

# Submission to the Inquiry into the National Vocational Education and Training Regulator Bills 2011 (2010)

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**Manufacturing Skills Australia**

February 2011



## **Inquiry into the National Vocational Education and Training Regulator Bills 2010 (2011)**

### **1. Executive summary**

Manufacturing Skills Australia (MSA) welcomes the invitation to provide a submission to the Inquiry into the National Vocational Education and Training Regulator Bills 2010 (2011).

In its response to the Inquiry, MSA has addressed a number of significant issues. These issues address the following needs:

- To define and measure ‘adequate training and assessment’;
- To strengthen the provisions for consultation during accreditation of courses;
- To define ‘quality’, and
- To clearly articulate the process under which sanctions, civil penalties and offences are imposed.

### **2. About Manufacturing Skills Australia**

Manufacturing Skills Australia (MSA) is the national Industry Skills Council recognised by the Australian Government to ensure that the skill needs of the manufacturing and automotive enterprises are being met. It is responsible for workforce development initiatives which include providing industry intelligence and advice to inform government policy; supporting the development, implementation and improvement of nationally recognised training and qualifications; and providing skills and training advice to individual enterprises to assist with training and development processes.

Our vision is to be the pre-eminent organisation in Australia fostering and advocating for the workforce skill development needs of a thriving industry. We provide bi-partisan leadership and value the empowered and informed input of industry stakeholders. We strive to provide high quality information and workforce development resources to support the participation of industry in developing an innovative, highly productive and globally competitive manufacturing industry.

MSA develops and maintains eleven national industry Training Packages. Some of the qualifications in our Training Packages are included in the list of top 20 VET qualification enrolments across Australia. All of our 216 qualifications as contained within our Training packages are used across the country, delivering skills for VET learners who are either potential industry employees or existing workers. These skills standards are determined by industry.

MSA is funded by the Department of Education, Employment and Workplace Relations (DEEWR) and works closely with Skills Australia, industry associations, unions, training providers, government agencies and employers to continually evolve and improve skills for manufacturing.

### **3. Ensuring adequacy of training and assessment**

One of the major areas of concern for MSA is in the area of ensuring the **adequacy** of training and assessment. The purpose of the proposed National Vocational Education and Training Regulator (NVR) is, through improvement of the consistency in vocational education and training (VET)

regulation, to build on the current quality of the VET sector and to support the labour market and national productivity agendas<sup>1</sup>. Given that industry has persistently (and continues to) voiced concern over the quality of training and assessment provided by Registered Training Organisations (RTOs), there is a strong need to address this issue.

There is however no definition of what constitutes 'adequate training and assessment' - or how adequacy of training and assessment will be measured and/or who will be responsible for the measurement of adequacy in this area.

The current audit system requires auditors to make judgements on the adequacy of training and assessment. But while these auditors have considerable skills in assessing compliance with standards, they have in many instances little or no knowledge of the training subject matter. Measurement of the adequacy of training and assessment in relation to subject matter should be undertaken by a subject matter expert supplied by an industry body such as the relevant Industry Skills Council (ISC), state industry training advisory body (ITAB) or national industry association.

#### **4. Strengthening the consultation process for the accreditation of VET courses**

The Australian Quality Training Framework (AQTF) is a key mechanism for the regulation of VET in Australia. However, despite acknowledgement of this in the Explanatory Memorandum (pg 3), there is no reference to the AQTF in the National Vocational Education and Training Regulator Bill 2010. The purpose of the AQTF is to set out the national standards for the assurance of nationally consistent, high-quality training and assessment services. The standards were strengthened in 2010 and include:

- AQTF Essential Conditions and Standards for Initial Registration
- AQTF Essential Conditions and Standards for Continuing Registration
- The Quality Indicators
- AQTF 2007 Standards for State and Territory Registering Bodies
- AQTF 2007 Excellence Criteria
- AQTF Standards for Accredited Courses
- AQTF Standards for State and Territory Course Accrediting Bodies<sup>2</sup>

In both the National Vocational Education and Training Bill and accompanying Explanatory Memorandum, the role of the AQTF is not made explicit. There is no reference to the AQTF in the proposed legislation, although many of the conditions for registration and accreditation do mirror the AQTF standards and conditions<sup>3</sup>.

MSA is concerned the role of ISCs is not clearly defined. In particular, there needs to be a mandatory requirement for course developers to consult with the appropriate ISC. This serves three main purposes:

1. Provides an effective and timely response to rapidly changing needs of industry<sup>4</sup>

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<sup>1</sup> The Parliament of the Commonwealth of Australia, National Vocational Education and Training Regulator Bill 2010, Explanatory Memorandum pg 2

<sup>2</sup> Commonwealth of Australia 2010 Essential Conditions and Standards for Initial Registration pg 1

<sup>3</sup> Training.com.au AQTF Publications <http://www.training.com.au/Pages/menuitem5cbe14d51b49dd34b225261017a62dbc.aspx> accessed February 22 2011

<sup>4</sup> Commonwealth of Australia 2008 Users' Guide to the Standards for Accredited Courses pg 2

2. Ensures that the intent of the Training Package is maintained.
3. Ensures greater efficiency and effectiveness by reducing the current duplication of Training package qualifications and units of competency by course developers and subsequently course accreditation bodies.

## **5. Sanctions and penalties**

MSA endorses the use of sanctions and penalties as set out in the proposed legislation, to support the assurance of quality and consistency in the application of national standards. There is however no definition for 'quality'. Given that the purpose of the proposed legislation is to 'build on the current quality... in the VET sector'<sup>5</sup> there is a need to clearly define what is meant by 'quality' and how this will be measured and by whom. There are two aspects of quality that need to be resolved – 'excellence' and 'fitness for purpose' - in formulating a definition.

MSA contends that the primary definition of quality should be 'fitness for purpose'. With this in mind, we believe that fitness for purpose can be determined through measurement of whether vocational standards are met. That is, whether the learner has achieved the level of performance as described in the various units of competency. The current audit arrangements do little towards ensuring this outcome and focus more on process compliance and not on outcomes. MSA believes that there needs to be a far stronger emphasis placed on this matter.

Furthermore it is not clear to a reader of the proposed legislation what the difference is between a civil penalty and an offence, nor the process by which each may be imposed. In Part 2, Division 3, Subdivision B of the proposed legislation, there is reference to administrative sanctions. The relationship of administrative sanctions to both civil penalties and offences is not clearly defined. There is also not a clearly defined pathway that explains the process by which the NVR would move from the imposition of sanctions, to the commencement of proceedings related to the actioning of civil penalties and/or offences.

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<sup>5</sup> Commonwealth of Australia 2010 National Vocational Education and Training Regulator Bill 2010 Explanatory Memorandum pg 1