Vocational Education and Training Reform Roadmap

Consultation draft

Skills Senior Officials' Network

Introduction

Australia's vocational education and training (VET) sector has long been recognised internationally for its industry leadership, quality and capacity to deliver qualifications aligned to jobs. VET plays a key role in Australia's education market, offering a system where learners develop skills and gain qualifications that meet labour market needs. A 2019 National Centre for Vocational Education Research (NCEVR) survey[1] showed that 65.8 per cent of 2018 VET graduates had improved employment status after completing training. In 2018, an estimated 4.1 million learners were enrolled in the Australian VET system, or almost one in four working age Australians—a reflection of the importance of VET as a learning provider for the varying educational needs, capabilities, and personal circumstances of the Australian population.

However, a fourth industrial revolution is underway, prompted by technological change, globalisation, artificial intelligence and machine learning. This is having a profound impact on the way young and working age people need to skill and reskill, and the types of future jobs that will be available to them. As Australia's economy continues to rapidly restructure, so too must the VET system to meet the changing needs of 21st century learners.

Learners undertake VET qualifications to gain skills and access other opportunities to meet their needs and aspirations. Industry, including employers and unions, play a critical role in specifying these skills to ensure strong economic and social outcomes. For students and employers, qualifications are most valuable if they provide skills relevant to work and support career choices and opportunities. For governments, qualifications must meet the skills needs of the economy to drive productivity and growth, and support social inclusion through foundation literacy, numeracy, digital education and other opportunities.

These benefits can be realised through improving the quality of vocational education and training. While there are many high quality providers, consistently achieving quality remains a fundamental issue for the sector, preventing the effectiveness of many reforms.

Skills development and educational attainment are strong drivers of employability and income, and so equitable access to learning opportunities is also a critical driver of productivity and a priority for VET. Access to participation in education and training in Australia must be widened, and educational attainment levels must continue to improve, particularly for disadvantaged groups.

In recent years, several reviews have been undertaken at a national and state and territory level, that seek to strengthen the VET sector (Attachment B). The Roadmap brings the results of these reviews together into a coherent reform path for the sector as a whole. The Roadmap does not revisit or extend those reviews, or pre-empt reviews that are currently underway, rather intends to define the next steps of reform.

On 9 August 2019, the Council of Australian Governments (COAG) agreed on a new shared vision for VET (Attachment A). The vision recognises delivering high quality training is a shared responsibility for governments in all jurisdictions as well as the private sector, and that VET requires a viable and robust system of both public TAFE and private providers, and the need for both national consistency

in key areas while maintaining the flexibility to meet local needs. To deliver on this vision, COAG tasked the COAG Skills Council (Skills Council) with developing a VET Reform Roadmap.

Skills Council articulated three priority areas in September 2019 to inform the delivery of the VET Reform Roadmap and improve the VET system:

- **Relevance**: ensuring VET is relevant and responsive to the job market, employers, industry and learners.

- **Quality**: supporting public confidence in the quality and value of VET for learners throughout their lives and moving it to parity with the higher education system.

- **Accessibility**: ensuring that all prospective learners and employers can access suitable information and training when and where it is required, including a specific focus on supporting access for disadvantaged Australians.

Officials in all jurisdictions have worked together to develop an outline of a VET Reform Roadmap. This outline shows the pathway for change, focused on a series of destinations and actions, to achieve Skills Council's three priority areas. The Roadmap aims to position Australia's VET system as responsive, dynamic and world-leading, delivering an excellent standard of education and training and supporting millions of Australians to obtain the skills they need to participate and prosper in the modern economy.

In developing the Roadmap, Skills Council asked officials to engage with stakeholders during the drafting phase. The following draft VET Reform Roadmap outlines the intended direction and major components of reform, noting it is not yet agreed by governments.

