



Recreation Training Queensland

A response to:

Foundations for the Future: Draft Proposals for Future Governance, Architecture and market Design for the National Training System (Skilling Australia, April 2009)

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Introduction: Positioning the National Training System for the Future

Recreation Training Queensland believes that *step change*¹ is needed for the National Training System (NTS) to further support skilling and productivity in fitness, sport and recreation industry.

The widespread introduction of competency-based training and the subsequent introduction of national industry Training Packages to this industry twelve or so years ago did much to increase this industry's exposure to formal training and the NTS, and led to the development of industry-driven professional registration schemes and a stronger overall training culture.

Yet, in our view, the NTS' capacity to deliver additional outcomes for this industry has reached its limit – there are simply too many sub-sectors of the industry not adequately accommodated by the NTS as it currently functions. Without further reform, there is little indication that this situation will change in the foreseeable future.

Accordingly, we believe change is needed to:

- forge closer linkages between VET and Higher Education
- refocus VET funding to industry productivity and not employment
- recognise the legitimacy of all industries regardless of size in planning VET provision
- shift the focus from education and training alone to workforce development as a broader, more holistic approach to addressing industry skilling and productivity
- enhance the regulatory framework to ensure compliance and quality
- introduce funding approaches that better leverage investments from all parties, and that accommodate workforce development approaches and initiatives
- provide consumers and industry stakeholders with information about provider performance and quality of delivery
- adequately support the establishment and maintenance of industry technical advisor networks for provider audit purposes
- ensure transparency of industry feedback surrounding the development and maintenance of industry Training Packages.

We also believe there are many positive aspects of the NTS, including:

- the role of state/territory governments as joint leaders of the NTS
- existing managed-market VET funding approaches
- the involvement of both private and public training providers, with TAFE occupying a key role at the regional/community level

¹ As used in *Foundations for the Future*, Skills Australia (2009) p.9.

- the existence and role of state/territory industry advisory bodies
- the involvement of industry in the audit of training providers and the development of training products.

An Integrated Sector

We agree that closer linkages between VET and Higher Education are needed to increase interaction and to establish greater consistency in the establishment and application of learning pathways between the two sectors, particularly given growing articulation between these sectors.

We further agree that the VET sector should remain distinct from Higher Education. As a service industry, over 60% of employment within Fitness, Sport and Recreation is at a trade or lower level². Accordingly, competency-based training and assessment provides a valuable model for industry based and oriented learning that differs considerably to that underpinning Higher Education.

With greater interaction between the sectors, closer alignment and seamless articulation between VET qualifications and Higher Education programs would enhance career pathways and employment opportunities across the industry.

The Role of Governments

We support joint Federal and state/territory leadership of the NTS. In our jurisdiction, successive state governments have consistently demonstrated an overriding commitment to meet state, regional and local needs of industry. This includes establishing and maintaining mechanisms for ensuring the exchange of NTS-related information across a wide range of industries and stakeholder groups, as well as the allocation of funding on defensible grounds.³

Industry Leadership and Industry Advisory Models

We strongly agree that there should be a clear role for industry in the governance of the NTS.

We also strongly agree there should be industry involvement at all levels within the NTS, including for micro, small and medium-sized enterprises, and for regional and local needs. As such, we strongly believe there continues to be an important role for state-based industry advisory bodies to provide the granularity in industry intelligence necessary for making policy and funding decisions that are equitable, that best meet industry and stakeholder needs at regional and local levels, and that make best use of public and private monies.

Accordingly, we see national Industry Skills Councils (ISCs) and state-based industry advisory bodies as complimentary in providing a more complete picture

² ABS Labour Force data

³ In stating this, we acknowledge that no government can meet all needs on all occasions.

of the needs of industry around the Country. That is, in providing a *more robust evidence base*⁴ upon which appropriate policy and funding decisions can be made. Any move to dispense with either would be counter-productive. However, we agree that closer protocols between ISCs and state advisory bodies would be beneficial for this purpose.

Investment, Market Design and Planning

We support the notion of a managed-market approach to VET funding as best being able to meet regional and local industry needs, especially in smaller, thin-market industries such as ours. We have observed many instances where consumer (student) led demand and supply has overshadowed industry demand for alternate offerings and outcomes. Hence, a strictly market-led model will not serve this industry effectively. Coordinated advice from industry must be allowed to influence and help shape government-funded supply.

We agree that investment should be directed to achieve economic benefit through jobs, productivity and innovation. However, VET funding is typically linked to employment and employment outcomes. Accordingly, many of the skilling needs of our industry remain unmet because training providers cannot access VET funding to run programs for volunteers. Broadening the focus of VET funding from supporting employment to supporting industry productivity would be a significant move that would more effectively bring volunteers into the NTS, resulting in stronger industry workforce development and human and social capital outcomes.

