australians without minimum level qualifications was found. Additionally, the report stated that Indigenous Australians are significantly less likely to hold minimum level qualifications compared to non-Indigenous Australians. The proportion of people without minimum level qualifications in the most disadvantage socio-economic areas remained unchanged since 2008 and is still substantially higher when compared to the least disadvantaged areas. Outcome 3: 2009 saw poorer employment outcomes reported by VET graduates and less post-training improvement in employment status. This was attributed to the economic downturn and not necessarily the quality of training delivered. The report also noted that the large majority of employers are satisfied with the VET system. It highlighted differences in the reported difficulty in recruiting staff – an indicator of the quality of the training system in delivering suitability qualified individuals. Here, Victoria recorded the least difficulty recruiting staff, while the Northern Territory recorded the highest level of difficulty. Outcome 4: limitations of the performance indicator attached to this outcomes 	<p>Productivity</p> <p>Transparency</p> <p>Higher qualifications</p> <p>Youth transitions</p> <p>Indigenous participation</p>

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
		<p>as well as a lack of data prevented the Reform Council from reporting against this outcome.</p> <p>The Reform Council was unable to assess the impact of the relevant National Partnerships on the NASWD outcomes and targets. The Council explained that these reforms are still in their infancy and so are yet to produce results. Additionally, jurisdictions have adopted different approaches to reporting on their implementation of the National Partnerships, limiting the Reform Council's ability to assess impact.</p> <p>The third element of the report relates to evidence of best practice towards the achievement of the NASWD's objectives. The Reform Council has devised a two stage process to determining and reporting on best practice. Stage one, which was partially undertaken for the 2009 report, related to identifying better performing jurisdictions. In 2009, Victoria was found to be achieving better education and employment transitions compared to other jurisdictions. Stage two of the process will involve the Reform Council determining what is driving these better outcomes, which it may then be able to refer to as good practice.</p>	
COAG	<p>1.4 National Partnerships</p> <p>National Partnership (NP) payments fund specific projects and facilitate and/or reward States that deliver on nationally-significant reforms. Relevant NPs for VET include:</p> <ul style="list-style-type: none"> • NP on Productivity Places Program (1 January 2009 – 30 June 2012) • NP on Youth Attainment and Transitions (2 July 2009 – 31 December 2013) • NP on Pre-Apprenticeship Training (May 2010 - 30 June 2011) • Closing the Gap: NP on Remote Indigenous Public Internet Access (2 July 2009 – 30 June 2013) 	<p>The Productivity Places Program NP targets areas of current skill shortage and emerging skill needs. Through this Agreement (and a separate agreement with Victoria), the States agreed to deliver additional course enrolments and qualifications commencements for job seekers and existing workers. (See <i>1.20 Productivity Places Program.</i>)</p> <p>The Youth Attainment and Transitions NP will deliver the <i>Youth Compact</i> (see <i>1.5 Compacts</i>) and implement strategies for increased numbers of young people attaining Year 12 or higher qualifications, more young people engaged in education and training, and young people having the skills required to participate in the labour market as the economy recovers. The NP is supported by \$100 million in reward funding for increased participation and Year 12 attainment rates and \$623 million over five years for youth careers and transitions programs. Responsibility for youth careers and transitions programs will be progressively transferred to the States and Territories.</p> <p>The NP Agreement on Pre-Apprenticeship Training aims to increase the number of pre-apprenticeship training opportunities that are available, thereby resulting in an increased number of better prepared individuals taking up formal Australian Apprenticeship training in traditional trade occupations.</p> <p>Under Closing the Gap: NP on Remote Indigenous Public Internet Access, the Commonwealth will provide \$6.97 million over four years to New South Wales, Queensland, South Australia, Tasmania, Western Australia and the Northern Territory to improve public internet access and provide basic computer training in remote indigenous communities.</p>	<p>Skills shortages</p> <p>Access and equity</p> <p>Economic recovery</p> <p>Youth transitions</p> <p>Pre-apprenticeship</p> <p>Closing the Gap</p>
COAG	1.5 Compacts	The Compact with Young Australians aims to maximise youth engagement, retention and	Youth engagement

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	<ul style="list-style-type: none"> Compact with Young Australians (from 1 July 2009 for 15-19 year olds, and from 1 January 2010 for 20-24 year olds, until 31 December 2011 (agreed April 2009)) Compact with Retrenched Workers (1 July 2009 – 31 December 2011 (agreed July 2009)) 	<p>attainment in training by outlining that:</p> <ul style="list-style-type: none"> young people aged 15-19 years will have an entitlement to an education or training place for any government-subsidised qualification, subject to admission requirements and course availability; and young people aged 20-24 years will have an entitlement to an education or training place for any government-subsidised qualification which would result in the individual attaining a higher qualification, subject to admission requirements and course availability. <p>At its 2 July 2009 meeting, COAG agreed to the NP on Youth Attainment (see 1.4 National Partnerships) to deliver the Youth Compact.</p> <p>To complement the Youth Compact, from 1 July 2009, retrenched workers aged 25 years and over will be entitled to a training place for a government subsidised VET qualification, which would result in the individual achieving a higher qualification. As part of the Compact with Retrenched Workers:</p> <ul style="list-style-type: none"> Job Services Australia providers will assist retrenched workers to identify their skills and training needs and will work with the States and Territories to implement the training entitlement; and States and Territories will prioritise training places to support the Compact. 	<p>Higher qualifications</p> <p>Skills shortages</p> <p>Access and equity</p> <p>Response to GFC</p>
COAG	<p>1.6 Productivity Agenda decisions from COAG Communiqués</p> <p>COAG is the peak intergovernmental forum in Australia. COAG comprises the Prime Minister, State Premiers, Territory Chief Ministers and the President of the Australian Local Government Association.</p> <p>The role of COAG is to initiate, develop and monitor the implementation of policy reforms that are of national significance and which require cooperative action by Australian governments.</p> <p>COAG meets on an as needed basis. The outcomes of COAG meetings are contained in communiqués released at the end of each meeting. Where formal agreements are reached, these may be embodied in Intergovernmental Agreements.</p>	<p>The COAG Communiqué of 19-20 April 2010 included:</p> <ul style="list-style-type: none"> COAG agreed to a suite of practical initiatives to support the National International Student Strategy (see 2.3 National International Student Strategy) COAG noted that governments have implemented a program of rapid quality and financial viability audits of international education providers and require that all providers re-register under tighter new criteria in 2010. COAG agreed in principle to reforms that will see current Ministerial Councils rationalised to 11 or fewer Councils overseeing key areas of ongoing importance to both the Commonwealth and the States, including health, education and training, community services, infrastructure, police and emergency services, and financial relations. COAG agreed to action to maximise the number of apprenticeship commencements and completions in order to strengthen the apprenticeship system and support Australia's recovery from the Global Financial Crisis (GFC). It was also agreed that work would be done to develop a nationally-consistent and targeted communication strategy on the benefits of the trades apprenticeship system. 	<p>Productivity</p> <p>National regulator</p> <p>Standards</p> <p>Green skills</p> <p>International students</p>

