



AUSTRALIAN INSTITUTE
OF PURCHASING AND
MATERIALS MANAGEMENT

**SENATE
SUBMISSION**

**Recruitment & Training
In The Australian Public Service**

**Submission to the Senate Finance and
Public Administration References Committee**

forwarded by the

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10 May 2002

Executive Summary

A series of reports presented to the Commonwealth Parliament have, in the past, recommended that those within the Australian Public Service (APS) responsible for purchasing and contract management undergo formal training. With the development of Training Packages and the implementation of the Australian Quality Training Framework (AQTF) it is now possible for the Commonwealth Government to arrange for such training. In this submission AIPMM makes the following observations and recommendations:

Training Resources

A number of Training Packages are available that provide the basis for training in purchasing (and contract management) for those within the APS. There is a need for the Commonwealth to ensure that sufficient funding is available for the ongoing development and maintenance of these resources.

Training Framework

The national training framework, as developed by ANTA, provides an excellent mechanism to enable students to progress from one level of training to a higher level.

Selection of Courses and Providers

All training provided to the APS should be based upon nationally endorsed Training Packages (where available) and delivered by TAFE colleges or private RTOs operating within the AQTF.

These issues are explored in some detail in this paper and a number of others are touched upon. Naturally, AIPMM is willing to provide further advice and guidance on points raised within this submission.

Troy R Williams
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10 May 2002

Training In The APS & Purchasing

AIPMM is the first to appreciate the fact that the inquiry's review into training and recruitment in the APS is far reaching and that the issues raised by AIPMM concerning purchasing and contract management will be only a small part of the Committee's investigations. However, purchasing and contract management within the APS has been a subject much reviewed by the Commonwealth Parliament which has made a number of observations and recommendations concerning training.

In 1990 a review commissioned by the (then) Department of Administrative Services' Purchasing Reform Group identified that training was not available in a number of specialist areas in purchasing, highlighting the fact that little of the training then available met the needs of Commonwealth Government purchasing staff.¹

This position was largely reinforced in 1994 when the House of Representatives' Standing Committee on Industry, Science and Technology identified ongoing deficiencies in training and recommended that training be mandatory for all Australian public service staff performing procurement functions.² A subsequent report from this committee concluded:

*Improved training and better career structures for purchasing staff can clearly offer organisations and improved purchasing performance.*³

Five years later, in 1999, little had changed with the Commonwealth Parliament's Joint Standing Committee of Public Accounts and Audit receiving evidence that highlighted the need for training of those responsible for purchasing in the Commonwealth Government.⁴ As late as October 2000, the same Parliamentary committee reiterated the need for training of those responsible for purchasing in the review of contract management in the Australian public service.⁵

This submission from AIPMM tenders advice to address the above concerns previously raised by the Commonwealth Parliament.

¹ *The Human Element in Procurement, A consultancy report on training needs and development*
Department of Administrative Services' Purchasing Reform Group, Canberra, 1990

² *Australian Government Purchasing Policies, Buying Our Future (First Report)*
House of Representatives Committee Standing Committee on Industry, Science and Technology,
Canberra, March 1994.

³ *Australian Government Purchasing Policies, Buying Our Future (Interim Second Report)*
Canberra, November 1995

⁴ *Report 369 - Australian Government Procurement*
Commonwealth Parliament's Joint Committee of Public Accounts and Audit, Canberra, June 1999

⁵ *Report 379 - Contract Management in the Australian Public Service*
Commonwealth Parliament's Joint Committee of Public Accounts and Audit, Canberra, October 2000

Accreditation and Articulation of Training

The Committee has sought views on issues affecting accreditation of training and articulation (the process of progressing from one qualification to another). This, in the view of AIPMM, is significant as it demonstrates that the Commonwealth Parliament and the APS are coming to terms with a complex set of issues that industry itself has yet to properly understand.

The changes to the training system over the past decade have ensured that a system is now in place that, in theory, enables a student to progress (within a structured framework) from secondary school training through to studies that support the award of a Doctorate. This is an advantageous feature of the Australian training system that is not prominent in the training systems of comparable nations. It is opportune that AIPMM record its appreciation of successive Government's efforts to implement and refine this feature of Australia's training system through an ongoing commitment to the Australian National Training Authority (ANTA).

