

RESOURCES AND INFRASTRUCTURE INDUSTRY ALLIANCE

Response to the *Quality of assessment in VET – Discussion Paper*

MARCH 2016

Representing the Resources and Infrastructure Industry for and on behalf of:

Minerals Council of Australia (MCA)

Australian Drilling Industry Association (ADIA)

Civil Contractors Federation (CCF)

Cement, Concrete and Aggregates Australia (CCAA)

New South Wales Minerals Council (NSWMC)

Queensland Resources Council (QRC)

South Australian Chamber of Mines and Energy (SACOME)

Chamber of Minerals and Energy Western Australia (CME)

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Overview

This paper has been prepared in response to the discussion paper issued by the Department of Education and Training entitled *Quality of Assessment in VET*. It represents the agreed views and position of the Resources and Infrastructure Industry Alliance which comprises the organisations listed on page ii.

Assessment is a keystone issue for the Resources and Infrastructure industry. Whilst some of the Alliance's views can be captured through the questions posed in the discussion paper, there are more fundamental issues and industry context which need to be readily understood by policymakers before the considering the specifics of the answers. For this reason, the Alliance has included the following sections in its response:

- An Introduction to set out the Alliance's high level views on assessment;
- A Background statement which outlines the Alliance's broader concerns in relation to vocational education and training;
- A set of Key Principles which embody the views of the Alliance on the issue of assessment and the role of industry in skills formation and assessment of competency; and
- Conclusion.

The balance of the paper provides specific responses to each of the discussion paper's questions where appropriate.

Should the Department require any further information or wish to seek clarification on any of the views expressed, in the first instance please contact:

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Introduction

Industry Training Packages are Industry's standard for competency in the workplace.

In this role, they are used as the basis for skilling of new entrants and the upskilling or reskilling of existing workers. They play a pivotal role in workplace and individual worker safety. They are fundamental to efficient and productive business operations.

Regardless of how well the actual Training Package meets the needs of industry and the individual learner, its effectiveness in a skills development context is ultimately determined by the quality of training delivery and assessment, and the ability of the system to respond in a timely manner to the evolving needs of industry.¹

Both public and Industry confidence has been shaken when learners have been trained and assessed as competent (and awarded qualifications) when they are clearly not competent to perform in the workplace. Aside from eroding the confidence of employers and individuals in the system, it compromises both safety and productivity of the individual workplace, a totally unacceptable outcome for industry, the worker and the public purse.

For example, the Western Australian Auditor General's Report 'Regulation of Training Organisations' (June 2015) reported a number of instances of questionable assessment practices – one reported instance was electrical engineering students being passed as competent without demonstrating this competence in any practical assessments.

The Resources and Infrastructure Industry has a strong emphasis on productivity and safety. As a direct consequence, new entrants appearing on site with qualifications are usually 'challenge tested' in order to demonstrate competence and are often retrained at company expense.²

With regards to the upskilling of existing employees, supervisors often take a leading role in the training and assessment process. Mining enterprises, for example, deliver the majority of their training and assessment using their own staff. In these cases, supervisors are also qualified as trainers and assessors who work alongside the learners, ensuring that training and assessment happens consistently in a real life, real-time work environment. This ensures that training is delivered with minimal disruption to production and the enterprise has complete control over quality.

Smaller employers rely more heavily on Registered Training Organisations (RTOs) – however, in practice in the Resources and Infrastructure Industry, under true partnership arrangements between employers and RTOs, assessments of smaller employers' staff are carried out by the employer and confirmed by the training organisation's trainer or assessor, or vice versa.

As a general rule, industry-based RTOs (e.g. enterprise or industry association-based RTOs) have a stronger organic connection to industry and its requirements.

¹ The Resources and Infrastructure Industry Alliance defines "industry" as employers and employees operating in the workplace.

² Often a first step is to check the validity of academic claims, with subsequent steps including onsite induction and validation that the new entrant can carry out defined tasks in a safe and competent manner.

At the heart of the assessment issue is the use of definitions, in particular the difference between qualifications and competencies. A current or future employee may be qualified in the educational sense but not competent in terms of applying skills in the workplace.

The Alliance believes that the workplace is the only setting to assess competence and that, for competence to be assessed in a workplace setting, the employer must play the determinative role in assessing competence.