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
	<p>19-20 April 2010</p> <p>9 June 2010</p>		
<p>Ministerial Council for Tertiary Education and Employment (MCTEE)</p>	<p>1.7 Decisions from MCTEE Communiqués</p> <p>28 April 2010</p> <p>9 June 2010</p> <p>19 November 2010</p>	<p>The MCTEE Communiqué of 28 April 2010 included that:</p> <ul style="list-style-type: none"> • MCTEE agreed a vision for itself, which is that Australia’s current and future workforce needs are met through increased participation, educational attainment, skills development and skills use to achieve greater productivity. • MCTEE adopted new arrangements to improve its operations and focus on matters of national significance. Ministers agreed on Chairs for each of the Principal Committees which will report to MCTEE: <ul style="list-style-type: none"> • Workforce Development, Demand and Supply (Western Australia) • Access and Participation (South Australia) • Data and Performance Measurement (New South Wales) • Regulation, Quality Assurance and International Engagement (Commonwealth) • MCTEE noted a report on progress toward achieving the COAG and Higher Education participation and attainment targets. They were pleased to note in particular that the higher education target (that 40% of people aged 25 to 34 years will be qualified to bachelor degree or higher) was well on track. • MCTEE considered measures to lift the quality of international education, and agreed to work together to address recommendations of the Baird Review. • MCTEE noted the progress made by Australian Government officials working in partnership with states and territory officials, and other stakeholders in the VET and Higher Education sectors, on new national regulatory requirements to drive higher quality for both VET and Higher Education. • MCTEE discussed COAG’s request that MCTEE develop a business case for the introduction of a national unique student identifier for the VET system that is capable of being fully integrated across the entire education system over time. <p>The MCTEE Communiqué of 9 June 2010 included that:</p> <ul style="list-style-type: none"> • MCTEE commissioned work to improve understanding of progress towards the achievement of targets relating to education and employment outcomes for Australians from low SES background. The work will look at improvements to the availability of data as well as monitoring arrangements through schools, VET and higher education. • MCTEE agreed in-principle to draft an IGA for Regulatory Reform in VET. The NSC 	<p>Productivity</p> <p>Workforce development</p> <p>Access and participation</p> <p>Data and performance measurement</p> <p>Regulation</p> <p>Quality assurance</p> <p>International education</p> <p>Higher qualifications</p>

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
		<p>will be encompassed under the IGA.</p> <ul style="list-style-type: none"> • MCTEE agreed in-principle to drafting instructions for legislation to support National VET Regulation, with Victoria’s and Western Australia’s agreement, subject to further work on the interaction between the national regulator and those two states. • MCTEE agreed that the Australian Universities Quality Agency (AUQA) will continue operations until the new regulatory arrangements are fully implemented, including the establishment of TEQSA. • MCTEE agreed that the Joint Committee on International Education would undertake a national assessment of the implications of market changes in international education and report back to MCTEE out-of-session by July 2010. • MCTEE discussed Australian Apprenticeship support services arrangements and invited states to provide input into operations of Australian Apprenticeship Centres to ensure the service arrangements can become more streamlined and user friendly. • MCTEE agreed to release a consultation paper that seeks feedback on the implementation of a Unique Student Identifier (USI). Ministers also noted progress towards the establishment of an expert reference group to assist in the development of a business case. • MCTEE noted details of the Skills for Sustainable Growth Package and agreed to undertake work to model costs relating to a potential common definition of a national entitlement. <p>The MCTEE Communiqué of 19 November 2010 included that:</p> <ul style="list-style-type: none"> • MCTEE agreed to implement all of the Australian Qualifications Framework Council’s proposals for strengthening the Australian Qualifications Framework, subject to some important amendments. Application of the strengthened AQF in the higher education sector will be timed to coincide with the commencement of the Tertiary Education Quality and Standards Agency (TEQSA). • Ministers reviewed progress in implementing major reforms in the regulation of the Australian vocational and higher education sectors: the establishment of the National VET Regulator and TEQSA. Ministers reaffirmed their commitment to working together to strengthen the quality assurance of Australian tertiary education. 	

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
National Senior Officials Committee (NSOC)	<p>1.8 Strategic Review of the Flexible Learning Advisory Group (FLAG) and the 2008-11 Australian Flexible Learning Framework (\$15 million p/a)</p> <p>NSOC agreed at its 30 March 2010 meeting to conduct a strategic review of the 2008-2011 Australian Flexible Learning Framework and its oversight by FLAG.</p> <p>The Allen Consulting Group was appointed to conduct the review and has proposed an eight week timeframe.</p> <p><i>Commenced September 2010</i></p>	<ul style="list-style-type: none"> Ministers noted the recent release of the COAG International Students Strategy for Australia. MCTEE has responsibility for overseeing the Strategy's implementation and will report annually to COAG at the end of each calendar year from 2011. MCTEE is to introduce an International Education Provider Category to the Australian Training Awards, commencing in 2012. Subcommittees of MCTEE and the Ministerial Council for Education, Early Childhood Development and Youth Affairs will help to identify and address systemic barriers to the achievement of the targets to increase the number of low SES students participating in higher education. MCTEE endorsed the progress of the business case for the unique student identifier to COAG for consideration of scope, design concept and implementation. MCTEE noted that it will be transitioning to a COAG Standing Council structure from 2011 as a result of the Hawke Review of Ministerial Councils. <p>FLAG is an advisory group of the National Senior Officials Committee (NSOC). It was established in 1996 as the key policy advisory group on national directions and priorities for information and communication technologies (ICT) in vocational education and training system (VET) and Adult and Community Education (ACE).</p> <p>In addition, FLAG manages the Australian Flexible Learning Framework, the e-learning strategy for the VET sector. The Framework is currently in its third iteration, which is due to conclude in June 2011.</p>	<p>Digital education</p> <p>ICT in education and training</p>
Department of Education, Employment and Workplace	<p>1.9 National VET Regulator and the Standards Council (\$105.5 million over four years)</p>	<p>The measure includes funding of \$92.3 million over four years for the establishment of a National VET Regulator and \$10.6 million over four years for the establishment of a new National Standards Council (NSC). The National VET Regulator will register and audit training providers and accredit courses in the VET sector. This will streamline existing</p>	<p>National regulator Standards for</p>

