

Submission to the *Inquiry into the operation, regulation and funding of private vocational education and training (VET) providers*

Thank you for the opportunity to provide a submission to the inquiry into the operation, regulation and funding of private vocational education and training (VET) providers.

IBSA provides the following comments as an Industry Skills Council (ISC) that develops a number of the training packages commonly found on private providers' scope. This includes the *Training and Education Training Package* and *Business Services Training Package* (in which the *Leadership and Management* suite of qualifications sit).

In providing these comments, IBSA notes that there are nearly 5,000 Registered Training Organisations (RTOs) in the Australian VET sector. This number comprises organisations of various size, training focus and governance structures. The term 'private provider' encompasses a range of organisations including 'for profit' companies, not-for-profit bodies, Enterprise-based RTOs and private higher education providers.

Given this diversity, IBSA highlights that it is difficult to make comments applicable to the administrative, training delivery and marketing practices of all private providers. Additionally, although IBSA is aware that this inquiry is focused solely on private providers, it is noted that the following comments may be more broadly relevant across the training sector and are not necessarily confined to private providers.

Quality of Education

Delivery Timeframes and Assessment

As the ISC responsible for the *Training and Education Training Package*, IBSA develops the mandatory qualification required for training and assessing in the Australian VET Sector - Certificate IV, Training and Assessment.

In 2014, IBSA commissioned a series of round-table discussions, focused on further strengthening efforts to assure the quality and adequacy of the Certificate IV, Training and Assessment.¹ As part of these discussions, the following issues were raised regarding the way in which this qualification is currently delivered by some providers:

- **Delivery timeframes:** the research found that this qualification was traditionally offered as a short-course and that it was rare for it to be delivered in more than 6 months. While acknowledging that this falls within the minimum volume of learning, as recommended by the AQF Guidelines, IBSA is concerned that short training timeframes mean that 'students are not getting enough experience applying skills in different contexts before they are assessed as competent'². This concern is particularly acute for this qualification, given it is the required standard for VET training and assessing.
- **Assessment:** The research highlighted an issue with assessment practices, indicating that some RTOs are perceived as passing students who are not yet competent. There was a suggestion that this is a particular problem when an RTO delivers training to its own staff.

¹ Ithaca Group, *Australia's Most Important Qualification – A roadmap for reform* (January 2014) <
<https://ibsa.org.au/sites/default/files/media/australia%27s%20most%20important%20alification%20.pdf>>

² Above n 1, 3.

In relation to other quality issues, IBSA is aware of some providers who map units across Training Packages so that they can offer multiple qualifications to students who complete only a few more units of competency. This occurs most commonly with the current Diploma of Management, which is a flexible qualification comprising eight elective units and no core units. While the system allows students to undertake multiple qualifications, they will all be devalued if the student does not receive the appropriate length or depth of training and learning that is required for each qualification at that level.

The matter of quality delivery can be addressed by the RTOs by following Training Package specifications and accompanying advice. A recent piece of work³, commissioned by the Industry Skills Councils, focusses particularly on the delivery of 'high risk' qualifications and the considerations which RTOs should take into account to ameliorate this risk.

NWDF - Case Study

Through close recent experience with a number of private RTOs, via the National Workforce Development Fund (NWDF) program, IBSA has observed their flexibility and proximity to industry. These attributes have resulted in high levels of training completion rates and employer satisfaction with training outcomes.

Availability of practical assistance to RTOs

In terms of the availability of practical assistance and guidance to RTOs to assist in the achievement of quality delivery outcomes, IBSA:

- has a number of free online Training Package resources as well as a Training Package Supplementary Information Portal;
- has a helpline for enquiries;
- holds workshops to discuss changes to Training Packages; and
- regularly attends, and presents at, RTO forums and events.

Regulatory Regime

In the past, there have been regulatory requirements related to Training Packages that have burdened RTOs without increasing the quality of delivery. Through the adoption of the new Standards for RTOs, a number of these requirements have been reduced or removed.

It is important that RTOs have clear channels of communication with the relevant authorities to ensure that any regulatory regime is appropriate and delivers its aims effectively and without additional red-tape.

Marketing and Promotional Techniques

In 2013, ASQA's report on *Marketing and advertising practices of Australia's registered training organisations*⁴ found that the 'marketing practices of up to half of registered training organisations are potentially misleading to consumers'.

³ The Allen Consulting Group, *VET quality project* (March 2013) <
<http://www.isc.org.au/resources/uploads/pdf/VETQualityReport-FINAL12Apr2013.pdf>>

⁴ Australian Government, *Marketing and advertising practices of Australia's registered training organisations* (20 September 2013) Australian Skills Quality Authority, iii <
http://www.asqa.gov.au/verve/_resources/Strategic_Reviews_2013_Marketing_and_Advertising_Report.pdf>

During the last year, IBSA has seen a number of inappropriate marketing and promotional techniques, as follows:

- advertisements on discount shopping websites offering 97% savings on course fees for Certificate IV, Training and Assessment;
- promotions for packaged qualifications, including an offer to complete three qualifications (Diploma of Management, Diploma of Business and Diploma of Business (Administration) by completing only 12 units (noting that each single qualification would require 8 units)); and
- promotional material offering course completion in very short 'intensive' timeframes.

Where relevant, IBSA has forwarded these instances of inappropriate advertising to ASQA and/or the relevant state or territory regulator for investigation.

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