It would be a fair assessment to say that, at this stage, the purchasing profession is poorly served by training courses at all levels, a situation AIPMM is working to address. This may be a factor contributing to the relatively small number of APS employees in possession of formal qualifications in purchasing. AIPMM therefore highlights the need for the Commonwealth to support the current work to develop training programs and to further adopt them as a capability benchmark for those involved in purchasing in the APS. This leads to **Recommendation 1** of this submission.

Accreditation of training courses

For those involved in the development and delivery of training in purchasing and supply, the term *accredited training* is taken to mean training of two types. The first is Vocational Education and Training (VET) sector training based upon nationally endorsed Training Packages (or endorsed Competency Standards) and delivered by a TAFE college or Registered Training Organisation (RTO). The second type comprises programs offered by the tertiary sector that lead to an award of a qualification such as a Diploma, Advanced Diploma, Bachelor degree or a post-graduate program.

At the moment there is not a broad range of qualifications in purchasing and supply for the private sector. However, AIPMM has been working with bodies such as the Business Services ITAB and the Transport and Distribution ITAB to address this issue. So far as the APS is concerned, the availability of the Public Services Training Package developed by Public Service and Education Training Australia (PSETA) provides an excellent basis for the provision of accredited training.

The Public Services Training Package is being reviewed as a part of a project commencing mid-May 2002 and AIPMM highlights the need for the Commonwealth to support this work in accordance with **Recommendation 1** of this submission.

The Australian Qualifications Framework

The development of the Australian Qualifications Framework (AQF) has been a significant factor facilitating the articulation of a student towards a higher level of study. AIPMM supports the maintenance of the AQF but takes the opportunity to highlight that the advancement from one level to another is not always seamless.

There are a number of programs in purchasing and supply available at different levels and, through the initiatives of AIPMM and other organisations, others are under development. Within the AQF, these can be best visualised as fitting into the following structure:

The Australian Qualifications Framework (AQF) & Purchasing Training			
Schools Sector	VET Sector	Higher-Ed Sector	Purchasing Program
		Doctoral Degree	Curtin University
		Masters Degree	Central Queensland University Curtin University
		Graduate Diploma	University of Technology
		Graduate Certificate	
		Bachelor Degree	Central Queensland University Curtin University
	Advanced Diploma	Advanced Diploma	Central Queensland University (Distance Education)
	Diploma	Diploma	Central Queensland University (Distance Education)
	Certificate IV		Business Services ITAB P S E T A
Senior Secondary Certificate of Education *	} Certificate III		Business Services ITAB P S E T A
	} Certificate II		Business Services ITAB P S E T A
	Certificate I		No programs / qualifications currently envisaged

* Programs for the secondary school system are being developed through the Enterprise Career and Education Foundation (ECEP) that will draw upon individual units of competency developed by the Business Services ITAB and the Transport and Distribution ITAB. These programs have been initiated by AIPMM.

The table (above) is only a representative sample of the limited number of programs that are available, for instance those offered by Southern Cross University and a number of individual programs available within the VET sector delivered by TAFE colleges and individual RTOs. The table does, however, provide an excellent overview of the programs that are available and the increasing ability for people to advance from one level of study to another.

Selecting Training Providers

The terms of reference for the Senate committee include the need to review *the processes used in the APS to evaluate training providers and training courses*⁶ which are issues easily addressed given the nature of Australia's training system. The benchmarks agreed to by the Commonwealth in concert with State and Territory Governments and managed though ANTA provide sufficient guidance to the APS in selecting quality courses and providers.

Course selection

The endorsement by ANTA of nationally endorsed Competency Standards and Training Packages effectively sets the benchmark for selection of appropriate training courses to be used by the APS. The courses drawn from Competency Standards and/or Training Packages are based upon agreed learning outcomes developed in a consultative process managed by ITABs. The overriding philosophy guiding their development is expressed by ANTA as:

*Endorsed Training Packages will form the basis of all nationally recognised vocational education and training provided throughout Australia, including for New Apprenticeships and the existing workforce. It is therefore vital to ensure that the Training Package is accepted and valued by industry stakeholders. This will require extensive research and scoping prior to developing the training package.*⁷