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Relations (DEEWR)	<p>The National VET Regulator will be responsible for the registration and audit of registered training organisations and the accreditation of courses in the VET sector. Both the National Standards Council and the National VET Regulator are anticipated to be operational from 1 April 2011.</p> <p><i>National Vocational Education and Training Regulator Bill 2010 and the National Vocational Education and Training Regulator (Transitional Provisions) Bill 2010 (26 November 2010)</i></p>	<p>regulatory arrangements by subsuming the functions of the National Audit and Registration Agency and VET regulators in all States and Territories apart from Victoria and Western Australia.</p> <p>Victoria and Western Australia will continue to regulate providers operating in their States and will enact legislation to mirror the Commonwealth legislation. All providers wishing to operate in more than one jurisdiction or enrol international students in post-secondary educational institutions will be registered through the national regulator.</p> <p>The NSC will undertake functions currently performed by the National Quality Council (NQC) and provide advice to MCTEE on national standards for regulation, including registration, quality assurance, performance monitoring, reporting, risk, audit, review and re-registration of providers, and accreditation of VET qualifications.</p> <p>It is envisaged that the National VET Regulator will be operational from April 2011 and will be integrated with Tertiary Education Quality and Standards Agency (TEQSA) in 2013. The National VET Regulator will initially be funded by partial cost recovery. The Regulator will be progressively transitioned to full cost recovery by 2014-15. Consequentially, expenses will be partially offset by \$50.4 million in revenue over the forward estimates.</p> <p>Ministers agreed in-principle to a draft Intergovernmental Agreement (IGA) for Regulatory reform in VET and drafting instructions for legislation to support National VET Regulation, with Victoria's and Western Australia's agreement subject to further work on the interactions between the national regulator and those two states.</p> <p>An Interim Chair and an Interim CEO were appointed in July 2010 for each of the National VET Regulator and the NSC.</p> <p>The <i>National Vocational Education and Training Regulator Bill 2010</i> and the <i>National Vocational Education and Training Regulator (Transitional Provisions) Bill 2010</i> were introduced to the Senate on Friday, 26 November 2010. They are due to be debated when Parliament resumes in February 2011.</p> <p>Regulatory functions of the NVR described in the Bill are both compliance-orientated and educational. The NVR is to register, audit and accredit as well as to collect, analyse, interpret and disseminate information on VET, and conduct training for RTOs to promote continuous improvement. The NVR has a distinct role to advise and make recommendations to the Minister/s or MCTEE on matters relating to VET.</p> <p>The Bill lists a series of standards covering key aspects of the AQTF, which are to become legislative instruments. The Bill does not directly mention the AQTF.</p>	<p>regulation</p> <p>Quality assurance</p>
DEEWR	<p>1.10 A National Entitlement to a Quality Training Place</p> <p>The Government will seek State and Territory</p>	<p>The measure aims to help training systems to become more responsive to the skills needs of students, businesses and the wider economy. The form of training system improvements will vary between jurisdictions and will be subject to negotiation between the Commonwealth and States and Territories. However, reforms must be significant in</p>	Client focused system

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
	<p>governments to undertake ambitious reforms of their vocational education and training (VET) systems</p> <p><i>Announced 11 May 2010</i></p>	<p>nature and include a training entitlement for all young people under 25 years and others wishing to up or re-skill and a commitment to improving quality and transparency. States may wish to propose other reforms to improve the performance of their training systems.</p> <p>In return, the Commonwealth will provide reform jurisdictions with:</p> <ul style="list-style-type: none"> • access to income-contingent loans for all publicly funded VET students studying at the Diploma level and above. • extended access to the VET Fee Higher Education Loan Program (HELP) for all VET students studying through private providers at the Diploma level and above. • the option to cash out funding available from 2011-12 for training under the National Partnership stream of the Productivity Places Program (PPP) providing States and Territories with greater flexibility in the allocation of funding. <p>The Commonwealth would seek a partial contribution from the States and Territories for the cost of new VET loan arrangements.</p>	<p>Quality</p> <p>Transparency</p> <p>Training system reform</p> <p>Skills for Sustainable Growth package</p>
DEEWR / Board to be established	<p>1.11 Critical Skills Investment Fund (\$200.2 million over four years)</p> <p>The Fund aims to help deliver training places and boost the number of workers available in skill shortage areas of national significance, including the resource, construction, renewable energy and infrastructure sectors.</p> <p><i>Announced 11 May 2010</i></p>	<p>The Critical Skills Investment Fund will support the training requirements of individual companies, with an initial priority on the resources, renewable resources and construction sectors. It will pay dividends for existing workers who want to up-skill, including mature-age workers. It will also help unemployed job seekers to get a foothold in a growing industry with a long-term future.</p> <p>The Critical Skills Investment Fund will leverage industry co-investment, providing support for 50 per cent of the cost of training for large firms and up to 90 per cent of the cost of training for small firms.</p> <p>The number of training places supported will depend on the size of the companies that are approved for funding and the specific nature of their training proposals, including the type of training sought. The Government estimates that over four years \$200 million could provide for up to 39,000 training places with industry contributions.</p> <p>Funding will be allocated through a competitive process. The fund will be overseen by an advisory board with industry, Skills Australia and state and federal government expertise. The membership of the board was announced in November 2010. One of the first tasks of the Advisory Board will be to consider the guidelines for the Fund. There will then be an opportunity for public consideration of the guidelines before they are finalised.</p>	<p>Skills shortages</p> <p>Critical skills</p> <p>Mature-age workers</p> <p>Industry partnership</p> <p>Skills for Sustainable Growth package</p>
DEEWR	<p>1.12 Apprentice Kickstart Extension (\$79.3 million over two years)</p> <p>The Apprentice Kickstart Extension triples the first-year incentive payment to small and medium-sized employers who put on a new young apprentice (aged 19 years or under) in a skills shortage trade between 12 May 2010 and</p>	<p>Small and medium enterprises that engage and retain eligible apprentices will be eligible for a \$3,350 bonus payment. The payment will be paid in two instalments. The first of \$850 will be paid three months after the apprentice's commencement and the second of \$2,500 nine months after commencement.</p> <p>The Extension follows on from the initial Apprentice Kickstart program over the summer of 2009-10.</p> <p>The measure includes funding of \$2.7 million over two years for Australian Apprenticeship</p>	<p>Australian Apprentices</p> <p>Skills shortages</p> <p>Youth</p> <p>Skills for Sustainable</p>

