
Communiqué for the COAG Industry and Skills Council Meeting Skills Ministers

1 April 2016

The skills session of the Council of Australian Governments (COAG) Industry and Skills Council met in Sydney on 1 April 2016. The session was chaired by Senator the Hon Scott Ryan, Australian Government Minister for Vocational Education and Skills, and State and Territory jurisdictions were represented by Ministers, other than Western Australia and New Zealand.

The national VET system plays a vital role in underpinning productivity and driving new sources of growth across Australia. Around 3.9 million students engaged in VET training in 2014 of which about 1.4 million students received subsidised training.

Ministers discussed opportunities for further enhancements to the Australian VET system to maximise the benefits to students and employers, and provide greater confidence in the quality of training while avoiding unnecessary administrative costs.

The discussions covered four priority areas for ongoing improvement: industry responsiveness; funding; data; and quality.

Industry Responsiveness – ensuring VET supports innovation, jobs and growth

The new arrangements for industry leadership in the system are all in place with the Australian Industry and Skills Committee formed in May 2015, a stronger role for Industry Reference Committees, and establishment of Skills Service Organisations earlier this year.

The Council welcomed the recent decision of the Australian Industry and Skills Committee to strengthen the Training and Education training package, and in particular the Certificate IV Training and Assessment, which is the base qualification for all trainers and assessors in the VET system. These changes will contribute to strengthened quality throughout the VET system and provide greater confidence in outcomes from training.

Ministers have agreed to consider the Australian Industry and Skills Committee's recommendation that the new requirements be applied to the existing VET workforce. The Council has directed senior officials to develop an appropriate implementation strategy by the end of July 2016 to be considered by Ministers.

The Council also endorsed the other 26 training packages considered by the Committee since November 2015.

The Council agreed to commence complementary longer term work to ensure that training packages remain relevant in the future, and support skills development as technology and industry changes. Led by Victoria, through the training product reform group, this work will undertake high level research to better understand future needs and approaches to training and capability building.

Funding – governments supporting skills development

The Council noted the recent reforms to the VET FEE-HELP programme, which have been introduced to offer better protection to students and improve outcomes from public funding. Consultations will be held, including all jurisdictions, on the redesign of the VET FEE-HELP scheme, scheduled to be

introduced in 2017. This aims to ensure the redesigned scheme is sustainable, contributes to economic growth and promotes equitable access to, and delivery of, industry relevant training.

The Council agreed to immediately establish a senior officials working group to support students displaced as a result of closure of VET FEE-HELP approved providers to complete their studies

Following on from the CISC skills session in November 2015, Ministers discussed the prospect of further harmonisation of training arrangements. Ministers recommitted to share information on design and prioritisation of funding across different programmes. Analysis of this information will help ensure the effectiveness of governments' investment in VET and enable Ministers to consider alignment between different policy instruments, and ensure that every effort is made to eliminate unintended consequences.

The elements of the funding programmes designed to ensure quality provision of training and protection of students were also considered. Jurisdictions agreed to consider whether the rules for training providers accessing government subsidies and loans could be better aligned for national employers and providers. Victorian and NSW Ministers will consider mechanisms to ensure that other jurisdictions' RTOs can supply in their states where there is a clear industry need.

New arrangements have been put in place to share information between officials about issues arising from inappropriate behaviour under funding programmes, and this will assist in improving the design and operation of these programmes.

The Committee agreed to publicly release a report on the Review of the National Partnership Agreement on Skills Reform undertaken by ACIL Allen in late 2015. Overall the report found there was strong evidence of growth in training, with the agreed national targets for training outcomes exceeded, resulting in increased accessibility and choice. Transparency initiatives, in particular Total VET Activity and the Unique Student Identifier, have been successfully implemented but further work to improve transparency is required. The report cautioned that significant growth in training has been accompanied by quality issues. Further work to improve government-to-government information sharing, and the ability of public providers to operate in an environment of increased contestability is also needed. These issues are being taken into account in the ongoing work of the Council.

Quality – regulation supporting quality training across the VET sector

In addition to the broader implementation of the new standards for training providers, action is being taken to address cases of concern and breaches of the standards. This action is alongside the steps being taken in all jurisdictions to ensure the efficiency and effectiveness of their funding programmes.

These immediate steps are complemented by the broader review of assessment requirements that is underway, led by the Commonwealth. A paper was released and consultations have been undertaken. The Council will consider the recommendations from the review later in the year.

The Council also considered the role of brokers across the training system in discussions on harmonisation. Ministers committed to examine stronger controls on brokers to ensure they work in

the best interest of students and training outcomes. Council also agreed to engage with consumer affairs Ministers to examine this issue more broadly, in the context of the review of Australian Consumer Law.

Data – informing policy design and consumer choice

Work on improving the understanding of completions and outcomes from VET training is underway and will be considered by the Council later in 2016. The aim is to provide better information and data to VET consumers about student progression, measures of employment outcomes and student satisfaction, while minimising impact on training providers.

The Council agreed to a review of the National VET Provider Collection Data Requirements Policy, which governs the use and release of VET data, and some reporting exemptions. The review will also identify further opportunities to streamline reporting processes following the implementation of Total VET Activity and the commencement of the Unique Student Identifier scheme.

Next Meeting

Ministers agreed to hold a meeting in Darwin in November 2016, to coincide with the Australian Training Awards.

State and Territory ministers sought for the Commonwealth to consider an extension of the National Partnership Agreement. This item will be discussed at the next Council meeting.