11 August 2010

Committee Secretary
Senate Education, Employment and Workplace Relations Committee
PO Box 6100
Parliament House
Canberra ACT 2600
Via email: ewer.sen@aph.gov.au

Dear Committee Secretary

Inquiry into Industry Skills Council

The Australian Council for Private Education and Training (ACPET) welcomes the opportunity to provide advice to Senate Inquiry into Industry Skills Councils (ISC).

ACPET is the peak, national industry association for independent providers of post-compulsory education and training. ACPET members represent a diverse range of private education providers from schools to higher education institutes, delivering a full range of education, training and English language courses to both domestic and international students. Of ACPET’s members almost 850 provide vocational education and training. While there are approximately 5,000 training providers (public, private, enterprise, and others in the VET sector) a recent national survey of private training providers shows that private providers deliver 74% of all VET in Australia.

Private training institutions are the ‘engine room’ of the Australian training sector and deliver over 4,000 accredited and non-accredited courses to 1.4 million equivalent full time (EFT) VET students annually (By contrast, data collected by the National Centre for Vocational Education Research shows that TAFE Institutes deliver to approximately 511,000 thousands EFT students each year). The private sector includes 95,800 full-time equivalent staff: trainers and assessors, administrators, and others directly involved in supporting VET delivery.

The formal roles of Industry Skills Councils involve:

- providing integrated industry intelligence and advice to Skills Australia, government and enterprises on workforce development and skills needs;
- actively supporting the development, implementation and continuous improvement of high quality training and workforce development products and services including training packages;
- providing independent skills and training advice to enterprises, including matching identified training needs with appropriate training solutions; working with enterprises, employment service providers, Registered Training Organisations and government to allocate training places under the Productivity Places Program; and
- engaging with State and Territory Governments, State and Territory industry advisory bodies and peak representative bodies in their area of industry coverage.

1 WHK Horwath Education Industry Study, 2010
2 NCVER, Data extract from Australian vocational education and training statistics: Students and courses 2009

www.acpet.edu.au
ACPET believes that in broad terms that ISCs perform their functions well and that the 11 Council’s provide an adequate coverage to carry out their prescribed roles. ACPET does however believe that there is an opportunity for increased consultation with the private education and training industry to ensure that training package development fully recognises the knowledge, skills and experience that many training providers could provide to ISCs. ACPET members have reported that at times innovation and industry responsiveness are compromised by training package development processes and timelines arising from the work of ISCs. Private providers are especially skilful at the delivery of skills training to meet the emerging needs of industry but outdated training packages can undermine the capacity to respond effectively to industry needs.

The genesis of many private providers is from industry professionals who upon recognising a deficiency in the skills within the workforce, including adaptability to emerging new technologies and creative thought, established a Registered Training Organisation (RTO) to address these identified problems. Often these providers who are focussed on innovation become disgruntled when ISC policy direction erects barriers that block their attempts to deliver training that will deliver innovative and skilled graduates. Accordingly ACPET asserts that as ISC update training packages they must embrace the advice of private training providers that have identified future needs through their experience, skills and links with industry.

The barriers that prevent the delivery of skills that embrace innovative practices indicate that there is a conflict between the role of ISCs and the objective of Skills Australia. Skills Australia’s role is provide advice to the Minister for Education, Employment and Workplace Relations on Australia’s current, emerging and future workforce skills needs and workforce development needs. Accordingly ACPET asserts that ISCs should actively embrace innovation and adapt a ‘forward vision’ to the provision of training and skills delivery.

ACPET encourages a high level of independence on ISC Boards to ensure that all advice that is received can be reviewed without sectoral interests influencing decisions that will affect entire industries. ACPET asserts that strong corporate governance led by a Board of experts rather than representatives of sector interests will lead to improved industry engagement and better outcomes. ACPET believes that an opportunity exists for greater cooperation between ourselves and ISCs in the delivery of professional development. ACPET has been a key stakeholder in the areas of Skills for Sustainability and then National Green Skills Agreement and we could be an effective partner in reaching a wide range of trainers and assessors and other RTO staff who will be at the ‘coal face’ of the above mentioned initiatives. ACPET has track record of undertaking national professional development programs. One such recent initiative revolved around the Modern Award, which has required the ongoing development of a series communiqués, fact sheets and national series of professional development sessions. A similar program will need to be rolled out to address promote green skills.

ACPET congratulates the Senate Education, Employment and Workplace Relations Committee for undertaking this review and looks forward to reviewing the Committee’s findings.

Please do not hesitate to contact me should you wish to discuss any matter raised in this letter.

Yours sincerely

Andrew Smith
Chief Executive Officer