Background

The Resources and Infrastructure Industry's view is that the primary function of Australia's national training system (of which vocational education and training is a core component) is to provide high quality, relevant and assessable training and education for the following cohorts (Figure 1.).

Figure 1. The four cohorts which comprise the learner base of the national training system

Cohort

Entry level skilling

Status

All working age Australians have a guarantee of a training place to get up to their first Certificate III qualification. Provision is largely affected by inconsistent application of the guarantee and the variability of pricing/subsidy models across the various jurisdictions.

Cohort

Existing worker up skilling or reskilling

Status

Industry, the economy (government) and the individual are beneficiaries of existing worker upskill and reskill. Again, the variability of pricing/subsidy models applied by the various jurisdictions impacts the effectiveness of meeting this cohort's needs.

Cohort

People exercising choice for their own advancement or interest

Status

This is a national training system cohort whose needs are about individual choice and whose influence on exercising choice for specifically available opportunities should not drive public policy around industry Training Packages.

Cohort

People's need for skills for life

Status

This is a national training system cohort whose needs are to have skills that allow them to exercise choice including entering the workforce with a capability to support an expectation of success due to having as a prerequisite the skills needed to learn to learn.

Industry's focus is on the first two cohorts which together, are a major determinant in the current and future productivity and safety of any workplace:

- individuals seeking to enter the industry through the attainment of entry level skills; and
- existing workers who seek upskilling/reskilling through the acquisition of additional skills/knowledge.

The Resources and Infrastructure Industry (RII) Training Package is viewed by the mining, drilling, quarrying and civil construction sectors as the standard for employee competency. Many companies in the sector base their Australian and/or global competency standards on RII, often adding their own company specifications.

At the 2013 SkillsDMC Conference, Peak Bodies representing the Australian Resources and Infrastructure Industry affirmed their support and commitment to Industry Training Packages as the central currency of vocational education and training by signing *A Compact with the Resources and Infrastructure Industry*. The Compact contains the industry-accepted definition of a Training Package as follows:

“Industry Training Packages specify the skills and knowledge required to perform effectively in the workplace. They do not prescribe how an individual should be trained.”

The definition of the Training Package as stated in the Compact ceased to exist on 31 December 2015 and it has been progressively watered down, reducing the primary role of industry as evidenced by the following extract from *2016 Transition Funding Agreement – provision of services to Industry Reference Committees*:

Training Package

means Material (primarily in document form), endorsed by the CISC and any successor to CISC, where for particular occupations and industries, nationally:

- (a) a minimum of post-secondary education at the Certificate I to IV level is deemed to be required; and*
- (b) the Material specifies the range of knowledge and skills (known as competencies):*
 - a. required to be demonstrated by individuals working within those occupations and industries;*
 - b. being the competency standards that have been determined as the minimum acceptable standards by industry experts; and*
 - c. in some cases, the circumstances under which those competencies can be assessed.*

What this new definition ultimately means for the content of Training Packages and Units of Competency, is unclear. It is a concern further heightened by the absence of any announcement on the *Review of Training Packages and Accredited Courses*, on which the Department of Education and Training sought submissions back in February 2015.

Industry is concerned that, coupled with the watering down of the Training Package definition by excluding industry, previous attempts to include accredited courses in Training Packages could be revived, thereby moving Training Packages from being built on a units of competence base to a curriculum base. This is the effective removal of Industry’s voice and relegates it to being advisory and/or disposable when not in concert with the system’s needs.

Without an industry-defined Training Package definition, the risk of a supply-driven skilling environment divorced from industry priorities around a safe, skilled and productive workforce significantly increases.

This would be problematic for a Resources and Infrastructure Industry anxious not to repeat the devastating skills shortages of 2006-2012, which resulted in increased labour costs to the point where the industry’s global competitiveness was compromised. Critical skills gaps also endangered the commencement and completion of key projects.

Similar characteristics relate to all Industry Sectors within the Resources and Infrastructure Industry and related areas such as Oil and Gas.

The lessons from the 2006-2012 period require planning by industry to ensure that, as far as possible, skills needed into the future are defined via units of competence for new entrants and existing workers requiring upskilling.

Skilled labour needs to be available at the desired locations and in the numbers needed. Given this, especially the common remoteness of some locations, Industry-led assessment processes, including Verification of Competency, will be critical to ensure workforce needs are met.

Key Principles Guiding the Resources and Infrastructure Industry Response

The Alliance view is that candidates are either competent or not competent in the workplace, and that industry rather than the RTO assessor is in the best position to make that assessment.

