

# **NECA response to Review of Training Packages and Accredited Courses**

## **Discussion Paper**

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18<sup>th</sup> February 2015

The Hon. Ian McFarlane MP  
Minister for Industry and Science  
Federal Member for Groom  
Suite 25, Level 25 Waterfront Place  
1 Eagle Street  
BRISBANE QLD 4000

**Re: NECA response to Review of Training Packages and Accredited Courses -  
Discussion Paper**

Dear Minister McFarlane

Thank you for the opportunity to provide comment and feedback for the Federal Government's Review of Training Packages and Accredited Courses Discussion Paper.

The National Electrical and Communications Association (NECA) is the peak industry body for Australia's electrical and communications contracting industry that employs more than 145,000 workers with an annual turnover in excess of \$23 Billion. NECA's membership consists of more than 4,000 businesses across Australia that sits within our state based chapters.

Our involvement and capabilities as a lead player within the education and training sector extends to the employment, training and skilling of more than 4,000 current and future electricians and contractors through our Group Training and Registered Training Organisations across Australia. Given our experience and background within the Vocational Education and Training Sector, we believe we are well qualified to provide input for this important discussion paper.

A key challenge for our industry as we move towards the second half of the decade is a shortage in the supply of skilled electrical workers due to the reduction in the take up and completion of apprenticeships and the retirement of highly skilled, long term electricians at the other end of the age scale. NECA strongly supports the reform of the VET sector and changes that will lead to stronger outcomes for the delivery of skills and training to future generations of electrical apprentices and workers.

## Background

The Minister for Industry, The Hon Ian McFarlane MP released a revised set of Registered Training Organisation standards in June 2014. These standards followed the inaugural meeting of the Council of Australian Governments (COAG) Industry and Skills Council, held in Brisbane on April 3<sup>rd</sup>, 2014 where Commonwealth, State and Territory Skills Ministers agreed to take a more comprehensive look at how training packages and accredited courses can better meet the needs of Australian industry, employers and students – now and into the future.

In 2014, NECA submitted two responses into the reform of the Vocational Education and Training Sector. The first providing comment upon the Draft Revised Registered Training Organisation Standards and the second, *Industry Engagement in Training Package Development – Towards a Contestable Model* discussion paper which sort views to improve the approach to the development and maintenance of training packages through moves to implement more contestable funding models.

The key purpose of this review is to examine whether VET qualifications and accredited course packages meet the needs of industry and what changes are necessary to fit within the structural adjustments and confines of Australia's national economy. The key structural adjustment within our economy is a slow down in the engineering sector (mining related) and a subsequent upswing towards construction of residential property in New South Wales and major infrastructure projects such as roads and rail infrastructure that link to the second Sydney Airport at Badgery's Creek.

Within the electrical sector, we have also witnessed a slowdown in the maintenance sector as a source of revenue with growth within the construction of new infrastructure and premises. This change will lead to a growth in demand for electrical sector employment, however, we need to ensure that the appropriate skills and training are delivered to meet this future demand.

A key principle of this review states that the national system of qualifications must provide a reliable signal to employers about the skills an individual has, and must be underpinned by industry-defined occupational standards.

This principle raises four questions that NECA's submission will focus upon;

- a) How well is the system meeting the needs of industry, employers and individual students?
- b) Do all the competencies, skills and qualifications currently included in the national system need the same level of prescription and oversight?
- c) Are qualifications flexible to meet employer needs, given that they are developed against a national standard?
- d) Is the focus on training outcomes strong enough in the training system?

**a) How well is the system meeting the needs of industry, employers and individual students?**

NECA acknowledges that there are a range of views amongst industry about the quality of training outcomes and the delivery of training packages, however, the main consensus of member feedback within the electrical contracting industry, in addition to our own experience and role within the sector indicates that in many instances, the present system is failing to deliver enough job ready graduates with the necessary skills required by our sector.

The present failings of the system, such as its costly and complex structure have made it difficult for training providers, employers, students and parents. Within the electrical sector, these failings, along with the duplication of several training packages have not only led to a drop in the take up and completion of apprenticeships but also a waste of public funds. This, at a time when the age distribution of our sector highlights a looming skills shortage and the requirement to retrain and upskill more mature workers to cope with an expected rise in the demand for skilled employees.

NECA's response to the VET Reform draft RTO standards in July 2014 was generally supportive of options to provide a clear set of strengthened and defined standards that would give clarity to learners, the industry and the registered training organisation.

However, we remain concerned that the delivery of education and training is too slow to adapt to the changing needs, skill requirements and technological advancements within the industry. Inconsistent training and learning will not deliver job focused graduates with the necessary level of technical skills and generic knowledge to meet the needs of our industry.

Our sector is heavily reliant upon the TAFE and RTO's for the delivery of learning given the highly skilled and technical nature of industry requirements. However, we believe that industry based and/or owned RTO's, with a set of flexible strategies to ensure training program and content relevance is the direction for the future. A lack of industry involvement and engagement is a shortfall within the present system and we strongly believe that all training and learning needs to be flexible enough to be tailored to future industry requirements.

Whilst strongly supporting the streamlining of VET, NECA is not in favour of a one size fits all approach to the regulation, development and maintenance of training packages. Our response to the *Industry Engagement in Training Package Development – Towards a Contestable Model* discussion paper offered a range of suggestions to improve the system including the adoption of a risk based approach to the skills mix and the streamlining of qualifications so that training packages can better meet the needs of industry by providing qualifications across a range of industry sectors.

