

Response to Senate Inquiry into Industry Skills Councils

About this submission

This submission provides comment in relation to the terms of reference for the enquiry that impact on or have a direct relationship with the remit of the National Quality Council. It is therefore limited to:

- a) the role and effectiveness of Industry Skills Councils (ISCs) in the operation of the national training system particularly as it relates to states and territories and rural and regional Australia;
- c) corporate governance arrangements of ISCs;
- e) ISC network arrangements and co-operative mechanisms implemented between relevant boards;
- g) the effectiveness of each ISC in implementing specific training initiatives, for example the Skills for Sustainability initiative under the National Green Skills Agreement.

About the National Quality Council

The National Quality Council (NQC) is a Committee of the Ministerial Council for Tertiary Education and Employment (MCTEE), and oversees quality assurance and ensures national consistency in the application of the Australian Quality Training Framework (AQTF) standards for the audit and registration of training providers.

It has specific decision-making powers in relation to the endorsement of Training Packages and other aspects of the quality assurance under the National Skills Framework.

The National Quality Council has a key role in bringing together the major players in the Vocational Education and Training sector - industry, unions, governments, equity groups and practitioners - to oversee and support the current and future quality of Vocational Education and Training across Australia. It is also critical to ensuring the successful operation of the National Skills Framework – the system’s requirements for quality and national consistency in terms of qualifications and the delivery of training.

Role of Industry Skills Councils in relation to the NQC remit

The responsibilities of the National Quality Council and Industry Skills Councils intersect in a number of important ways:

- ISCs provide industry-specific advice to the NQC on Australia’s workforce development and skills needs. This informs the Council’s planning and priority-setting processes.

- ISCs develop the Training Packages that contain the standards for workplace performance and for Vocational Education and Training qualifications. The National Quality Council is responsible for endorsing the Training Packages, and setting policy around their development and implementation.
- ISCs implement NQC Training Package policy.
- ISCs contribute as members to key NQC Action Groups.

Informing NQC planning and priority-setting

ISCs make an important contribution to the National Quality Council's annual strategic planning process. For the past three years ISC Chief Executive Officers have attended the NQC's annual planning day to present major themes emerging from their latest Environmental Scans and raise key issues and challenges facing their industries. This provided valuable context for the NQC as it developed its priorities and work plan for the year.

Development of Training Packages

The National Quality Council is the authorising body for the endorsement of Training Packages. When presenting a Training Package to the NQC, Industry Skills Councils provide the NQC with a 'Case for Endorsement' which provides evidence of:

- widespread support from industry for the changes;
- that the Training Package meets NQC policy requirements and quality principles;
- that the consultation and validation process has been rigorous and transparent; and
- that the impact of changes has been considered.

The Case for Endorsement informs the NQC's decision whether to endorse the Training Package.

Implementation of NQC policy

Industry Skills Councils implement NQC policy relating to Training Packages. Recent examples include:

- embedding of 'Green Skills' in Training Packages
- updating all Training Packages to include new flexibility requirements
- inclusion of Employability Skills in all Training Packages

Industry Skills Councils also support the work of the NQC by collaborating and providing expertise to the development of new Training Package policy, for example through the current initiative to simplify and streamline Training Packages as part of the *VET Products for the 21st Century* project.

Effectiveness of ISCs in relation to the NQC remit

At its June 2010 meeting the NQC acknowledged the efforts of ISCs that are working to implement recent Training Package reforms. New flexibility requirements in Training Packages will see many hundreds of qualifications change between now and the end of 2010, and this is occurring

concurrently with work to embed green skills in all qualifications. ISCs are taking on this challenge positively and are working collaboratively with the National Quality Council to strike the balance between meeting industry needs and supporting government and NQC initiatives.

With regard to States and Territories

In keeping with NQC policy, Industry Skills Councils are required to consult nationally when developing and validating Training Packages to ensure industry relevance and stakeholder support for the final product. This should involve consultation with:

- industry stakeholders
- State and Territory governments, and the Commonwealth government
- licensing bodies and regulators

NQC endorsement of the Training Package is contingent on there being evidence of stakeholder agreement with the new product, including by States and Territories.

With regard to rural and regional Australia

Industry Skills Councils, particularly those with a strong presence in regional and rural Australia, have worked hard to refocus the National Quality Council's attention towards regional skill needs. This has led to a current NQC project researching the specific training requirements of regional Australia, and how they might be addressed within the National Training System. This project is being conducted in close collaboration with the ISC AgriFood Skills Australia.

ISC Corporate Governance / network arrangements and co-operative mechanisms

ISC governance and accountability arrangements in relation to implementing National Quality Council policy could be made more explicit in the head agreement between each ISC and the Commonwealth Department of Education, Employment and Workplace Relations. There would be value in considering this as part of the transition from the National Quality Council to the new National Standards Council for Vocational Education and Training which will take on the responsibilities of the NQC in early 2011.

Conclusion

The National Quality Council values the contribution that Industry Skills Councils make to the work of the NQC.

Contact

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