Reviewing AIPMM's experience in the development of Training Packages, and Competency Standards beforehand, we advise the Committee that in our considered view Training Packages do represent a useful tool to generate learning outcomes required by industry, and by default the public sector. By way of example, both the Business Services ITAB and the Transport and Distribution ITAB have proved to be particularly responsive to the needs of the purchasing profession. Similarly, in developing the Public Services Training Package, Public Service and Education and Training Australia has been able to meet the need of Government for suitable training resources. The work of ANTA and the ITABs in working towards meeting the needs of stakeholders is commended and although, from time to time, AIPMM may have concerns with individual projects, on balance believe the system to be working in the best interests of students in addition to the private sector and the APS. In **Recommendation 2** concerning development funding, AIPMM suggest that the Commonwealth ensures that sufficient funding is available to enable a proper review of the Public Services Training Package.

It is worth highlighting that the resources for training in the private sector, particularly in purchasing, are only partially in place. At the request of AIPMM, both BSITAB and TDT Australia have initiated projects to further expand relevant Training Packages in this area. Both ITABs have proved responsive to this request.

With respect to those responsible for procurement in the public sector, there was a past a mandatory requirement that staff meet the learning outcomes of the Commonwealth

⁶ *Senate Hansard*, p.1200
Commonwealth of Australia Fortieth Parliament, 21 March 2002
Senate Committee Terms of Reference, Article 2b(v)

⁷ *Process for Training Package Development*
Australian National Training Authority, Melbourne, August 1999

Procurement Competency Standards. However, this requirement was downgraded from 'mandatory' to 'best practice' in 1998⁸. This policy shift to alter the training of those responsible for procurement within the APS was thought undesirable by the Commonwealth Parliament's Joint Committee of Public Accounts and Audit review into Australian Government Procurement. The committee observed:

*3.61 In concluding this section, the Committee places a high priority on training needs and competency standards of government purchasing officers. The Committee, therefore, rejects the downgrading of the competency requirements from 'mandatory' to 'best practice' in Commonwealth Procurement Circular 98/3. This decision should be reversed immediately. A systems approach to training and competency standards should be developed for the Commonwealth using the Victorian Government Purchasing Board and Department of Defence initiatives as useful models for comparison.*⁹

AIPMM supports this comment made by the Joint Committee of Public Accounts and Audit as it supports a recommendation of that committee in their report, this being:

Recommendation 4

*The decision made in Commonwealth Procurement Circular 98/3 to change from mandatory to best practice the requirement that all persons undertaking procurement functions meet appropriate Commonwealth Procurement Competency Standards should be reversed immediately.*¹⁰

Unfortunately, the Commonwealth Government did not act upon this recommendation of the Committee, which itself lamented this inaction in a subsequent review (that reported in 2000) into contract management in the APS by stating:

*4.36 As part of Report 369, Australian Government Procurement, the training and education of purchasing officers was examined. The Committee gave high priority to training and rejected, through a recommendation, the Government's decision to downgrade from mandatory to best practice the need for all persons undertaking procurement functions to meet appropriate Commonwealth Government Competency Standards. Regrettably, despite a weight of support for mandatory training, the Government rejected the Committee's recommendation.*¹¹

As evidenced by previous Commonwealth Parliament inquiries into purchasing and contract management in the APS, there is support for all training to be based upon Training Packages and Competency Standards. With respect to the training of those in purchasing and contract management AIPMM has, in **Recommendation 5** of this submission, argued for the Commonwealth Government to implement the previous recommendation of the Joint Committee of Public Accounts and Audit concerning training in the APS as it relates to purchasing.

.../cont.

⁸ *CPC 98/3 - Changes to the Commonwealth Procurement Framework*
Commonwealth Procurement Circular, 7 August 1998

⁹ *Report 369 – Australian Government Procurement* p.49
Joint Committee of Public Accounts and Audit, Canberra, June 1999.

¹⁰ *Ibid.*

¹¹ *Report 379 – Contract Management in the Australian Public Service* p.99
Joint Committee of Public Accounts and Audit, Canberra, October 2000.