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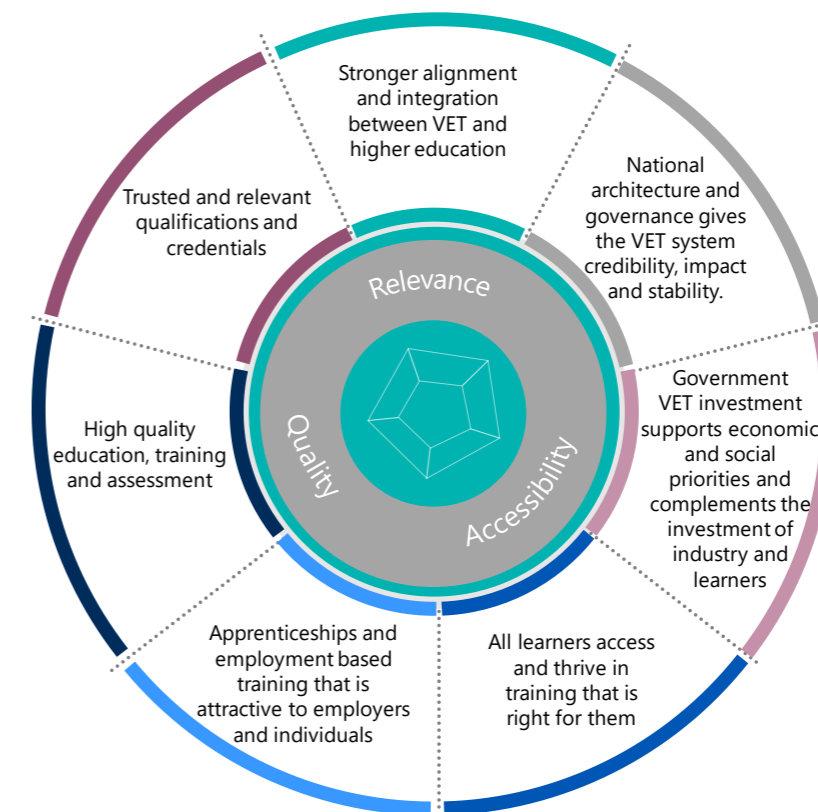
[1] NCVER 2019, Australian vocational education and training statistics: VET student outcomes 2019, NCVER, Adelaide.

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Summary of the VET Reform Roadmap

Destination	Phase 1 (year 1)	Phase 2 (years 2 and 3)	Phase 3 (years 4 and 5)	What does success look like? (End states)
1. Trusted and relevant qualifications and credentials	• Streamline existing training package arrangements. • Develop a new model for VET qualifications, across industry occupation clusters and the AQF. • Develop a framework for micro-credentials.	• Improve the use of national data analytics for skills demand forecasting and to monitor impact. • Develop future arrangements for industry engagement, including consideration of Skills Organisation pilots. • Implement new standards for VET qualifications and credentials.	• Implement new approach to qualification design across the full range of the AQF, with rationalisation of qualifications by at least half.	**Learners** can expect VET qualifications and credentials to be valued, provide the knowledge and skills required by employers, and provide employment and education pathways. **Industry** finds the VET system simple to navigate and can trust that qualifications include the knowledge and skills required in the workplace. **The system** is significantly simplified and qualifications are more responsive to the changing needs of industry and learners, ensuring the relevance of education and training to workforce needs.
2. High quality education, training, and assessment	• Implement changes to ASQA's governance, regulatory approach and practice. • Build RTO capability and capacity for continuous improvement. • Consider a new industry endorsed system for independent, moderated and/or graded assessment. • Develop a VET workforce quality strategy.	• Develop new RTO standards and quality framework, focused on excellence. • Commission leading TAFEs and other RTOs to develop and disseminate leading practice teaching resources. • Trial alternative assessment models. • Implement VET workforce strategy.	• Rollout of new quality framework/standards and assessment arrangements.	**Learners** can expect every provider to offer high quality education, training and assessment that supports their transitions to further study and employment. **Industry** can readily identify the best providers and have confidence in graduate skills and knowledge. **The system** drives excellence in practice of providers, educators and regulators and encourages options for reformed approaches to assessment.
3. Apprenticeships and employment - based training that is attractive to employers and individuals	• Promote apprenticeships and traineeships. • Explore alternative models for employment-based training. • Refine data collection on apprenticeships, traineeships, and pre and higher apprenticeships and traineeships. • Review existing government and industry support for apprenticeships and trainees.	• Trial and evaluate new models for employment based training. • Improve employer navigation through the Australian Apprenticeship system.	• Implement new model(s) for employment-based training, alongside existing arrangements to respond to industry needs. • Improve the design of government and industry support for apprentices and trainees to better target skills needs.	**Learners** benefit from expanded options for gaining skills needed by employers and the community. **Industry** uses and invests in employment-based training and has confidence in the model to deliver skills for current and future industry needs. **The system** has a broader range of models for employment-based training to meet emerging workforce needs.