This point also reflects the reality in our industry where the majority of training is conducted on a fee-for-service basis. The quantity of training delivery is not truly reflected in data used by government agencies when making policy decisions about the education and training needs of the industry.

We support the involvement of both private and public training providers in the market to increase choice, responsiveness, flexibility and innovation to better meet industry and consumer needs. On the basis of its capacity and continued willingness to address regional and local industry and stakeholder needs, including those in thin-markets, TAFE needs to remain as a key provider in the NTS and be able to access funding for thin-market delivery.

We agree that at the macro level planning should centre on anticipating and preparing for global directions. However, we also believe that managing supply and demand at the occupational level is important, particularly in thin-market industries and sectors, and is best addressed at the state/territory level. The roles state advisory bodies and state/territory governments play in this process remain critical.

⁴ *Foundations for the Future*, Skills Australia (2009) p.14

As a relatively small industry (and thin market), our industry suffers from poor statistical coverage and low status in comparison to other, more established industries. Yet in many respects the only differentiator between us and larger industries is scale. Despite our smaller relative size, we share many of the same issues and needs as other industries, and contribute not only to Australia's GDP but to community health and well-being and social and human capital.

Accordingly, planning efforts should not just be restricted to areas (industries) where there is *good intelligence* or where significant *infrastructure investment may be required*, but should recognise the legitimacy of all industries regardless of size.

Education and Training or Workforce Development?

We believe a shift is necessary from a focus on education and training alone (ie. in its traditional sense) to workforce development as a broader, more holistic approach to addressing industry skilling needs and increasing workforce productivity. Adopting a workforce development approach better accommodates all of the various strategies an industry and industry enterprises may use to develop employees, allowing stronger linkages and leveraging between strategies to maximise efficiency and effectiveness. Accordingly, we agree with the notion that it is necessary to provide *individualised and a wide-ranging suite of skilling and investment approaches*⁵.

This should not be construed as devaluing the role of the NTS. VET is an important strategy among a number of other strategies currently utilised by this industry. Within a workforce development approach, VET in particular has an opportunity of (re)establishing itself as a key provider of workplace solutions providing it continues to embrace flexible, innovative and workplace focused programs for industry.

Further, we agree that government purchasing should increasingly target workforce development approaches and outcomes, forging closer ties between providers and industry. This will require greater funding contestability to ensure funding is allocated to providers clearly demonstrating program delivery in direct support of industry/enterprise workforce development efforts, approaches and preferences.

Furthermore, we believe that VET funding must recognise the importance of skills-sets in meeting specific industry workplace needs. Funding tied to the offering of whole qualifications, while providing pathways for individuals (particular job seekers), rarely meets the needs of industry employers needing to up or cross-skill existing workers in a timely and cost-effective manner.

State/territory-based industry advisory bodies are well positioned (providing appropriate resourcing) to rapidly identify current and emerging workforce

⁵ *Foundations for the Future*, Skills Australia (2009) p.17

development needs and trends specific to the industry at a state and regional level ,and for leading and influencing appropriate workforce development responses.

Quality, Performance and Regulation

We agree that there needs to be *robust regulatory development*⁶ to safeguard employer, government and individual investments in education and training. Greater sanctions are necessary to address underperforming and unscrupulous providers. Accordingly, there is a need for reform of the AQTF and applicable/underpinning legislation to ensure compliance and quality.

We acknowledge that quality is often inherently linked to price and that providing quality education, training and workforce development outcomes can be costly. We agree that there is a strong need to better understand the dynamics and relationships between employer, government and individual investments. Again, a range of funding approaches should be available to best leverage investments from all parties in any given circumstance.

Based upon consistent industry employer feedback made to us over time, we strongly agree that information concerning provider performance should be made publicly available to guide consumer and employer decision-making. Often, training organisations that are successful in gaining a strong share of the market do so based on effective marketing practices that do not reflect the quality of training provided by the organisation. Conversely, organisations that do not have the resources to maintain a high marketing profile but who are closely engaged with industry and deliver high quality training struggle to recruit students.

Industry involvement in the audit of training providers is crucial. This must be a uniform feature across all states and territories to ensure consistency of outcomes that underpin the portability of skills and qualifications. The NTS must support and provide for the establishment and maintenance of industry technical advisor networks to ensure the consistent application of the AQTF across each industry.

Industry involvement, including at the enterprise level, remains crucial to the development of training products and national industry Training Packages. To address increasing industry concerns in our industry and jurisdiction regarding the development and maintenance of industry Training Packages, greater transparency surrounding industry feedback must exist. Industry employers and enterprises contributing to Training Package developments and reviews must have greater access to detailed information about feedback received and the reasons behind the associated decisions made by Training Package developers.

6 *ibid*, p.35

All of these measures are required to increase employer and stakeholder confidence in the NTS to be able to deliver relevant and quality outcomes for all stakeholders.

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