Selection of training providers

If the Commonwealth accepts that training is to be based upon nationally endorsed Training Packages, the selection of training providers is a straight-forward issue given the outcomes of the AQTF. The “accreditation” of private training companies, formally known as Registered Training Organisations (RTOs), provides for a greater selection of training providers that have the capacity of offering a common qualification to an agreed minimum standard. The quality of training of RTOs is subject to review, a process put in place by the AQTF which is described by ANTA as:

The Australian Quality Training Framework (AQTF) is the nationally agreed quality framework for the Australian vocational education and training (VET) system. The AQTF includes two sets of standards:

- *Standards for Registered Training Organisations; and*
- *Standards for State and Territory Registering / Course Accrediting Bodies.*

In order to be registered and maintain registration, Registered Training Organisations (RTOs) are audited by State and Territory registering bodies for compliance with the Standards for Registered Training Organisations. In conducting these audits, the States and Territories comply with the Standards for State and Territory Registering / Course accrediting bodies.¹²

The introduction of the AQTF has worked to ensure that VET sector training courses based upon Training Packages or Competency Standards delivered by either private RTOs or TAFE colleges are generally of the same standard in terms of learning outcomes. On this basis, in **Recommendation 3** we advise the Commonwealth that a key selection criteria for choosing training providers be that the organisation is a RTO.

TAFE colleges and private RTOs

When operating within the AQTF the standard of training provided by TAFE colleges and private RTOs should be consistent given that they are developing the programs from a common set of Competency Standards and providing assessment within an agreed framework. There should therefore be little concern about the quality of training.

To ensure the sustainability of private RTOs, AIPMM recommends that in selecting training providers the Commonwealth seeks to ensure that both TAFE colleges and private RTOs are operating within a similar commercial environment. In this AIPMM means that when tendering for training services to be supplied to the APS, TAFE colleges allow for all overheads incurred by private RTOs thus ensuring that private RTOs are not commercially disadvantaged.

¹² *Evidence Guide for Registered Training Organisations and Auditors*
Australian National Training Authority, Melbourne, 2001

Regional Training

The availability of training in purchasing in remote Australia is not as it should be and this affects the training available to the APS. However, AIPMM has been working with Central Queensland University (CQU) to address this through the availability of programs offered via distance education.

Distance education is simply the term used to deliver training and conduct assessments off-campus. The delivery methodology is flexible and will vary with individual courses but generally involves the transmission of course material between the training body (RTO, TAFE college or tertiary institution) via mail and/or the internet. It is not uncommon for some programs to require attendance at workshops of one to five days in duration to reinforce the knowledge acquired by students.

For those in the APS, there are some programs available in purchasing and supply and an outline of these follows.

VET sector training

For some ten years CQU has offered the *Diploma in Purchasing and Materials Management* and the more complex *Advanced Diploma in Purchasing and Materials Management* via distance education. However, the uptake amongst those from the APS located in remote and regional Australia is negligible.

With the likely expansion of the Business Service and Transport and Distribution Training Packages to include purchasing issues within their scope, the availability of VET sector training in purchasing to those in remote and regional Australia will increase. The APS will benefit because one or more private RTOs or TAFE colleges may elect to deliver the programs via distance education. The support of the Commonwealth Government for the creation of these programs, as suggested in **Recommendation 1**, is therefore critical. Naturally the Public Services Training Package is also available, but AIPMM suggests that there may not be sufficient student numbers to warrant the investment in distance education and therefore alignment with the Training Package to be used by the private sector would be more appropriate.

Undergraduate training

There are a small number of undergraduate programs in purchasing and supply. The number of students undertaking these via distance education is not readily ascertainable but initial estimates to AIPMM would indicate that it is less than one hundred. However, if sufficient interest was shown by the APS, AIPMM would work with various institutions to ensure their availability and to ensure that proper support services were available.

Post-graduate programs

There are only a small number of post-graduate programs available in purchasing and supply and only one offered via distance education, this by the Royal Melbourne Institute of Technology (RMIT). However, in April 2002 it was announced that RMIT was to terminate its post-graduate purchasing programs. This would have resulted in a significant skills gap depriving both the private sector and the APS of post-graduate training in purchasing and supply by distance education.

To ensure the continuation of post-graduate programs in purchasing, AIPMM approached CQU to ascertain their interest in expanding their current range of distance education purchasing training programs to include those at the post-graduate level. CQU have indicated a willingness to study the viability of the proposal. After a preliminary review, AIPMM and CQU agreed that other institutions may have a role to play in the development and implementation of post-graduate programs for purchasing people and so RMIT and Curtin University in Western Australia have been invited to participate in negotiations.