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Destination	Phase 1 (year 1)	Phase 2 (years 2 and 3)	Phase 3 (years 4 and 5)	What does success look like? (End states)
4. **All learners access and thrive in training that is right for them**	• Improve national coordination of consumer information, to support decisions on VET, pathways and career opportunities. • Deliver a national campaign to change attitudes around VET and higher education to peoples' lifelong learning. • Establish a national approach to ensure equity and consistency in outcomes for all learners • Develop strategies to improve the quality and delivery of VET in schools.	• Implement a national approach to ensure equity and consistency of outcomes for all learners. • Increase and improve opportunities for school students to engage in work-based learning. • Improve quality and delivery of school based VET . • Enable learners to track qualifications and credentials over a lifetime of learning.	• Full implementation of strategies to improve quality and delivery of VET delivered to school students, including opportunities for school students to engage in work-based learning, so there are meaningful pathways and career outcomes. • Evaluation, monitoring and reporting on implementation and outcomes.	**Learners** make informed decisions about their study and career options, throughout their lives. **Industry** has a sufficient supply of workers with the right skills and aptitudes to meet their needs and support productivity. **The system** supports all learners to make decisions about their full range of study and career options, and access VET at any stage of their lives. The system is data-driven, using evidence to improve outcomes.
5. **Stronger alignment and integration between VET and higher education**	• Commence work on a revised AQF. • Identify/consider models of integrated VET and higher education courses and delivery. • Review VET Student Loans (VSL).	• Pilot new courses that integrate both higher education and VET. • Create flexible entry and exit points between VET and higher education. • Implement reforms to income-contingent VET student loans (VSL).	• Modernise qualification frameworks to support parity between VET and higher education. • Undertake applied research in collaboration with industry, higher education providers and/or NCVER.	**Learners** have equal confidence in both the VET and higher education sectors. **Industry** has access to an adaptable workforce with relevant skills from VET and higher education. **The system** has more consistent loan arrangements between VET and higher education.
6. **Government VET investment supports economic and social priorities and complements the investment of industry and learners**	• Understand the cost of training that is responsive, high quality and accessible. • Consider the Productivity Commission review of the National Agreement for Skills and Workforce Development. • Consider principles, roles and responsibilities for VET investment by governments, industry and learners.	• Implement strengthened skills and occupational demand forecasting. • Review and update models on cost and price analysis. • Agree on a framework for public and private investment in national VET. • Agree Commonwealth/State and Territory funding arrangements.	• Evaluation, monitoring and reporting on.implementation and outcomes.	**Learners** can access nationally recognised education and training when and where they need it. **Industry** is confident that investment in VET aligns with their skills and occupational demand needs. **The system** has agreed principles for shared investment in VET by governments, industry and learners.
7. **National architecture and governance gives the VET system credibility, impact and stability**	• National Skills Commission (NSC) commences on 1 July 2020. • Revise national architecture and governance arrangements for the system. • Develop a monitoring and reporting framework to improve transparency and accountability.	• Agree on reforms to national governance and architecture to ensure VET is high quality, relevant and accessible. • Implement improved public monitoring and reporting. • Improve availability of data and information on VET system performance.	• Evaluate new national governance and architecture.	**Learners** have access to, and a voice in, high quality and relevant education and training. **Industry** has access to high quality and relevant education and training and is actively engaged in national governance. **The system** provides a high degree of leadership, quality, stability, transparency and accountability to meet Australia's skills needs and reflect the shared responsibility of governments.

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Destination 1—Trusted and relevant qualifications and credentials

In the context of a changing world of work, it is crucial that qualifications continuously adapt to meet the changing needs of the Australian workforce. Currently there are over 1,400 qualifications and almost 17,000 units of competency listed on Training.gov.au. These qualifications and units of competency in Training Packages are complex, highly prescriptive, and require extensive and continuous review. Despite this, they are often viewed as out-of-date and unfit-for-purpose for those industries they are supposed to serve. New data techniques enable a better understanding of both the skills needed by employers and how students move between education and jobs. This data can support simplification of the system that better meets learning and employer need. This destination aims to create a new standard for VET qualifications allowing qualifications and credentials to respond, with agility, to learner and employer needs.

What needs to be done

Timing	Actions
Phase 1 (year one)	• Speed up and streamline existing training package arrangements, including reducing the number of training products. • Commence development of a new, simpler and flexible model for national, evidence-led qualifications based around occupational clusters across the full range of the AQF framework. • Develop an updated framework for micro-credentials in the national VET system that will facilitate recognition between the tertiary sectors.
Phase 2 (years two and three)	• Monitor performance of streamlined training product arrangements and improve the use of national data analytics for skills demand forecasting and to monitor impact. • Replace Standards for Training Packages and for Accredited Courses with new standards for VET qualifications and credentials. • Develop and agree future arrangements for an industry engagement model, including consideration of Skills Organisation Pilots. • Pilot new qualification model in selected occupational clusters. • Design an operational framework for micro-credentials in VET including development, recognition and quality assurance.
Phase 3 (years four and five)	• Implement a new, simpler and more flexible model for national, evidence-led qualifications based around occupational clusters across the full range of the AQF. • Evaluate, monitoring and reporting on implementation and outcomes.