**b) Do all the competencies, skills and qualifications currently included in the national system need the same level of prescription and oversight?**

Given the nature and required technical skill sets for electricians, NECA strongly supports the need for national consistency of qualifications.

National standards or units of competence should be reflected across all states and territories and have the ability break down barriers to employment, such as current moves to extend the mutual recognition of licensing.

NECA disagrees with a prescriptive, one size, fits all approach and supports the streamlining of qualifications to minimise the duplication to enhance greater skills recognition and the fostering of qualification and employment portability across and within a range of industry sectors.

With a key priority of VET Reform being to ensure that qualifications meet the needs of industry and given that 1,600 exist across the country (many appealing to niche markets at best), we discourage the development of individual sector training packages to encourage greater simplicity and the enhancement of present training packages that provide cross-industry qualifications. This is particularly critical for our present national economic outlook given the structural adjustments that are presently taking place with a slowdown in the mining sector and an upswing in the construction sector.

NECA supports the concept of an accepted, industry-wide defined minimum standard for a training package (e.g. Cert IV in Electrotechnology) as it presents an opportunity for employers to not only deliver refreshed skills and knowledge through enhanced training into the workplace but also that enables a greater level of employment flexibility and movement across Australia with the one accepted standard, to take advantage of economic upswings and employment market adjustment.

With greater engagement and involvement with industry, NECA believes that greater flexibility can be realised and that industry led outcomes such as the development and setting of a national standard, can lead to improved training package outcomes.

**c) Are qualifications flexible to meet employer needs, given that they are developed against a national standard?**

Industry stakeholders are often better at identifying new and emerging industry trends and technological advancements and we believe that capturing these trends and having the flexibility to refresh training packages to reflect future industry requirements is fundamental to achieving improved training package outcomes.

In point b), NECA suggests greater flexibility in qualifications to meet employer needs but for the retention of a national standard and the discouragement of individual sector training packages. To more adequately explain this point, given that standards and competencies underpin training knowledge across the electrical sector, we believe that more flexible, customised and industry driven units of competency can be built into an overarching qualification without the need to create additional duplication and complexity. The strengthening of present qualifications, rather than the creation of new and additional types will assist to meet the needs of industry through the creation of a workforce that is more adaptable to change through broader range of transferable skills.

In our response to the *Industry Engagement in Training – contestable model* discussion paper last year, NECA pointed out that the removal of red tape for training organisations was critical to the future success of the sector. The present arrangements are too inflexible and make it incredibly difficult for a training organisation to update and refresh resources to meet the needs of industry.

The cost and length of time for the training provider to refresh a training package after being signed off by the Australian Skills Qualifications Authority (ASQA) to receive course accreditation is cumbersome and a deterrent to delivering quality training outcomes.

NECA believes that a more risk based approach to industry endorsement is not just necessary but is long overdue. We believe this inhibits input and engagement from industry, as many consider the ability to change and refresh course content too difficult. We argue for an improved system of stakeholder engagement where if the final training package aligns with the business case and standards and where industry support is agreed, endorsement should be made final.

#### **d) Is the focus on training outcomes strong enough in the training system?**

It is critical that employers have confidence in the ability of the training system to deliver credible and skilled job ready graduates to meet employment requirements. Unfortunately, the present system has eroded employer confidence in the Vocational Education Training sector to the point where the COAG Skills Council has sort a review of training packages and accredited courses across the country.

NECA's difficulty with present arrangements also concerns the quality of training and assessment within the VET sector. A recurring theme amongst many of our members relates to the quality and competence of the trainer and the new standards for continuing registration make these requirements clear.

The delivery of high quality training and assessment is reliant upon the skills and knowledge of the trainers and assessors and within the electrical sector, a broad perception remains that there are trainers who lack the necessary skills and current industry knowledge who may see the assessment function of the job description a lower priority than the training function.

Quality training outcomes should be employment focused and lead to the creation of a larger pool of skilled resources in addition to greater industry participation, flexibility and productivity.

Our Draft VET reform submission highlighted the strong link between the quality of the trainer and assessment outcomes. NECA argues that those who deliver education and training within our sector must hold the same level of qualification as a minimum requirement and must be able to demonstrate a range of current industry skills directly relevant to the training they provide.

An industry based and supported RTO would ensure that a trainers skills and standards are met and be responsible for the ongoing professional development of trainers to ensure that knowledge and practice of vocational training, learning and assessment including competency based training and assessment, is kept. Only those trainers who meet the standards would be allowed to determine assessment outcomes and this in turn would lead to higher quality assessment within the sector.

NECA supports the retention of the current minimum training qualification – Certificate IV in Training and Assessment as a discipline for each trainer and assessor.

NECA makes four recommendations in response to this discussion paper.

Our sector is heavily reliant upon the TAFE and RTO's for the delivery of learning given the highly skilled and technical nature of industry requirements. However, we believe that industry based and/or owned RTO's, with a set of flexible strategies to ensure training program and content relevance is the direction for the future. A lack of industry involvement and engagement is a shortfall within the present system and we strongly believe that all training and learning needs to be flexible enough to be tailored to future industry requirements.

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Minister, thank you once again for the opportunity to submit NECA's views on the Review of Training Packages and Accredited Courses discussion paper.

We wish to continue to work with the Government to be a part of the ongoing reform and strengthening of the Vocational Education and Training Sector. We believe our positions strongly reflect the view of the electrical communications contracting sector and if implemented, will assist to deliver ongoing sustainability.

**Yours faithfully**



**Suresh Manickam**  
**Chief Executive Officer**