The involvement of the APS in the development and subsequent maintenance of the proposed CQU post-graduate programs in purchasing would be a contributing factor in ensuring that options were available to the APS for training at this level accessible to APS staff in remote and regional Australia. AIPMM has, in **Recommendation 6**, set forth a proposal for a new qualification, this being a *Graduate Certificate in Public Sector Purchasing and Procurement*, to be developed in concert with the proposal for other post-graduate programs in purchasing and supply. AIPMM would welcome an approach from the APS to participate in discussions to develop programs at this level.

Training In The State Government Sector

Both the Queensland and Victorian Governments have implemented programs covering training of those within the public sector responsible for purchasing. Although the approach varies and there are merits and flaws in each program, they may warrant further investigation if the Commonwealth was to seriously consider mandating training in purchasing and supply this leading to **Recommendation 4**.

Queensland Purchasing Certification

The Queensland Government, in conjunction with Central Queensland University and Griffith University, initiated an eight-level certification program for purchasing professionals within the Queensland public sector. The program is designed to provide purchasing professionals with the opportunity to acquire higher standards of purchasing capacity and knowledge. The levels include:

- | | |
|---------|---|
| Level 1 | Completion of a set professional development workshop covering purchasing awareness. |
| Level 2 | Completion of a set professional development workshop covering basic purchasing capabilities |
| Level 3 | Completion of set professional development workshops covering intermediate procurement planning, communication and negotiation in purchasing in addition to intermediate procurement contract management. |
| Level 4 | Completion of set professional development workshops covering advanced procurement planning, advanced procurement negotiations and advanced contract management. |
| Level 5 | Completion of a Diploma level qualification that covers a range of defined learning outcomes |
| Level 6 | Completion of a Degree level qualification that covers a range of defined learning outcomes |
| Level 7 | Completion of a Graduate Diploma level qualification that covers a range of defined learning outcomes |
| Level 8 | Completion of a Masters Degree level qualification that covers a range of defined learning outcomes |

The first four levels of the program are, in many respects, introductory level syllabus offering the opportunity to acquire purchasing skills or reinforce existing knowledge. The requirements for levels five and six of the program support tertiary level studies with levels seven and eight supporting post-graduate studies.

Importantly, this program is available via distance education and also supports RCC (RPL) principles. However, the first four levels of the program are based upon programs that, to AIPMM's knowledge, are not based upon nationally endorsed Competency Standards and thus the program could be improved.

Victorian Government Training – PAC CER

The Victorian Government Purchasing Board (VGPB) establishes the policies for the purchase of goods and services (excluding contracting) for the Victorian public sector. The policies are mandatory for the eight departments plus a range of statutory authorities and agencies.

The VGPB and the Office of Public Sector Employment set up the Procurement and Contracting Centre for Education and Research (PACCER) in 1997 as a brokerage service specialising in procurement and contract management training, predominately in the public sector. Its services include:

*It provides training which is practical (deals with hands on, critical issues and incorporates leading edge information), accessible (short format workshops conducted regularly at convenient locations), and responsive (in-house training tailored to client's specific needs; use of focus groups and client feedback in designing workshops). PACCER courses are also designed to maximise immediate skills transfer to the workplace and apply Adult Learning Principles. PACCER skills training courses (those which are not general information sessions) are mapped against the Public Sector Procurement and Contracting competency standards (PSETA National Training Package) and allow participants the options to be assessed and receive formal recognition against the national standards.*¹³

An attractive feature of PACCER's services is that most of its training is based upon nationally endorsed Competency Standards. This has, in part, been part of the reason that PACCER has been able to establish cooperative arrangements with the Australian Capital Territory, Northern Territory and Western Australian Governments in which the latter use PACCER course material under licence. This arrangement also facilitates the sharing of information across state borders.

¹³ *About PACCER*

Website reference: www.paccer.com.au/dhtml/misc/about.htm (accessed 10 May 2002)

Career Development & Training

There is a strong link between career development and training, a premise that holds true for the APS as well as it does for the private sector. It is a fair assessment that previous inquiries of the Commonwealth Parliament have identified that training for purchasing and contract officers to be deficient. This will naturally impact upon the career development of those within the APS. Indeed, the Joint Committee of Public Accounts and Audit noted this fact when reviewing Australian Government procurement. It noted:

3.63 If the purchasing culture is going to improve then the first place to start is the training and education of purchasing officers. In addition, the Committee received reports about the turnover rates of purchasing officers and insufficient career opportunities. CEOs should focus on these matters as part of their human resource management obligations.¹⁴

The high staff turnover rate for purchasing officers within the APS can, in all probability, be largely attributable to the lack of training and professional support they receive. It is only natural for a person to seek an alternative position more suited to their skills and experience.