What will be different

Learners:

- can confidently expect that VET qualifications will provide the knowledge and skills required by employers, will be recognised and valued by employers and provide pathways to further employment and training.
- can easily navigate a VET system which has fewer, but more relevant, qualifications.
- can easily combine nationally recognised units and skills sets to achieve credentials and qualifications.

Industry:

- finds the VET system simple to navigate.
- can trust that qualifications include the knowledge and skills required in the workplace.

The system:

- enables greater investment in learning materials and practitioner capability through the substantial rationalisation of qualifications by at least half.
- is more responsive to the changing needs of industry, ensuring the relevance of education and training to workforce needs.
- includes higher level VET qualifications (at Bachelor and Masters levels), developed in partnership with employers to support expertise and innovation.

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Destination 2—High quality education, training and assessment

There are over 4,000 RTOs in Australia. These providers have strongly asserted that the quality of training delivery is restricted by compliance-focused regulation enforcing overly prescriptive training packages. Reviews have identified that quality means more than compliance—VET should aim for excellence. Fostering excellence and supporting continuous improvement would increase the professionalism and esteem of VET teaching careers. There is a need for the Australian Skills Quality Authority (ASQA) to reform elements of its regulatory approach.

ASQA has repeatedly found evidence of inconsistent quality in training and assessment. It has identified the capability of VET practitioners as a key area of focus, which aligns with the evidence that teaching quality is a key determinant of student learning. The best international systems have end-of-program independent assessment and recommended piloting independent assessment to increase confidence in the VET system. This destination aims to shift the focus of the system from compliance to excellence, increasing confidence in the system to deliver better outcomes for learners and industry.

What needs to be done

Timing	Actions
Phase 1 (year one)	• Implement changes to ASQA's governance, regulatory approach and practice. Commence development of revised RTO Standards and arrangements to support continuous improvement of RTO training delivery. This will include research, scoping new models of quality improvement, and exploring ways to assist RTOs to access and use data. • Consider a new system for assessment, endorsed and invested in by industry, to increase trust in VET qualifications. This will include exploring independent, validated, moderated and graded assessment models, and their possible application across a range of industries and modes of study. • Commence work on a VET workforce quality strategy (based on international leading practice), including consideration of practice standards, capability frameworks, current pre-service requirements (TAE), continuing professional development and attracting industry experts to VET.
Phase 2 (years two and three)	• Implement changes to ASQA's regulatory approach and practice in line with new RTO standards that encourage excellence in VET training delivery. • Finalise new RTO Standards and quality improvement framework, and commence staged implementation. • Trial and evaluate alternative assessment models, including cost/benefit, across a range of industries and modes of study. • Finalise VET workforce strategy and commence implementation. • Commission leading TAFEs and other RTOs or other bodies to develop and disseminate leading practice teaching resources. • Publish outcomes data for all RTOs to inform training decisions made by students and employers.
Phase 3 (years four and five)	• Full implementation of new standards for RTOs, quality improvement framework and associated support/regulatory strategies. • Wider rollout of new assessment arrangements based on an agreed assessment framework and outcomes of trials. • Full implementation of new workforce development and support arrangements across the VET system. • Evaluation, monitoring and reporting on implementation and outcomes.

What will be different

Learners:

- can readily identify the best RTOs to meet their needs.
- can be confident that every provider offers higher quality education, training and assessment.
- can be confident that assessment practices and outcomes recognise the level of their achievements and support transitions, including to higher education and employment opportunities.

Industry:

- has greater participation in assessment, instilling improved trust in the relevance of VET qualifications.
- can readily identify the best RTOs to meet their needs.
- has confidence in the level of graduate skills and knowledge.

The system:

- encourages leading practice by vocational educators and makes vocational education a sought-after career.
- supports leading TAFEs and RTOs to drive continuous system improvement by developing and sharing quality practice resources including through dissemination of learning materials, leading practice guidance and increased data literacy.
- enables the removal of poor quality providers.
- delivers better performing regulators.
- encourages genuine investment in the production of education and training, i.e. in the quality of curriculum development, training resources and assessment.
- encourages options for reformed approaches to assessment to be widely practiced.