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
	<p>12 November 2010 (inclusive).</p> <p><i>Announced 11 May 2010</i></p>	Centres to assess the eligibility of apprentices for the Apprentice Kickstart Bonus.	Growth package
DEEWR	<p>1.13 Apprenticeships for the 21st Century Panel</p> <p>This panel of seven experts has been established to advise the Government on reform options for the Australian Apprenticeships system</p> <p><i>16 July 2010</i></p>	<p>The expert panel of seven will suggest reforms to strengthen the Australian Apprenticeships system to meet the skills needs of our growing economy. The panel will examine training arrangements to improve outcomes for apprentices and industry. It will report to Government by the end of 2010. The work will be underpinned by a National Centre for Vocational Education Research (NCVER) study on the economic costs and benefits of the current apprenticeship system The Apprenticeships for the 21st Century Panel is part of the \$661 million Skills for Sustainable Growth Package in the 2010-2011 Budget that will target skills shortages over the next four years.</p>	Australian Apprentices Skills shortages
DEEWR	<p>1.14 Smarter Apprenticeships (\$19.9 million over four years)</p> <p>The Smarter Apprenticeships Program will provide industry with the means to adopt and foster support for accelerated training delivery and drive structural change to industry training delivery to embed true competency-based training for apprentices.</p> <p><i>Announced 11 May 2010</i></p>	<p>The Smarter Apprenticeships Program will enable a faster, more flexible, competency-based apprenticeship system. Competency-based progression in apprenticeships will help ensure skills acquisition is efficient and responsive to the needs of the economy by providing skilled workers to the market more quickly, with training focused on competency achieved rather than time served.</p> <p>The measure will provide for competitive grants to Industry Skills Councils (ISCs) to develop and implement competency-based training models, which achieve the broad adoption and expansion of competency based training and qualifications for apprentices. The measure will also fund the engagement of industrial relations experts to identify and propose solutions to barriers to competency-based progression for apprentices.</p> <p>It is anticipated that proposals under this measure will be requested in the first half of the 2010–11 financial year.</p>	Australian Apprentices Skills shortages Competency-based system Industry engagement Skills for Sustainable Growth package
DEEWR	<p>1.15 Quality Skills Incentive (\$129.8 million over three years)</p> <p>The Incentive will provide performance-based funding to the 100 largest RTOs by enrolment numbers, in return for significant improvements against defined benchmarks in aspects of training delivery, to improve the quality and accessibility of training and student outcomes.</p> <p><i>Announced 11 May 2010</i></p>	<p>The funding will be available to reward RTOs which meet certain performance benchmarks. Funding will be open to the 100 largest RTOs (based on enrolments).</p> <p>This measure aims to drive quality improvements across the sector, higher completion rates and better access for disadvantaged Australians, helping to lift the skill levels of Australians attending RTOs.</p> <p>An appropriate suite of performance benchmarks will be developed in consultation with key stakeholders, including ISCs, Skills Australia, State and Territory governments and RTOs.</p> <p>The Quality Skills Incentive will begin in the 2011–12 financial year.</p>	Quality Accessibility Skills for Sustainable Growth package
DEEWR	<p>1.16 My Skills website (\$4.1 million over four years)</p> <p><i>My Skills</i> will be an online database to inform</p>	MySkills will assist students and businesses to identify and choose appropriate training options and increase the transparency within the sector. The MySkills website will provide performance information on RTOs obtained from employers and students, data on the level of commencements and completions and a description of the training provided by	Transparency Quality assurance

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
	<p>students or potential students of their VET options.</p> <p><i>Announced 11 May 2010</i></p>	<p>different RTOs.</p> <p>MySkills will initially focus on available information relating to RTOs that receive public funding for accredited training delivery. Over time, it is expected that it will be expanded to include accredited training delivered by RTOs that are not publicly funded but delivering nationally accredited training recognised under the Australian Qualifications Framework.</p> <p>In the longer term, it is expected that with the inclusion of student outcome data, the site should also achieve improvements in the quality of training by showing providers where they excel and where improvements can be made.</p> <p>Work will continue in the second half of 2010 to further consult and build the website.</p>	<p>Client driven system</p> <p>Skills for Sustainable Growth package</p>
<p>DEEWR</p>	<p>1.17 Skills for Sustainable Growth – Foundation Skills Package</p> <p>The Foundation Skills Package comprises three Budget measures:</p> <ul style="list-style-type: none"> • Improving and Strengthening the Language, Literacy and Numeracy Program (\$67 million over four years) • Expanding the Workplace English Language and Literacy Program (\$15.7 million over four years) • National Foundation Skills Outreach and Leadership Project (\$23.5 million over four years) <p><i>Announced 11 May 2010</i></p>	<p>The Government will transform the Language, Literacy and Numeracy Program (LLNP) to secure ongoing funding for approximately 13,570 additional training places for job seekers of working age (15 to 64 years old).</p> <p>The LLNP aims to assist job seekers of working age to achieve sustainable employment.</p> <p>The Government will also provide \$23.5 million over four years to improve core employability skills, particularly LLN skills, among working age Australians. The initiatives that will be funded include:</p> <ul style="list-style-type: none"> • a Commonwealth contribution of \$15.4 million over four years for an awareness campaign aimed at promoting LLN initiatives and reducing the stigma for people with LLN skill development needs. The Commonwealth will seek further contributions to this campaign from the States and Territories; • \$2.3 million over four years to extend the existing LLN Practitioner Scholarship Program; • \$1.6 million over four years to give greater prominence to foundation skills in ISC Training Packages. This initiative will fund ISCs to re-map ISC Training Packages in order to make LLN requirements more explicit and transparent. In addition, greater support will be provided to assist trainers to address LLN skill development needs they observe in students; and • \$1.5 million over four years to develop a tool for assessing employability skills and attributes other than LLN. <p>The Government will also provide up to 9,500 additional workplace and 8,000 additional community-based language, LLN training places. The Workplace English Language and Literacy (WELL) program provides employees with vocationally oriented intensive training and aims to assist workers to improve LLN skills to perform their work safely and effectively, progress to further vocational training and advance in the workforce. The program will be expanded with up to 1,500 additional training places in 2010-11; 2,000 places in 2011-12; 2,500 places in 2012-13; and 3,500 places in 2013-14. ISC brokers will encourage participation by enterprises in target industries that have a high incidence of</p>	<p>Foundation skills</p> <p>Language, literacy and numeracy</p> <p>Participation</p> <p>Industry engagement</p>

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
		<p>workers with low LLN skill levels. Funding for community-based projects will deliver up to 8,000 additional training places to be provided through short courses in innovative community settings such as neighbourhood houses, men's sheds, mothers' groups, Indigenous support organisations and community colleges. These courses are aimed at attracting adults into further foundation skills LLN training.</p>	
<p>NQC and NQC–COAG Joint Coordinating Group</p>	<p>1.18 VET Products for the 21st century</p> <p>The project aims to ensure that nationally recognised training products are flexible and responsive to changing industry, business and individual needs and workplace practices. Work on the new policy framework includes streamlining the design of Training Packages, including through improved units of competency and packaging rules; a new definition of competency; and more focus on preparatory qualifications and improved language, literacy and numeracy.</p> <p><i>Report released April 2009</i></p> <p><i>Design: April 2009 – December 2010</i></p> <p><i>Implementation: 2011-2012</i></p>	<p>The project proposed a policy framework for VET products with a key goal of creating more usable and demand driven training products.</p> <p>An initial phase of the project undertook national consultations which found wide support for the concept of Training Packages. However, the need for change was also clear, particularly in the area of the structure and content of Training Packages. Their growing inaccessibility and complexity over time was thought to now inhibit the product's usability and client focus.</p> <p>Greater client choice has since been injected via packaging rules for Training Package qualifications. Most will now have at least one third electives, in addition to broadening the places from which one sixth of the qualification can be chosen, such as any other Training Package qualification or an accredited course.</p> <p>To improve accessibility, language has been made more consistent with all units being described as either core or elective. Recommended combinations of electives for particular specialisations will be presented as groups.</p> <p>Design of the principles for the new streamlined Training Packages is underway. The separation of performance standards from guidance and supporting information features strongly, along with the streamlining of units of competence themselves. Greater consistency of content and form across Training Packages will also help develop them as a more identifiable product encouraging particular groups to access the information they need more quickly.</p> <p>One of the overarching themes in the VET Products for the 21st Century report is that there should be a stronger focus on Foundation Skills in the national framework. In September 2010 the NQC agreed that Foundation Skills Units of Competency should be developed within the Training Package framework, and that further work should occur to determine the best approach to achieving this.</p>	<p>Training Package reform</p> <p>Industry engagement</p> <p>Foundation Skills</p>
<p>AQF Council</p>	<p>1.19 Strengthening the AQF: An Architecture for Australia's Qualifications</p> <p>A proposal for a strengthened AQF architecture.</p> <p><i>Stage 1 consultation period May-June 2009.</i></p> <p><i>Stage 2 consultation period September-October</i></p>	<p>The May 2009 proposal (Stage 1) proposed strengthening the Australian Qualifications Framework (AQF) by:</p> <ul style="list-style-type: none"> • realigning the objectives of the AQF • a taxonomy of learning outcomes (knowledge, skills, competencies) • explicit reference levels • a measure of the volume of learning (credit points). 	<p>Australian qualifications</p> <p>Student needs, mobility</p>