AIPMM submits that greater training provided to APS staff in the area of purchasing and supply would provide greater career development opportunities thus resulting in stability and staff retention for purchasing and contracting workgroups within Departments and related authorities.

The proposal, as outlined in **Recommendation 6** of this submission for a new qualification, this being a *Graduate Certificate in Public Sector Purchasing and Procurement*, to be offered via distance education for medium and senior level purchasing officers and managers within the APS would be an important step to reinforce the career development of APS employees. AIPMM is working with CQU towards a post-graduate program in purchasing to be offered via distance education and invites the APS to become involved in its development.

¹⁴ *Report 369 – Australian Government Procurement* p.49
Joint Committee of Public Accounts and Audit, Canberra, June 1999.

Improvements to APS Training

The national training system provides sufficient scope for the Commonwealth to make meaningful improvements to training for the APS. Importantly, as most of the tools are in place to improvements can be implemented with minimal costs. The key issues so far as training in purchasing are concerned have been previously identified in this submission and can be summarised as follows.

VET sector training

As stated previously in this submission, an improvement to the quality of training offered to APS employees is a readily obtainable objective insofar as purchasing and contracting is concerned. With respect to VET sector training, this simply involves the Commonwealth:

- Using nationally endorsed Training Packages / Competency Standards as the basis for training programs; and
- That training provided to the APS is delivered by RTOs working within the requirements of the AQTF.

There are several beneficial outcomes to APS employees of this approach that also have a collective benefit on the APS as a whole. These benefits include:

- The ability to quickly identify what skills an employee should have acquired through the successful completion of a training program;
- That APS employees should be able to progress from one qualification to another of a higher level through the articulation arrangements that presently exist, or could be quickly negotiated;
- The Commonwealth would not need to put in place processes to verify all aspects of a training provider's operations, as the requirements of the AQTF include audit requirements managed by State Government training authorities.

Importantly, the use by the APS of training courses delivered by RTOs in accordance with the AQTF would be a demonstration that the Commonwealth supports the training system that it has established in collaboration with the State Governments.

Tertiary programs

There are a sufficient number of programs available at post-graduate level to provide a general background to fundamental purchasing practices. Indeed, most general business degrees would provide such knowledge and for those that requiring specialist support, further post-graduate programs would be relevant.

The current work of AIPMM to develop post-graduate programs in purchasing via distance education presents an excellent opportunity for the Commonwealth to develop a discrete stream to meet the training needs of the APS. Importantly, given that the programs are to be offered via distance education ensures that they are accessible to APS employees in remote and regional Australia. AIPMM therefore commends to the Committee **Recommendation 6** relating to the creation of post-graduate programs in purchasing.

Recruitment

In this submission AIPMM will not make a detailed comment on recruitment as there are other individuals and organisations better positioned than AIPMM to do so. However, AIPMM will refer the committee to two issues that may affect recruitment for the APS.

Secondary school VET programs

The Enterprise Career and Education Foundation (ECEF) has, with the support of AIPMM and other key stakeholders, commenced a project designed to introduce training in purchasing and logistics into the secondary school curriculum. The training is to be based upon individual Units of Competency drawn from Nationally Endorsed Training Packages.

Approximately \$290,000 has been allocated for this project by ECEF to progress the proposal. Arrangement for management of the project will be complete by mid-2002 and a steering committee formed to provide guidance to the project.

An outcome will be the provision of training in purchasing in secondary schools which, if wisely utilised by the APS, may be an excellent vehicle for recruitment of school-leavers into low-level administrative roles associated with purchasing.

Entering the APS from the private sector

Anecdotal advice from the AIPMM membership indicates that it is difficult to enter the purchasing profession in the APS at medium and medium-high levels from the private sector and, conversely, it is relatively easier for APS staff to find employment in the private sector. In its most simple sense, it is easier to leave the APS than it is to enter.