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Destination 3—Apprenticeships and employment-based training that is attractive to employers and individuals

Apprenticeships and traineeships remain an important employment-based pathway for skills development. However, based on 2019 figures, apprentices and trainees in training have reduced by 35 per cent since 2009 and 20 per cent since 2014. Apprentices employed in trade pathways have reduced 12.5 per cent and 7 per cent over the same periods. The completion rates of apprentices and trainees who commenced training in 2014 have decreased to 56.7 per cent (down from 59.9 per cent for those commencing in 2013). A component of this decline in engagement with apprenticeships and traineeships is likely associated with factors including; qualifications which have not adapted to changes in the labour market, a consumer shift to shorter skilling approaches and micro-credentials, demographic changes making the pathway less attractive to young people and policy and funding changes.

This destination aims to create new employment-based pathways and improved navigation of the apprenticeship and traineeship incentives and programs supported by promotion to increase the attraction and completion of training in areas of skills need.

What needs to be done

Timing	Actions
Phase 1 (year one)	• Promote apprenticeships and traineeships in partnership with industry, employers and schools (ongoing). • Explore and evaluate alternative existing models employment-based training, including in consultation with stakeholders. • Refine data collection on apprenticeships, traineeships, and pre and higher apprenticeships and traineeships. • Review existing government support for apprenticeships and trainees, including the interaction with industry support.
Phase 2 (years two and three)	• Trial and evaluate new models for employment based training. • Examine ways to reduce red tape and improve employer navigation through the Australian Apprenticeship system, including investigating technological solutions.
Phase 3 (years four and five)	• Implement new model(s) for employment-based training which complement existing apprenticeship and traineeship models, to respond to industry needs. • Improve the design of government and industry support for apprentices and trainees to better target skills needs.

What will be different

Learners:

• understand the value of, and have access to, a wider range of opportunities available, and are supported to undertake employment-based learning (including apprenticeships and traineeships).
• are supported throughout their apprenticeship or traineeship to gain and retain employment in areas of skills need.
• are gaining the skills desired by employers and the community so they can enjoy the rewards of learning and working.

Industry:

• takes on more apprentices and trainees.
• sees employers actively using and investing in employment-based training options for their workforce.
• sees employers confident that employment-based training delivers skills for current and future industry needs.

The system:

• sees industry investment in nationally recognised training increase.
• effectively and efficiently supports employers and learners during employment-based training.
• has an apprenticeship system that is easy to navigate and understand.
• makes a broader range of employment-based training available to meet emerging workforce needs.

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Destination 4—All learners access and thrive in training that is right for them

Meeting the life-long learning needs in the changing economy requires integrated pathways that give learners access to appropriate education and training when it's needed. Many learners find it difficult to make career decisions due to confusing and overwhelming information from a variety of sources. A simplified system and clear information will help learners navigate to the best option for them.

People should thrive in education and training, regardless of their personal circumstances. New strategies are needed to ensure access and equity in the VET system. This destination aims to create a range of well-lit and equally valued pathways ensuring all learners can access the right education and training they need when they need it.

What needs to be done

Timing	Actions

Phase 1
(year one)
	• Improve national coordination of consumer information, resources and tools to support decisions on VET, pathways and career opportunities. This will include gap analysis to inform the work of the National Careers Institute (NCI) as well as use of existing shared, linked data sets.
	• Deliver a national, evidence-based behaviour change campaign to change attitudes around the appropriateness and benefits of both VET and higher education to peoples' lifelong learning requirements.
	• Establish a national approach to ensure equity and consistency of outcomes for all learners through:
	  • the coordinated delivery of post-school foundation skills
	  • re-engaging people who are not in education, employment or training (NEET) in VET
	  • enhancing access to VET for disadvantaged people, including people at career transition points.
	• Review the effectiveness and quality of school-based VET programmes and work with industry to increase opportunities for school students to engage in work-based leaning.
	• Start work on a mechanism for learners to track qualifications and credentials across all education sectors over a lifetime, based on the Unique Student Identifier (USI).

Phase 2 (years two and three)	• Build on consumer information and improve the quality of careers advice provision nationally. • Implement a national approach to ensure equity and consistency of outcomes for all learners. • Implement and evaluate new work-based learning opportunities for school-based VET students. • Develop strategies to improve quality and delivery of school based VET so that there are meaningful pathways and career outcomes. • Implement an expansion of the USI to enable learners to track qualifications and credentials over a lifetime of learning.
Phase 3 (years four and five)	• Review the functions and programs of the NCI and consider longer term operation. • Full implementation of strategies to improve quality and delivery of VET delivered to school students, including opportunities for school students to engage in work-based learning, so that there are meaningful pathways and career outcomes. • Evaluation, monitoring and reporting on implementation and outcomes.

