Mr Philip Bullock
Chair
Skills Australia
GPO Box 9880
Canberra ACT 2601

3rd October 2008

Re: Future Governance of the National Vocational Education and Training System

Dear Mr Bullock,

The Australian Council for Private Education and Training (ACPET) welcomes the opportunity to respond to Skills Australia’s Discussion Paper on the Future Governance of the National Vocational Education and Training (VET) System. As the national industry association for independent providers of post-compulsory education and training, ACPET will provide a more in-depth response to questions listed in the discussion paper at the future consultation discussions facilitated by Board members of Skills Australia.

ACPET fully supports the view that increased investment in skills, boosts workforce participation and productivity and that this investment is in line with industry needs. ACPET’s mission is to enhance quality and choice in education and training to help meet Australia’s skills needs by supporting our member organisations and working cooperatively with Government, industry and the community.

ACPET endorses the need to reform the governance of the VET sector so that providers can operate effectively without being restricted by complex regulation. ACPET’s supports a governance model that allows for streamlined and transparent decision-making processes and where users and suppliers (public and private) of training have a strong representation at the highest levels.

I look forward to further consultation with Skills Australia at the future consultation sessions.

Sincerely

Mr Andrew Smith
National Executive Officer
National Training System Governance Framework

ACPET supports a National Training System (NTS) driven by industry needs however, we urge that providers and learners also have an effective voice in Government policy making and the delivery of vocational education and training. This should occur by representation at all levels including Skills Australia and Industry Skills Councils.

ACPET would like to make a significant contribution to the work of Skills Australia. The private training sector has an essential role to play in meeting the Government’s targets and should be involved at all stages from policy development through to delivery of the program and outcome evaluation. ACPET seeks a further appointment to the Board of Skills Australia representing the private training sector.

If the Government is to achieve its training objectives, it is essential that private providers have input to Skills Australia. The private education sector delivers the greatest number of post compulsory education courses in Australia across all regions. It is the provider of choice to over 2 million Australians and 70% of international students. It also provides over 15,000 jobs in teaching and administrative positions. Its voice needs to be heard.

It is important that in streamlining regulation and decision-making processes, that the Federal Government recognizes the different input of the stakeholder groups and ensures that there is equality of representation. At this stage, the system of one vote per representative on committees and working parties, where the number of government department representatives outweighs the stakeholder representatives, is not representative of input.

Indications/Lessons from International Best Practice in VET Governance

For the training industry to become more dynamic and responsive, communication and participation within the Industry Skills Councils’ (ISCs) framework by all stakeholder groups needs to be more effective. To this end, it is vital that private providers also have a direct role in the governance of ISC’s as members of relevant Boards.

The current system of ISCs and State and Territory advisory arrangements can at times, waste resources through duplication. More open dialogue needs to be established between ISCs, State and Territory advisory arrangements and users and suppliers of the training system.
ACPET supports the identification and sharing of good practice. With the private training sector delivering courses onshore to 70% of overseas students as well as offshore in several countries, ACPET and its members are willing to provide advice on international VET system governance from its wide range of experience.

The principles for the purchase of training, especially in regards to the use of government funds, should be simple and transparent. The principles should ensure equity of access for users and suppliers of training. It is also important that there is no duplication of regulation and processes to purchase training.

ACPET supports contestable funding for all vocational education and training as the only fully effective means to ensure total flexibility in post compulsory education and training offered in Australia. Contestable funding ensures the most efficient delivery of high quality, relevant and targeted courses to meet the needs of industry, enterprises and learners by opening up the training system to greater marketplace competition through a properly regulated tender process.

**Issues for Discussion Regarding Governance Functions**

ACPET supports to further enact the National Audit and Registration Authority through delegations from the State and Territory authorities as a priority for both registration and accreditation. Many of ACPET’s members operate in more than one State or Territory and therefore experience first-hand the inefficiencies of the current system of eight State and Territory registration authorities.

ACPET recommend that Federal benchmarks be established for suitable timeframes for accreditation, registration and variations to scope to ensure a responsive and flexible education marketplace.

ACPET is keen to work with the Government and other stakeholders to improve data collection, especially in regard to supply issues, and in particular, the provision of vocational education and training in Australia through the private sector. At present, there is very limited data on courses offered, or the numbers of students studying in non-funded places in the private training sector. ACPET believes this is a serious gap in the Government’s knowledge of current VET practices.
ACPET would welcome the opportunity to engage with government and other stakeholders to investigate ways in which this data gap can be filled. An initial step to facilitating the collection of data would be for ACPET to take a direct role in the governance of the national collection agency, the National Centre of Vocational Education and Research (NCVER). A formal review of NCVER undertaken in 2006 recommended that a representative of private providers, in the form of an ACPET nominee, be appointed to the NCVER Board, a recommendation that is yet to be adopted.

Another key step would be for ACPET to further partner government in research such as the current project being managed by ACPET and funded by NCVER, to identify barriers for the collection of VET data and to investigate options for overcoming these barriers.

In conclusion, ACPET recommends a single Australian system for the higher education and vocational sectors with an integrated continuum of functions, qualifications and providers, and streamlined administration. Australia needs a ‘fit-for-purpose’ qualification and quality system structured around user and supplier performance. There appears no reason against Australia steering all formal post-school education through one efficient, effective, modern system in place of multiple ‘sectors’, to deliver a matrix of qualifications responding to evolving stakeholder needs.