Although it must be stated that AIPMM has not studied this issue in any detail, there are some contributing factors that are self evident.

The first would be an apparent disinclination of selection boards to hire staff from outside the APS pool. Although this is understandable, it may lead to a situation where the candidate with the most experience as a purchasing professional may not be appointed because a person with lesser skills, but nonetheless still competent, is selected as they are currently employed by the APS.

The second is that at the present, there is no means to compare the various “in-house” training programs used by the APS when these programs result in learning outcomes that do not equate with the AQF.

AIPMM believes that should the Commonwealth fully adopt the national training system, thereby utilising VET sector and tertiary sector courses in purchasing and supply, two important outcomes are achieved. The first is that it will become all the more easier to equate training within the APS to that available within the private sector. The second is that it may facilitate the transfer of employees between the public and private sectors as there is a common skills base for both workforces.

Recommendations

The following recommendations are made by the Australian Institute of Purchasing and Materials Management (AIPMM) as referenced in this submission:

- Recommendation 1:** That the Commonwealth, through the Australian National Training Authority, provide funding for the development and maintenance of Competency Standards in Purchasing and Supply developed by the relevant Industry Training Advisory Boards (ITABs).
- Recommendation 2:** That the Commonwealth, through the Australian National Training Authority, ensure that sufficient funding is available to facilitate the timely review of the Public Services Training Package.
- Recommendation 3:** That in selecting providers to deliver training against nationally endorsed Training Packages or Competency Standards, the Commonwealth only uses RTOs working within the AQTF
- Recommendation 4:** The Commonwealth Government review the Queensland Government certification program and the PACCER scheme sponsored by the Victorian Government as models for the provision of training in purchasing for APS staff.
- Recommendation 5:** That the Commonwealth Government accept the recommendation of the Joint Committee of Public Accounts and Audit concerning training of those in the APS as outlined in Report 369, this being *Recommendation 4: The decision made in Commonwealth Procurement Circular 98/3 to change from mandatory to best practice the requirement that all persons undertaking procurement functions meet appropriate Commonwealth Procurement Competency Standards should be reversed immediately.*
- Recommendation 6:** That the Commonwealth work with AIPMM and CQU to develop post-graduate programs in purchasing, offered via distance education, with the objective of creating a new qualification, this being a *Graduate Certificate in Public Sector Purchasing and Procurement.*

Appendix A – About AIPMM

The Australian Institute of Purchasing and Materials Management (AIPMM) exists for people and organisations that have the determination to improve their professional skills and performance. It is the peak professional organisation fulfilling the needs of purchasing and materials management in Australia.

AIPMM is committed to the advancement of the professional interests of its membership and improving the quality of purchasing and materials management across industry and government.

Placing a high priority on its role in the field of education and training, AIPMM is accordingly actively involved with training providers across Australia to ensure that members have access to the best possible opportunities to gain recognised qualifications.

AIPMM publishes a bi-monthly magazine, *Australian Purchasing and Supply*, which is sent to all members and through forums and special interest groups AIPMM encourages the exchange of ideas and individual knowledge.

AIPMM has local committees across Australia who organise regional activities for members and individuals working in the purchasing and materials management profession.

Recent involvement with the Commonwealth Government has focussed upon the establishment of the proposed Logistics Council of Australia, an outcome of the work undertaken by the Steering Committee of the Freight Transport Logistics Industry Action Agenda.

Appendix B - Acronyms

AIPMM:	Australian Institute of Purchasing and Materials Management
ANTA:	Australian National Training Authority
APS:	Australian Public Service
AQF:	Australian Qualifications Framework
AQTF:	Australian Quality Training Framework
BSITAB:	Business Services Industry Training Advisory Body
CQU:	Central Queensland University
ECEF:	Enterprise Career and Education Foundation
ITAB:	Industry Training Advisory Body (or Board)
PACCER:	Procurement and Contracting Centre for Education and Research
PSETA:	Public Service and Education Training Australia
RCC:	Recognition of Current Competency
RPL:	Recognition of Prior Learning
RTO:	Registered Training Organisation
RMIT:	Royal Melbourne Institute of Technology
TAFE:	Technical And Further Education
TDT Australia:	Transport and Distribution Industry Training Advisory Body
VET:	Vocational Education and Training
VGPB:	Victorian Government Purchasing Board

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