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
	<p>2009.</p> <p>Stage 3 consultation period July – August 2010</p> <p>MCTEE announcement 19 November 2010</p>	<p>Following stakeholder feedback, the AQF Council developed a strengthened AQF architecture for further stakeholders consideration (Stage 2). It features:</p> <ul style="list-style-type: none"> • a levels structure with ten levels expressed as learning outcomes • revised qualification type descriptors for each of the existing qualification types expressed as learning outcomes • a measurement of notional duration of learning for each qualification type • an integrated set of qualification types positioned on the levels structure. <p>During November and December 2009, the draft levels criteria and qualification type descriptors were further revised. The AQF Council agreed to the draft levels criteria and qualification type descriptors (version 6) and the AQF terminology. Research was commissioned to empirically test the levels criteria, the qualification type descriptors and the placement of Australia’s qualifications at a level in the proposed strengthened AQF. A report on the research to inform national and international stakeholders of the AQF was considered by the AQF Council in June 2010.</p> <p>The Stage 3 consultation paper, which described a package of policies comprising the proposed strengthened AQF, included:</p> <ul style="list-style-type: none"> • Draft qualification type descriptors for each of the existing qualification types • Draft specifications for selected AQF qualification types • Draft policies for the issuance of qualifications, registers of qualifications, qualification pathways and linkages, generic skills in qualifications, and the addition or removal of qualification types. <p>Stakeholder comments on the package were considered in the development of the final report – <i>The Australian Qualifications Framework – pending MCTEE approval 2010</i>. This report was released on 30 September 2010 and was considered by MCTEE at its November 2010 meeting.</p> <p>At the meeting, Ministers agreed to implement all of the Australian Qualifications Framework Council’s proposals for strengthening the AQF, subject to the following amendments:</p> <ul style="list-style-type: none"> • the Senior Secondary Certificate of Education will be located in the framework but not tied to a specific level • the Qualifications Issuance Policy will include a limited number of permitted titles in addition to ‘Master of (field of study)’ at AQF Level 9, requesting the AQFC to provide further advice on how these could be best accommodated • the descriptor for Certificate III will be amended to include a requirement for the supervision of staff. <p>The AQF Council has commenced the development of implementation and transition</p>	

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Australian Government (DEEWR)	<p>1.20 Productivity Places Program (PPP)</p> <p>Under the Skilling Australia for the Future initiative, the Australian Government has funded the PPP which will deliver 711,000 training places over 5 years.</p> <p><i>Redirection of funding announced 11 May 2010.</i></p>	<p>arrangements in consultation with its key stakeholders. Application of the strengthened AQF in the higher education sector will be timed to coincide with the commencement of the Tertiary Education Quality and Standards Agency (TEQSA).</p> <p>The Productivity Places Program (PPP) is part of the Government's <i>Skilling Australia for the Future</i> initiative which aims to reduce skills shortages and increase the productivity of industry and enterprises. Places provided under the current National Partnership on the Productivity Places Program are funded by the Commonwealth, State and Territory governments and the private sector.</p> <p>In the 2010-11 Budget, the Australian Government announced it will redirect funding from the forward estimates period for the PPP National Partnership in 2013-14. This reflects the scheduled conclusion of the National Partnership. The measure will provide savings of \$375.9 million and reflects the Government's imperative to invest now as part of the <i>Skills for Sustainable Growth</i> package to address skill shortages and strengthen the supply and quality of training into the future.</p> <p>The Government announced it will also redirect the funding from the Commonwealth component of the PPP. It will reduce the number of Structural Adjustment places under the program by 4,000 in 2009-10, 3,600 places per year (over the forward estimates). The structural adjustment element of the PPP provides training for groups of retrenched workers who have lost their jobs or been stood down due to the global recession. This measure will provide savings of \$80.0 million over five years that will be redirected to provide more targeted support for skills development under the Government's <i>Skills for Sustainable Growth</i> package.</p>	<p>Productivity</p> <p>Responsiveness</p> <p>Client driven system</p> <p>Skills for Sustainable Growth package</p>
Skills Australia	<p>1.21 Creating a future direction for Australian vocational education and training – a discussion paper on the future of the VET system</p> <p><i>22 October 2010</i></p>	<p>As part of the preparation for the development of the next intergovernmental National Agreement on Skills and Workforce Development, Skills Australia have commenced a consultation process to identify a revitalised vision for vocational education and training in Australia. The consultation process begun with the release of a discussion paper and call for public submissions.</p> <p>The discussion paper outlines a number of issues for consideration and discussion. These include:</p> <ul style="list-style-type: none"> • the capacity and capability of the sector to meet increased requirements for qualifications and better utilisation of skills to reduce skills shortages • the reasons for inadequate apprenticeship completion rates • questionable adequacy of VET funding • questions over the responsibility of the VET sector to provide individuals with broad based skills and knowledge for a changing labour market 	<p>VET strategic direction</p> <p>VET quality</p> <p>VET funding</p> <p>VET responsibilities</p>

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
		<ul style="list-style-type: none"> • questions over the extent to which VET practitioners are in touch with the ‘real world’ of work • the nature of the sector’s role in workforce development and innovation • questions around suitable support services to help grow workforce participation rates • questions over how regulation of VET can be improved to raise the standard of provider service delivery • managing the tension between industry-responsiveness and individual-responsiveness • rectifying improper training delivery to international students • where boundaries and accountabilities lie between VET and other sectors 	
Skills Australia	<p>1.22 Australian Workforce Futures: A National Workforce Development Strategy</p> <p>The Strategy proposes recommendations for a fundamental overhaul in the way the nation approaches and supports workforce development—at a national, industry and enterprise level.</p> <p><i>Released March 2010</i></p>	<p>The Strategy proposes the key to Australia’s future economic and social prosperity is a significant increase in the workforce participation level over the next 15 years. It calls for a fundamental overhaul in the way the nation approaches and supports workforce development—at a national, industry and enterprise level.</p> <p>The Strategy is based on the premise that Australia has the workforce capability it requires for a productive, sustainable and inclusive future, and that Australian enterprises have the capacity to develop and use the skills of their workforce to maximum advantage for the benefit of industry and the community.</p> <p>Key recommendations include:</p> <ul style="list-style-type: none"> • urgent and immediate action to raise adult core skills including language, literacy and numeracy levels. • improving the overall workforce participation rate by four per cent, to 69 per cent, by 2025. • a three per cent increase by Government in Australia’s education and training investment to 2025 in order to deepen the level of skills in the workforce. • targeting ‘specialised occupations’ to address emerging and future skills shortages. • the need for Australian employers to more effectively use the skills of the existing workforce. • using public training funds to encourage workforce development at the enterprise level. • establishing a new ‘Workforce Development Observatory’ to promote best practice. 	<p>Workforce development as a key driver of productivity, sustainability and social inclusion</p>