What will be different

Learners:

- are well informed and equipped to make decisions about their study and career options throughout their lives.
- are able to navigate the system easily.
- have their needs assessed and supported throughout their learning journey.
- have access to education and training that meets their learning, up skilling and re-skilling needs at all stages of their lives.

Industry:

- benefits from a sufficient supply of workers with the right skills and aptitudes to meet industry needs and support productivity.
- is better informed about education and training options for employees.
- engages in the VET system and provides meaningful work experience.

The system:

- is transparent and navigable system for industry and learners.
- is part of a tertiary system in which VET and higher education are equally valued pathways.
- supports all learners to access VET at any stage of their lives, including VET in schools.
- offers a broad range of courses (including foundation skills) and delivery modes, targeted at diverse learner cohorts at all ages and stages of their post-school lives.

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Destination 5—stronger alignment and integration between VET and higher education

Currently, the VET and higher education sectors operate independently and have different governance and regulatory arrangements. Their distinction is compounded by the perceptions of industry, learners and those who influence their choices (e.g. parents and teachers) that VET is not a valuable pathway compared to higher education For example, there remains a pervasive perception of a lower wage premium from VET compared with higher education . However, many higher education students may have improved employment outcomes by choosing an alternative VET pathway. The current pathways between higher education and VET are complex and hard to navigate, and school leavers in particular are not well informed about options. This destination aims to create stronger alignment and integration of these sectors, and to support and simplify multi-directional access between them. It would also mean VET and higher education have parity of esteem.

What needs to be done

Timing	Actions
Phase 1 **(year one)**	• Commence work on revised architecture of the AQF across higher education and VET, including consideration of taxonomy, types of qualifications and AQF architecture modelling. • Commence work to enable creation of new courses that integrate both higher education and VET content, including identification of existing models, sectors and providers for piloting. • Review the AQF Qualifications Pathways Policy to provide equal emphasis and mechanisms for moving both ways between the VET and higher education sectors. • Commence work on improvements to VET Student Loans (VSL) with consideration of various reviews.
Phase 2 **(years two and three)**	• Modernise the qualification frameworks and other policies to support parity between VET and higher education, including parity of esteem. • Create and pilot new courses that integrate both higher education and VET content and support transfer and progression between sectors in conjunction with industry. • Create flexible entry and exit points to support transfer and progression between VET and higher education. • Implement reforms to income-contingent VET student loans (VSL) to remove barriers to students accessing training so that learner choice is not distorted.
Phase 3 **(years four and five)**	• Complete implementation of modernised qualification frameworks and policies to support parity between VET and higher education. • Support leading TAFEs and RTOs to undertake applied research in collaboration with industry, higher education providers and/or NCVER in areas of need. • Evaluation, monitoring and reporting on implementation and outcomes.

What will be different

Learners:

- have confidence in both the VET and higher education sectors.
- choices between VET and higher education are not distorted.
- are informed about all VET and higher education study options related to their aptitudes and interests.
- recognise VET as an equally valued pathway.

Industry:

- values VET and higher education equally.
- has access to an adaptable workforce with relevant skills from VET and higher education.
- benefits from a sufficient supply of workers to meet industry needs and support productivity gains.

The system:

- has more consistent VET income contingent loan arrangements and higher education loan arrangements.
- provides students and employers with ready access to suitable information on VET and higher education pathways.

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Destination 6—Government VET investment supports economic and social priorities and complements the investment of industry and learners

Investment in VET should align with and support, national and local, economic and social priorities. It is shared between governments, industry and learners. Australian governments collectively invest over $6 billion annually in the VET sector. However, funding arrangements for VET are complex, making the system hard to navigate and creating challenges in assessing the effectiveness of outcomes. New forecasting techniques and access to big data provide a unique opportunity to improve existing occupational and skill shortages forecasting. This destination aims to enhance public and private VET investment through better informed workforce planning and will help students with career pathway decisions. Work under this destination will be informed by the Productivity Commission's review of the National Agreement for Skills and Workforce Development.

What needs to be done

Timing	Actions
Phase 1 (year one)	• Develop a model for improved skills and occupational demand forecasting incorporating emerging data analytics and linked data sets. • Complete work on understanding the cost of responsive, high quality and accessible training. • Undertake work to understand student outcomes in VET, including by qualification, student cohort and provider. • Consider the Productivity Commission review of the National Agreement for Skills and Workforce Development. • Consider principles, roles and responsibilities for VET investment by governments, industry and learners.
Phase 2 (years two and three)	• Implement strengthened skills and occupational demand forecasting capability to inform decision-making and VET investment to meet the needs of the changing economy and society. • Continuous review and update of cost and price models and information regarding outcomes to inform investments. • Agree on a framework for government, industry and individual investment in national VET. • Agree on Commonwealth, State and Territory funding arrangements, including roles and responsibilities, reform directions, targets, measures and implement agreed funding arrangements.
Phase 3 (years four and five)	• Evaluate, monitor and report on implementation and outcomes.

