

Introduction

- 1. The Chamber of Commerce and Industry Queensland (CCIQ) welcomes the opportunity to provide a submission to the Department of Education and Training on the *Queensland VET Quality Framework* discussion paper.
- 2. Queensland needs a robust Vocational Education and Training (VET) sector capable of delivering quality outcomes that meet the skills needs of industry that boosts workforce participation. It is widely recognised that VET training plays a critical role in lowering unemployment particularly among young people and in Queensland's regional areas.
- 3. The responsibility for delivering a successful VET system lies with government, industry and the RTOs. It is only collectively that Australia can achieve a VET system that is responsive to industry's needs in an increasingly global labour market with increased labour mobility.
- 4. While a lot of attention has been justifiably placed on the VET FEE-HELP scheme, the most critical component of the VET system is in the quality of the program design, training providers and outcomes.
- 5. CCIQ, alongside our national body the Australian Chamber, have been vocal about achieving a robust VET sector capable of delivering quality outcomes that meet the skills needs of industry, and boost workforce participation and social engagement.
- 6. Furthermore, input into this matter includes the work undertaken by CCIQ's Workforce, Skills & Productivity Committee, a group of industry's most influential and passionate players in the space. The Committee has met quarterly since 2014 to dedicate their time to tackle the major challenges in delivering effective workforce skills for the benefit of small and medium sized businesses. The submission herein provides a summary of the Australian Chamber, CCIQ and the Committee's key recommendations for VET Reform.

Policy context across the system

- 7. It is important that policy relating to education and training addresses the system holistically, rather than in silos. The layers of the system are merging more schools have preschools, more schools have VET, upper levels of VET are similar to lower levels of higher education, employment outcomes require a better approach to training and apprenticeships, to name but a few areas of overlap.
- 8. Behaviour within each sector is influenced by funding changes and differences, and the more holistically the overall system can be driven and funded, the less likely there will be difficulties.
- There is a need to more clearly identify the respective roles and responsibilities of federal and state governments, and a need for an integrated plan for facilitating stronger industry engagement across the whole employment, education and training system.
- 10. A stronger vision and broader approach is also needed to promote educational exports, not just by concentrating on international students studying at university, but also the opportunities in the school and VET sectors, as well as the considerable

potential for educational activities in other countries including those linked to aid funding. Needed is also an approach that maximises the outcomes through working with industry sectors to address their specific needs, whether that be apprenticeships, training or employment services.

Five elements of the VET Quality Framework

Program design

Roles and responsibilities:

- 11. The sharing of arrangements between federal, state and territory governments has led to blurred accountabilities, inconsistencies, inefficiencies and duplication. Different approaches to the level and availability of funding and definition of an apprenticeship or traineeship have turned the supposedly national VET system into eight very different structures with overlapping and competing priorities and approaches.
- 12. This has made VET difficult for employers and individuals to navigate, especially where cross-jurisdictional training is required. National employers, registered training organisations or individuals moving between jurisdictions must decipher a system that is disparate and complex in its funding and delivery.
- 13. The Queensland and Australian Chamber support transferring oversight from the states to the Commonwealth in order to achieve a truly national VET system, and to avoid duplication and cross-jurisdictional barriers that negatively impact on employers, students and providers.
- 14. Ideally, the Federal Government would also oversee policy direction, funding, industry-specific programs, training subsidies and employer-centric programs, while the State and territory government input would help determine skills demand and local skills requirements.

Eligibility criteria:

15. Industry recommends the eligibility criteria for students be expanded to include students who have obtained a degree in another country. At present, these students are not eligible to undertake a Certificate III Guarantee or Higher Level Skills program. While the Certificate III can be accessed through Skilling Queensland for Work funding, the higher level skills remains inaccessible.

Supplier entry requirements

Contracts:

16. It is understood that there will now be no automatic rollover of pre-qualified supplier contracts in order to seek additional information each year as a quality measure.

While this may be effective in identifying and reducing the number of poor quality

- RTOs, it may become a significant burden to those who have historically, and continue to, provide high standard education and training.
- 17. It is suggested that after a number of years under these changes, with consideration of past performance, pre-qualified suppliers should have their contracts rolled over for a set period of time, i.e. for 3 years. "Accrediting" these RTOs will also allow the government and consumers to recognise the top training providers, therefore acting as an incentive and a reward for the RTOs simultaneously.

Transparency

- 18. In relation to RTOs needing to obtain adequate knowledge of the VET investment programs, industry has requested version control (more than a website update date) on policy documents and guidelines to ensure they can identify the most up to date information, particularly for important documents such as the PQS Compliance Audit.
- 19. Announcements need to be made when updates occur, alongside appropriate version control. A succinct summary of all the changes from the previous version would demonstrate transparency and assist industry in remaining compliant.

Information and support

20. Industry has requested Government's Key Account/Contract Managers take a greater consultative and supportive role, rather than taking on an "auditor" approach. RTOs would benefit from clear policy and process advice, which should be made available in writing if requested. This would be further aided by an effort to reduce the very high staff turnover in this position.

Market performance and oversight

21. There needs to be maintained focus on quality across the education and training system, through the professional development of teacher/trainer/academics, strong institutions and effective and sufficiently resourced national regulators.

Compliance

- 22. Recognising that audits are essential and allow for RTOs to review and update processes, there have been numerous occasions where providers have been unjustly penalised.
- 23. A case in point is where an administration error in the spelling of a student's name lead the provider to believe they were eligible for DETconnect. Following the completion of training, the provider was alerted of the error and was required to refund 100% of the claims, despite acting in good faith.
- 24. A recent case involved the need to satisfy the eligibility criteria of being a Queensland resident by providing a copy of the back and front of the student's driver's licence. An administrative error where the back of the driver's licence was missing, had required the provider to refund 100% of the claim.

25. Such cases which do not involve dishonest intent need to be distinguished from those that are done with intent. While RTOs recognise that errors on their behalf will lead to consequences which they must bear, penalties need to reflect the severity of the error or misconduct.

Further enquiries

26. We thank the Department for the opportunity to provide comment and welcome any feedback. Please contact Catherine Pham, Policy Advisor, at cpham@cciq.com.au for matters relating to this submission.