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
DEEWR (Office for Youth)	<p>1.23 National Strategy for Young Australians</p> <p>The Strategy is part of the Australian Government's ongoing process of giving young people a better deal and a voice in decisions that affect them. It will be used as a guide for future Government action to encourage and help young people take charge of their own lives.</p> <p><i>April 2010</i></p>	<p>The Strategy focuses on young people aged between 12 and 24 years. The Strategy articulates the Government's vision and strategy to ensure that all young people grow up safe, healthy, happy and resilient and have the opportunities and skills they need to learn, work, engage in community life and influence the decisions that affect them.</p> <p>Developed through direct consultation with young Australians, the Strategy describes what it is like to be young in Australia today and highlights eight priority areas for Government action now and into the future. The priorities are: health and wellbeing, education, families, communities, on-line, work, early intervention and safety.</p> <p>The role of VET is seen as integral to equipping young Australians to shape their own futures through education; build the skills and networks they need to gain, and be successful in employment; and to participate confidently and safely online.</p> <p>Future relevant youth policy will focus on:</p> <p>Education</p> <ul style="list-style-type: none"> • helping all young people to engage with education and training and achieve a qualification • working with states and territories to make the transition from education to work easier • improving the literacy, numeracy and ICT skills of all young Australians • improving the quality of VET through more effective and national regulation • increasing the amount of information available about training providers and education options (see 1.16 MySkills website). <p>Employment</p> <ul style="list-style-type: none"> • develop adaptability and resilience in young people, to help them to flourish in a constantly changing labour market • focus on young people and job readiness by providing opportunities that prepare them for the workplaces of the future • create more work experience, training and employment opportunities for young people by working with business • reform the apprenticeship system to make it more attractive to young people and provide easier access and more support. <p>Technology</p> <ul style="list-style-type: none"> • improve infrastructure, to make the internet a safe place for young people and to encourage them to develop personal responsibility in their use of technology • improve access to technology for all young people including the Vocational Education Broadband Network • protect young people from risks, including cyber-bullying • encourage young people to use internet and mobile technologies positively by promoting their safe use. 	<p>Youth</p> <p>Improving the quality and rigour of policy making for young people</p> <p>Involving young people in policy formation</p>

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
<p>Commonwealth Treasury</p>	<p>1.24 Intergenerational Report</p> <p>In addition to assessing the fiscal and economic challenges of an ageing population, the Report also includes a comprehensive discussion on environmental challenges and social sustainability.</p> <p><i>February 2010</i></p>	<p>Australia faces significant intergenerational challenges. Ageing will mean that there will be fewer workers to support retirees and young dependants and therefore productivity will be the key driver of economic growth in the future.</p> <p>Productivity growth stems from many sources, including technological advances, new products and processes, capital intensity and the flexibility and efficiency of the allocation of labour and capital.</p> <p>Achieving improved productivity growth in the future will require a continual process of reform. Investment and reforms in education and training will contribute to improvements in both productivity and participation in the workforce, lifting the future growth rate of the economy.</p> <p>The key messages for education and training are:</p> <ul style="list-style-type: none"> • The skills base of the economy has been growing, as more skilled generations join the labour force. • Australia must continue to build on our skills base to maintain a higher standard of living as the population ages. • The more Australia develops the skill of each worker, the higher the potential productivity of the workforce. • A highly educated and skilled workforce supports innovation, the implementation of technological advances and the accumulation of physical capital. • Action already undertaken by the Government is supporting the expansion of skills acquisition through - funding for an additional 711,000 VET places through the Productivity Places Program, reforms of the university sector to uncap the number of Commonwealth supported places, and improvements in the quality of the school system. • The level of educational and skills attainment significantly influences an individual's future labour force participation and earnings potential. 	<p>Challenges of an ageing population</p> <p>Productivity</p> <p>Skills</p>
<p>Productivity Commission</p>	<p>1.25 Education and Training Workforce: Vocational Education and Training – Commissioned Study</p> <p>The Productivity Commission is currently undertaking a research study to examine issues impacting on the workforces in the early childhood development, schooling and vocational education and training sectors, including the supply of and demand for these workforces, and provide advice on workforce planning, development and structure in the short, medium and long-term.</p>	<p>On 22 April 2010, the Productivity Commission received terms of reference from the Australian Government asking it to undertake a commissioned study of the education and training workforce. The study's focus is on the issues impacting on the VET, early childhood development and schools workforces. The Commission has been asked to consider and provide advice on:</p> <ul style="list-style-type: none"> • The current and future demand for the workforces, and the mix of knowledge and skills required to meet service need • The current and future supply of the workforces • The structure and mix of the workforces and their efficiency and effectiveness • Workforce planning and development in the short, medium and long-term • Whether sectoral boundaries limit innovation and flexibility in workforce planning, development and practices 	<p>VET workforce – supply and demand</p> <p>Workforce capacity</p> <p>Workforce capability</p> <p>Indigenous VET workers</p>

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
	<p data-bbox="383 220 607 244"><i>Issues Paper June 2010</i></p> <p data-bbox="383 264 790 288"><i>Draft Research Report 30 November 2010</i></p> <p data-bbox="383 309 607 333"><i>Final Report April 2011</i></p>	<p data-bbox="891 188 1778 331">In addition to the issues above, the Commission has been asked to give consideration to factors that have a particular impact on each of the sectors covered by the study. The study's initial focus is on the VET sector. An Issues Paper was released for public comment on 1 June 2010 and a draft research report was released on 30 November 2010. A final report will be submitted to the Australian Government in April 2011.</p> <p data-bbox="891 352 1778 432">The draft research report specifies a series of draft recommendations, draft findings and information requests. It calls for public submissions in response to the draft report, which it will consider in the finalisation of its work.</p> <p data-bbox="891 453 1525 477">The draft findings of the Productivity Commission's research are:</p> <ul data-bbox="943 497 1778 1390" style="list-style-type: none"> <li data-bbox="943 497 1778 561">• That the VET sector has strengths, which should be maintained as the tertiary education sector emerges. <li data-bbox="943 582 1778 694">• That the VET workforce is characterised by relatively higher levels of: dual professionals; older workers; non-permanent workers; and mobile workers. Continued employment by older workers and inflows of new works will contribute to the aggregate supply of VET workers. <li data-bbox="943 715 1778 826">• Greater, but not full, managerial independence for public sector VET providers and the adoption of a more corporate model will support responsiveness to competitive operating environments, whilst enabling providers to continue meeting their non-commercial objectives. <li data-bbox="943 847 1778 927">• Community service obligation payments can be used to improve transparency of the viability of TAFE institutes, while improving competitive neutrality across providers more broadly. <li data-bbox="943 948 1778 1011">• There is a lack of consistent national data about the size and characteristics of the VET workforce, hindering effective policy making and workforce planning. <li data-bbox="943 1032 1778 1096">• Wage structures in the TAFE sector are rigid and not based on the demand for and supply of industry skills. <li data-bbox="943 1107 1778 1187">• When taught well, the Certificate IV in Training and Education (TAE40110) is an appropriate qualification to develop foundation competencies for VET practitioners. <li data-bbox="943 1208 1778 1272">• Many VET sector trainers and assessors do not possess the necessary minimum educational qualification or an equivalent. <li data-bbox="943 1283 1778 1390">• There is some evidence of capability gaps in: VET managers and leaders; the assessment of RPL and RCC; ICT skills; and in the delivery of higher-level qualifications. At present there is little evidence of a capability gap in delivering training and assessment to people experiencing disadvantage, however, it is an 	<p data-bbox="1805 177 2089 233">Quality of training and assessment</p>