What will be different

Learners:

• have access to nationally recognised education and training when and where they need it.
• have confidence government investment in VET will support them to achieve their goals.
• have confidence their investment in education and training is worthwhile.

Industry:

• is confident investment in VET aligns with their skills and occupational demand needs.
• has confidence their investment in education and training is worthwhile.

The system:

• encourages investment that supports high quality outcomes.
• features agreed principles for shared investment in VET by governments, industry and learners.
• encourages investment in VET that supports the number and quality of skilled people needed to achieve economic and social priorities nationally and locally.

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Destination 7—National architecture and governance gives the VET system credibility, impact and stability

Governance arrangements in VET are complex and fragmented. Recent reviews and ongoing feedback from stakeholders confirmed this issue. This contributes to confusion about how the system operates and results in a loss of confidence in the system. It also makes it hard for learners and employers to find the right qualifications or credentials. This destination aims to simplify the system for stakeholders and deliver improved, coherent and responsive governance arrangements. It will restore confidence in the system and simplify the national architecture to deliver on reforms outlined in this Roadmap.

What needs to be done

Timing	Actions

Phase 1 (year one)	• The Australian Government will establish the National Skills Commission (NSC) on 1 July 2020, as a Commonwealth body, to undertake research and analysis on the cost of delivery of VET, pricing and skills demand forecasting.
	• Redesign national architecture and governance arrangements for the VET system, including:
	  • quality framework, standards for quality and training products
	  • qualifications and industry engagement
	  • regulation
	  • data and research
	  • outcomes of Skills Organisation pilots
	  • future options for the NSC functions and governance
	  • National Careers Institute (NCI).
	• Develop a monitoring and reporting framework for the VET system to improve transparency and accountability.

Phase 2 (years two and three)	• Implement redesigned national architecture and governance arrangements for the VET system. • Implement improved public monitoring and reporting on the VET system performance outcomes and investment. • Improve availability of data and information on VET system performance by reforming student and employer surveys, creating enduring data linkages, improving market information and streamlining VET data.
Phase 3 (years four and five)	• • Evaluate, monitor and report on implementation and outcomes.

What will be different

Learners:	Industry:	The system:
• have access to, and a voice in, high quality and relevant education and training.	• is actively engaged in national governance. • has access to high quality and relevant education and training which is ensured by a strong national architecture and governance. • has confidence the VET sector will respond to its changing skills needs.	• is simpler for stakeholders and will deliver improved, coherent and responsive governance arrangements. • has national governance arrangements that reflect the shared responsibility of Commonwealth, State and Territory governments for the VET system. • shares the best available data to build the evidence base and improve outcomes for all users of the VET system.

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What are we asking stakeholders?

To help support the development of a final draft VET Reform Roadmap for consideration by the COAG Skills Council, officials in each jurisdiction want to know your views about the best ways to reach the target destinations, to implement those reforms, and how stakeholders can contribute.

This VET Reform Roadmap is a working draft. It has not been endorsed by governments and is still subject to consideration by the COAG Skills Council and by COAG.

Questions for stakeholders

Delivering on the COAG Vision – proposed destinations

The Roadmap has seven destinations designed to deliver on COAG's vision that the VET sector be responsive, dynamic and trusted.

- Are there any critical gaps that need to be addressed?
- Are there any linkages or dependencies between the destinations that need to be considered?
- Of the seven destinations, which is the most important in your view and why?
- Does the Roadmap support a role for industry as a shared contributor to the success of the VET sector?
- How can governments continue to engage with stakeholders on VET reforms over the life of the COAG VET Reform Roadmap?
- Does the Roadmap address the needs of diverse learners?

Implementation – proposed actions

Each destination in the Roadmap outlines a phased programme of work to achieve the proposed outcomes.

- Are the timeframes realistic and the sequencing appropriate?
- Are there any implementation risks you can identify?
- Are there any critical implementation gaps that needed to be addressed?
- How can you contribute to the success of the Roadmap?

Attachment A—The vision for VET

The Council of Australian Governments (COAG) shared vision for Vocational Education and Training (VET)

The vocational education and training sector is a responsive, dynamic and trusted sector that delivers an excellent standard of education and training. It provides strong economic and social outcomes, and supports millions of Australians to obtain the skills they need to participate and prosper in the modern economy.

This vision is intended to build upon action already undertaken.

