



TAFE DIRECTORS AUSTRALIA RESPONSE

TO THE

SENATE EDUCATION, EMPLOYMENT AND WORKPLACE

RELATIONS COMMITTEE

INQUIRY INTO INDUSTRY SKILLS COUNCILS

6 August 2010

TAFE Directors Australia Submission to

The Senate Education, Employment and Workplace Relations Committee Inquiry into Industry Skills Councils

TAFE Directors Australia (TDA) welcomes this opportunity to contribute to the Senate Inquiry into Industry Skills Councils (ISCs). In responding to the Terms of Reference for this Inquiry, TDA wishes to emphasise the potential for ISCs to make an enhanced contribution to workforce productivity and development through a closer and more systematic relationship with TAFE.

TDA is the national peak body representing Australia's 59 TAFE Institutes. This TAFE network is the largest and most diverse tertiary education sector in Australia, operating across more than 1,300 metropolitan, regional and remote locations. TAFE Institutes offer a spectrum of AQF qualifications across the secondary, vocational education and training (VET) and higher education sectors. These qualifications are delivered in a range of institutional, workplace and online contexts and in partnership with a variety of local, national and international enterprises and with industry and community organisations and other educational institutions.

In 2009, the total number of students undertaking publicly funded training remained steady at 1.7 million, with an increase of 7.3% in hours of delivery...Of [those] 1.7 million students, just over 1.3 million studied at a TAFE or other government provider, 151 900 studied at a community education provider and 230 200 studied with a private training provider (National Centre for Vocational Education Research [NCVER] 2010).

A constructive and well networked relationship with Australia's TAFE Institutes will therefore be an important factor in ensuring the effectiveness of the ISCs' contribution to relevant, high quality vocational education and training and skill formation for the Australian workforce.

At the national level, this relationship has been fostered by TDA under its umbrella *Strategic Partnerships* agreement with the Department of Education, Employment and Workplace Relations (DEEWR). The objectives of this agreement include the development of strategies and networks for TAFE Institutes to engage effectively with ISCs and to engage in joint initiatives that will assist in better Training Package implementation. While TDA and the ISCs have not necessarily reached definitive shared platforms on all issues, both parties have engaged in a series of fruitful forums to better understand each others' perspectives.

At the industry specific level, there are a growing number of examples of how collaboration between an ISC and TAFE has generated measurable improvements in the quality and relevance of vocational education and training. However, closer working relationships, which would bring about even greater benefit, would be possible if the ISCs were better funded so that they did not have to engage with or embrace a competitive funding culture. One or more of these factors currently restricts an ISC from availing itself

of the expertise that exists within TAFE Institutes in respect of industry intelligence, resource development, and the implementation of innovative training solutions.

Key areas for collaboration

There is a range of examples that demonstrate the potential benefits that can flow from closer and more systematic collaboration between ISCs and TAFE. The key areas for collaboration are as follows:

i) Collaboration in gathering industry intelligence on existing and emerging skill formation and workforce development needs:

ISC processes for matching priorities to training needs as represented in the ISCs' environmental scans tend to reflect a bias towards the needs of large organisations in metropolitan centres that do not necessarily reflect regional differences and the needs of SMEs. This is in large part because ISCs do not avail themselves of the expert advice/intelligence available in TAFE Institutes. TAFE Institutes have a significant body of detailed knowledge of the diversity of industry skill needs particularly among SMEs and in regional/rural areas garnered by their engagement on a daily basis with industry and through workplace delivery of VET. This intelligence is a rich source of quantitative and qualitative data and should be tapped into. The national training system would be enhanced if the role of the ISCs were to be expanded to require more explicit consideration of information provided by TAFE Institutes.

ii) Knowledge- sharing:

ISCs and TAFE can share valuable knowledge that would not otherwise be broadly available across the VET system. Knowledge can be shared through joint professional development activities, through active TAFE membership of ISC Boards and advisory committees and the electronic exchange of information and, as above by requiring more explicit consideration of information provided by TAFE Institutes.

iii) Training Package development:

TDA is of the opinion that support for national training packages as the basis for VET qualifications is now waning amongst TAFE Institutes. TDA is of the opinion expressed in our responses to the development of the national VET regulator that the quality of vocational education and training and the engagement of students could be very much improved if there was a more flexible approach to the development and implementation of educational programs. TDA supports the provision of educational programs that allow TAFE institutes to implement structures and delivery and assessment strategies, based on training packages that readily accommodate the needs of individual students and innovative firms. The consultation process to develop training packages and the packaging rules should require and demonstrate specific consultations with TAFE Institutes.

iv) Innovation and change management in training:

The current process of achieving national agreement on changes to training packages means that neither the ISCs nor the National Quality Council can implement change quickly. This is a serious inhibitor to innovative skill formation and workforce development. In instances of significant innovation and change, such as the inclusion of 'sustainability skills', TDA proposes that processes be developed to enable TAFE institutes to pilot new approaches to Training Package delivery under the auspice of the ISC which can be incorporated into the endorsement process.

v) Inclusive corporate governance and advisory arrangements:

There is a strong case for TAFE representatives to be included on all ISC governing Boards, either as Board members or, as expert advisors. This strategy would recognise TAFE as the major agencies for the implementation of Training Packages.

This already occurs as part of the governance arrangements in a minority of ISCs, while others include TAFE representatives on sub-committees and working groups. There is clear evidence that these arrangements enhance an ISC's knowledge of the nuanced nature of specific skill markets and minimise the risk of operationally impractical decisions.

A best practice model for ISC collaboration with TAFE

The experience of successful collaboration in each of the areas outlined provides the basis for a best practice model of ISC/TAFE collaboration. TDA believes that to gain optimum public benefit from the work of ISCs, a best practice model needs to be clearly articulated and systemically implemented across the ISC network.

This best practice model for ISC/TAFE engagement would include:

- the clarification and publication of the goals and protocols
- explicit recognition of the central role of TAFE as a public resource and reservoir of expertise on skill formation, training design and training delivery.
- explicit recognition that TAFE institutes have a significant body of detailed knowledge of the diversity of industry skill needs particularly among SMEs and in regional/rural areas
- TAFE institute membership of ISC Boards
- development and implementation of more flexible Training Packages that would enable TAFE Institutes to more readily respond to the needs of individual students and innovative forms.

Senior representatives of TDA would welcome the opportunity to discuss these issues further with members of the Committee during the course of this Inquiry.