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
		<p>area of risk for the future.</p> <ul style="list-style-type: none"> • There are gaps in contemporary industry knowledge held by VET practitioners, particularly those who have worked full-time in the sector for longer than ten years. <p>In response to these draft findings, the Productivity Commission offers the following draft recommendations:</p> <ul style="list-style-type: none"> • MCTEE should engage NCVER to develop a comprehensive instrument able to measure and describe the VET workforce. The instrument should not unduly increase the administrative burden for providers. • NCVER should assist in determining the data required to quantitatively assess the quality of teaching in VET, including student and industry satisfaction with the VET workforce. • State and Territory Governments should not have jurisdiction-wide industrial agreements for the TAFE sector. TAFE institutes should be able to respond to market forces for labour in a way that best suits their business goals. • RTOs with the TAE 40110 on scope should be audited more frequently and more intensively by VET regulators. • Audit outcomes and performance indicators of RTOs should be made public by VET regulators to encourage providers to focus on quality training and assessment. • Assessment of those seeking to demonstrate competence at Certificate IV level (TAE10) should be strengthened to include additional supervised training sessions and an external assessor. • With regard to attaining or demonstrating competence at Certificate IV level in TAE10: <ul style="list-style-type: none"> ○ VET practitioners (new entrants) should complete the qualification within two years of commencing employment; ○ Industry experts should be encouraged, but not required, to obtain the qualification; and ○ Enterprise trainers and assessors should complete the Skill Set relevant to their role within two years of commencing training delivery/assessment. • Greater levels of employment of skilled Indigenous VET workers will improve delivery to Indigenous VET students. 	

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
MCTEE, NSOC	<p data-bbox="297 368 869 427">NQC, 1.26 Australian Quality Training Framework</p> <p data-bbox="383 443 869 616">The Australian Quality Training Framework (AQTF) is the national set of conditions and standards which assures nationally consistent, high-quality training and assessment services for the clients of Australia's vocational education and training system.</p> <p data-bbox="383 624 869 671"><i>Implementation of revised AQTF Standards 1 July 2010</i></p>	<ul data-bbox="943 181 1783 341" style="list-style-type: none"> Strategies for professional development to ensure industry currency and to address competency gaps are required. There is a role for State and Territory governments, RTOs, employees and the Industry and Business Skills Australia (IBSA). A registration scheme for VET trainers and assessors is not appropriate. <p data-bbox="891 368 1783 539">COAG endorsed key reforms to the Australian Quality Training Framework (AQTF) Essential Standards for Registration in December 2009 in response to issues that had been identified in relation to training provided to international students. These important changes strengthen the AQTF and ensure regulators have the tools they need to protect the interests of all students undertaking vocational education and training in Australia. The changes are reflected in:</p> <ul data-bbox="943 547 1783 660" style="list-style-type: none"> Essential Conditions and Standards for Initial Registration – for organisations seeking registration for the first time; and Essential Conditions and Standards for Continuing Registration – for existing RTOs. <p data-bbox="891 684 1783 740">In endorsing the new conditions and standards COAG agreed that the national guidelines for risk management and managing non-compliance would be strengthened.</p> <p data-bbox="891 756 1783 932">Finalised conditions and standards became available in late June 2010. Registering bodies began auditing against the Standards from 1 July 2010. Some transitional arrangements have been agreed concerning compliance with Conditions 5 and 6 (relating to collection of student fees in advance, and requirements for a unique student identifier number and provision of AVETMISS compliant data). RTOs and applicants will not need to comply with those requirements until 3 January 2011.</p> <p data-bbox="891 948 1783 1008">A number of governance, financial management and student records issues are currently being worked through as part of the implementation of the revised Standards.</p>	<p data-bbox="1805 357 1935 485">Quality Standards Regulation</p>

And watch this space...

- The Government has announced that it will develop a National Strategy for Foundation Skills in consultation with the States and Territories by the end of 2011. The National Strategy will provide a framework for foundation skills provision across all jurisdictions for the next decade.
- Skills Australia is currently undertaking a study on a future revitalised vision for VET. The outcomes of the research and consultation process are to provide the foundation for a new intergovernmental agreement on Skills and Workforce Development. Following their release of an Issues Paper, call for public submissions and public consultation process, Skills Australia expects to release their final report in early 2011.
- The Australian Government Productively Commission is currently reviewing the capability of the VET workforce. The Commission has been asked to consider both the VET workforce as a whole - including trainers and assessors in enterprises, adult community education and community organisations - and the TAFE workforce as a subset. A final report, incorporating feedback to the draft research report, is expected to be published in April 2011.

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- The LH Martin Institute at the University of Melbourne is leading a project to research and make recommendations on the factors that affect the quality of vocational education and training (VET) teaching. A final report is expected in early 2011.