Economic change and transformation will continue to shape the way we work and the skills needed to succeed as workers, as employers and as a nation. The nature of work in Australia is changing, with technology being rapidly adopted and growth in jobs requiring complex skills and knowledge. As a result, Australia's capacity to grow, compete and thrive in the increasingly global economy is dependent on employers and all individuals, regardless of background or circumstance, being able to access and use the right skills at the right time.

VET and higher education are equal and integral parts of a joined up and accessible post-secondary education system with pathways between VET, higher education and the school system.

Our vision for Australia's VET system is one that:

- provides workforce skills and relevant, up-to-date qualifications that are well-matched to the evolving opportunities and challenges of Australia's modern economy
- is flexible in providing skills at all points in an individual's career cycle whether it be foundational training, initial training, upskilling or re-skilling
- delivers high-quality education and training for all learners in recognition that VET and higher education are equally valued pathways into employment
- provides useful and accessible careers information that enables prospective learners and trainees to make informed decisions about their future
- is responsive to the needs of private industry and the public sector, ensuring employers have ready access to a highly skilled and adaptable workforce, while acknowledging industry has shared responsibility for growing a skilled economy
- provides VET qualifications to school students that are valued by employers and provides a clear pathway from school to careers that require VET qualifications
- delivers positive opportunities and outcomes for all Australians regardless of geographic, social or personal circumstances. This includes access for learners in regional, rural and remote areas, and to foundational skills when individuals need them.

Delivering high quality VET is a shared responsibility across the Commonwealth and states and territories. All jurisdictions acknowledge the importance of a viable and robust system of both public and private providers, and the particular role of states and territories in facilitating the public provision of VET. A focus on national consistency in key areas, such as quality assurance and qualification levels, whilst maintaining flexibility in the system for jurisdictions to meet local needs will ensure VET continues to work for all Australians into the future.

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Attachment B—Recent reviews in the VET sector

National reviews

Some of the major national reviews that contributed to the draft VET Reform Roadmap and those that are currently underway are described in the tables below.

Table 1. Recent national reviews in the VET sector.

Review	Description
Review of the National Vocational Education and Training Regulator Act 2011	This review was part of the Australian Government's commitment to ensure the quality of the national VET sector into the future. The review included consultations with a range of stakeholders including state and territory government departments, VET regulators, registered training organisations (RTOs), peak bodies, industry bodies, community organisations and university organisations.
Strengthening Skills: Expert Review of Australia's VET System	The expert review of Australia's vocational education and training system by The Honourable Stephen Joyce was commissioned by the Australian Government to examine how the system can better deliver for Australian job-seekers and employers now and into the future. The review engaged many stakeholders from government agencies, industry, and learners.
Review of the Australian Qualifications Framework	The Australian Government commissioned a review of the Australian Qualifications Framework (AQF) to ensure it continues meets the needs of all stakeholders. The review involved consultation with learners, employers, education providers and the wider community to ensure that the AQF continues to meet their needs.

Table 2. National reviews currently underway

Review	Description
Senior Secondary Pathways	A review of senior secondary pathways into work, further education and training is currently underway. This review will provide Education Council with advice and recommendations on how senior secondary students can better understand and be enabled to choose the most appropriate pathway to support their transition into work, further education and/or training.
ASQA Reform	Both the expert review of Australia's VET system and the review of the National VET Regulator Act 2011, identified the need for ASQA to reform elements of its regulatory approach. As such, in October 2019 the Australian Government commissioned a review of the ASQA to support the fair, transparent and effective regulation of the VET sector. This reform will involve expert review of ASQA's practices and consultation with relevant stakeholders.
Review of the National Agreement for Skills and Workforce Development (NASWD)	The Productivity Commission is currently conducting a review of the NASWD. The Commission aims to review the effectiveness of the NASWD and will assess options for coordinated government support for VET, opportunities to increase VET participation and the potential to achieve further targeted reforms. The productivity commission will provide an interim report in March 2020, and a final report within 12 months of receipt of the terms of reference.

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Reviews by States and Territories

The reform of the VET sector on a national scale is reinforced by the review and change occurring at a state and territory level. The majority of Australian states and territories have recently conducted or are currently conducting reviews into the VET sector. These include:

- Vocational Pathways to Employment – A Review of VET for School Students (South Australia)
- Skills for Queensland
- Putting VET to the test – an assessment of the delivery of VET in Schools (Western Australia)
- Pricing VET under Smart and Skilled (New South Wales)
- Review into post-secondary education and training system (Victoria)
- VET and Vocational Learning in Tasmanian Schools
- Review of VET for secondary students in ACT public schools.

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