2. INTERNATIONAL EDUCATION

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
COAG	<p>2.1 Stronger, simpler, smarter ESOS: supporting international students: Review of the Education Services for Overseas Students Act 2000 (Baird Review)</p> <p>The report proposes a number of recommendations that aim to strengthen, simplify and streamline ESOS, which would in turn provide greater support for international students in Australia and protect Australia's reputation for quality education.</p> <p><i>Review announced 8 August 2009</i></p> <p><i>Issues paper released 23 September 2009</i></p> <p><i>Submissions due Friday 30 October 2009</i></p> <p><i>Interim report released 3 December 2009</i></p> <p><i>Final report released 9 March 2010</i></p> <p><i>Government response 9 March 2010</i></p>	<p>The report focuses on the three themes of making ESOS stronger, simpler and smarter and has a strong focus on improving regulatory and consumer protection arrangements. It acknowledges that ESOS can only do so much and makes recommendations about issues outside of ESOS, including student safety, accommodation, employment, transport and health matters.</p> <p>Key recommendations are in the following broad areas:</p> <ul style="list-style-type: none"> ▪ Enhancing Australia's reputation for quality education ▪ Building a stronger gateway ▪ Stronger, simpler, smarter regulation ▪ Ensuring accurate information and ethical recruitment ▪ Supporting students in Australia ▪ Safeguarding students' interests: stronger tuition protection <p>The Government's response</p> <p>The Deputy Prime Minister announced in-principle support for a range of recommendations in the report and commitment to putting amendments to the ESOS Act before parliament as soon as possible.</p> <p>Other recommendations in the report will be either referred to TEQSA and the National VET Regulator for further consideration, implemented through MCTEE / COAG, or will be the subject for further consultation with the international education industry.</p> <p>At the COAG meeting in April 2010 it was noted that the outcomes of the Baird Review would be supported by initiatives of the National International Student Strategy (see 2.3 COAG National International Students Strategy).</p>	<p>International Students</p> <p>Quality</p> <p>Regulation</p>
Minister for Education	<p>2.2 <u>Education Services for Overseas Students Amendment (Re-registration of Providers and Other Measures) Act 2010</u></p> <p>The Act was described as the first in a series of measures the Government is taking to ensure Australia continues to offer world class quality international education in this challenging and changing environment.</p> <p><i>Introduced in Parliament 19 August 2009</i></p>	<p>Amendments in the Act include:</p> <ul style="list-style-type: none"> • Re-registration of all institutions currently registered on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) by 31 December 2010. • Two new registration requirements for education providers: <ul style="list-style-type: none"> ○ the principal purpose of the provider is to provide education; and ○ the provider has demonstrated capacity to provide education of a satisfactory standard. • Providers to be required to list the names of education agents who represent them and promote their education services and to require providers to comply with any matters prescribed in the regulations concerning their agents. • Discretionary removal of the prohibition on education providers collecting 	<p>International Students</p> <p>Quality</p> <p>Regulation</p>

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
	<p>Amendments agreed 19 October 2009</p> <p>Introduced to Senate 26 October 2009</p> <p>Second reading moved 26 October 2009</p> <p>Passed 3 March 2010</p>	<p>monies from studying students when a course has been suspended.</p> <ul style="list-style-type: none"> • Conditions imposed by states and territories on education providers to be recognised by the Commonwealth. • Exemptions from punitive provider default refund requirements for providers changing their legal entity. • Clarify the definition of “suitable alternative course”. <p>The process for consideration of amendments to the Act will continue till 31 December 2010</p>	
COAG	<p>2.3 COAG National International Students Strategy</p> <p>COAG has committed to improve the quality of education for international students and their well-being, through the development of a comprehensive National International Students Strategy to be put in place during the 2010 academic year.</p> <p>July 2009 – January 2011</p>	<p>The purpose of the National International Student Strategy is to improve the experience of international students in Australia and in turn benefit all of Australian society. The Strategy will promote a broader vision of international education to encompass the broader benefits to Australia and the home nation and place Australia's international education on a more sustainable basis. It will also:</p> <ul style="list-style-type: none"> • improve the international student experience through improved pre- and post-arrival information and engagement with the ethnic and broader Australian community; • enhance general educational offerings that develop cultural understanding, tolerance and language skills; • achieve a clearer articulation between international education and migration policies; and • consider the quality of education providers. <p>Development of the strategy would proceed in parallel with the Baird Review (see 2.1 <i>Review of the Education Services for Overseas Students Act 2000</i>) to enable alignment of amended legislation and the new strategy in 2010.</p> <p>A COAG Senior Officials Working Group is responsible for development of the Strategy.</p> <p>At the 19 April 2010 COAG meeting the Council agreed to a suite of practical initiatives as part of the strategy:</p> <ul style="list-style-type: none"> • establishment of an international student consultative committee; • a national community engagement strategy to facilitate connections between international students and the broader community; • Provider Closure Taskforces in each State to ensure rapid and coordinated support for students in the event of provider closure; and • from 1 January 2011, international students will have access to an independent statutory complaints body and international education providers will be required to use this as their external complaints and appeals process. <p>The following initiatives have been implemented:</p> <ul style="list-style-type: none"> • a Study in Australia information portal will provide a single source of 	<p>International Students</p> <p>Quality</p> <p>Regulation</p>

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
		<p>authoritative, comprehensive, accurate and up-to-date information for students; and</p> <ul style="list-style-type: none"> from mid-2010, international students will be required to provide evidence of health insurance cover for their proposed visa duration. 	
National Council	<p>Quality 2.4 National Quality Council work on the quality of offshore VET delivery</p> <p>In 2010 the NQC is undertaking three projects related to transnational delivery of Australian VET.</p> <p><i>Due for completion December 2010</i></p>	<p>The NQC has identified International VET as a priority for 2010 and will be completing three projects under the guidance of its Offshore VET Action Group:</p> <ul style="list-style-type: none"> Evaluating the model for offshore quality assurance monitoring against the AQTF, including a compulsory data collection from all RTOs delivering Australian qualifications offshore. Development of a Best Practice Guide for Offshore VET Delivery. Research on Internationalisation of Training Package qualifications for offshore delivery. 	<p>International Students</p> <p>Transnational Education</p>

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- At its November 2010 meeting, MCTEE noted that the Commonwealth will further consider opportunities to monitor international student issues, including relevant international migration strategies.

3. ENVIRONMENT, ENERGY, SUSTAINABILITY AND GREEN SKILLS

Oversight	Title, description and funding	Key messages, findings and next steps	Key themes
MCTEE / COAG	<p>3.1 National Green Skills Agreement</p> <p>COAG endorsed a new Green Skills Agreement that will deliver skills for sustainability in the Australian training system.</p> <p><i>Green Skills Forum 23 October 2009</i></p> <p><i>Endorsed by MCTEE 20 November 2009</i></p> <p><i>Endorsed by COAG 7 December 2009</i></p> <p><i>Implementation Plan presented to MCTEE June 2010</i></p>	<p>The Agreement is a high-level statement of principles and desired outcomes which will lead to:</p> <ul style="list-style-type: none"> • national standards of sustainability practice and teaching in vocational training; • the revision of Training Packages to include sustainability principles and competencies; • the up-skilling of VET instructors and teachers in delivering sustainability skills; and • implementation of a transition strategy to re-skill vulnerable workers. <p>To assist in the achievement of the Green Skills Agreement, a Green Skills Implementation Group was assembled. The four areas of implementation of the Green Skills Agreement are:</p> <ol style="list-style-type: none"> 1. Embedding skills for sustainability practice and teaching in VET, within the requirements of the national regulatory framework; 2. Upskilling VET instructors and teachers to deliver skills for sustainability; 3. Strategic review of Training packages to embed sustainability knowledge, skills and principles; and 4. Implementing a transition strategy to reskill vulnerable workers <p>The National Green Skills Agreement Implementation Group developed a Draft Implementation Plan for carrying forward the Agreement. Feedback on the Draft Plan was sought in April-May 2010 and the Plan was presented to MCTEE at its June 2010 meeting.</p> <p>Ministers agreed that an evaluation and reporting framework is to be developed in 2011 with Queensland to take the lead, working with the Commonwealth.</p>	<p>Sustainability</p> <p>Green skills</p>

Contacts

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