The Alliance also considers that a fundamental conflict exists where RTOs deliver training to students and then assess those same learners. This conflict of interest is fuelled by public funding and reporting regimes that place a large payment on completion of qualifications or where State Training Authorities use qualification completion rates as an indicator of RTO performance. A forced focus on completion rates, rather than the quality of outcome, can lead to unfettered “tick and flick” practices amongst and within individual RTOs, especially in the skilling of new entrants and where no employer is present to police assessment of competency.

The preferred Resources and Infrastructure industry position is a model where industry assesses and/or signs-off competence via Verification of Competency processes.

The Resources and Infrastructure Industry’s core views are as follows:

- Four overarching principles underpin outcomes of skilling: relevance, safety, productivity and quality;
- Skilling is primarily an economic and employment issue not an education issue;
- Skilling and training are not identical – training and assessment are inputs that underpin the skilling process – the skilled worker is the output;
- For the system be of value to industry and individual employers, the continuing focus of governments and policymakers on inputs and process needs to be rebalanced by a significantly stronger focus on the quality of outcome;
- Qualifications and competencies are not the same thing. A current or future employee may be qualified in the educational sense but not competent in terms of applying the acquired skills in the workplace;
- In line with this, the assessment process must determine whether an employee is safe and competent to perform their role in the workplace;
- As such, industry must have a determinative role in deciding who is and who is not competent;
- Upfront rigour should be encouraged and consumer expectations set prior to RTOs being engaged by learners and enterprises;
- Compliance and regulation does not guarantee ‘quality’;
- The Commonwealth must ensure ASQA’s audit focus is shifted to the outcomes of training delivery and assessment rather than RTO inputs which are crude and often misleading indicators (i.e. the quality of RTO paperwork and the emerging support for hours/learner effort are supply side issues);
- Competency is more than the passage of time. There is a lack of support for the notion of compulsory minimum hours or “learner effort” which are considered crude input measures that do not guarantee an improvement in the quality of outputs ie. a skilled worker.

- Assessment delivered by the same RTO that has provided the training has the potential to be compromised – while some RTOs have behaved well, particularly those with an organic industry connection, others have adopted a “churn and burn” approach that compromises safety, productivity and quality;
- As a matter of overall policy, the assessment of workers seeking to upskill and of new entrants looking to gain the skills necessary to enter the industry need to be treated quite differently:
 - *Existing worker upskilling*: For this cohort, the employer must sign-off on learner competency (through Verification of Competency). The learner would not be deemed competent until this occurs. Under true partnership arrangements between employers and RTOs, assessments would be carried out by the employer’s trainer and validated by the RTO’s trainer or assessor, or vice versa; and
 - *Potential new entrants*: For this cohort, where a person is trained in an institution, they would achieve a Certificate of Achievement but importantly, would not be deemed *competent* until skill learnings have been assessed on-the-job by a party independent of the trainer (through challenge testing).
- As per the approach above, there is a need to highlight the distinction between “qualified” and “competent”, the former being underpinned by the learning-based qualification and the latter being underpinned by the workplace-based Verification of Competency.
- Some approaches to assessment may suit larger business and others may suit smaller businesses because of resourcing issues – the common factor must be employer sign-off on competency;
- In seeking to improve assessment processes, there must not be a corruption of the intent and purpose of endorsed Training Package components. A candidate is either ‘competent’ or ‘not yet competent’ in line with the standard described in the unit of competency. Oversight by industry to ensure appropriate assessment decisions are made is the only way to improve outcomes.
- Models that could be considered to enable industry oversight of assessment are:
 - Employee assessment conducted by workplace supervisors;
 - Independent assessors who are separate from trainers, possibly as part of Industry Assessment Centres – see below (i.e. not RTOs or TAFEs signing off each other’s work, as currently occurs in some jurisdictions);
 - Training and assessment undertaken by industry-based or enterprise RTOs with employer supervisor sign-off;
 - Work-integrated learning whereby employers assess non-employed students in a workplace as part of work-experience or cadetship arrangements;
 - Smaller employers enter into true partnership arrangements with RTOs whereby assessments of smaller employers’ staff are carried out by the employer and confirmed by the RTO’s trainer or assessor, or vice versa; and
 - Industry Assessment Centres could supply assessors (issues of funding/costs need to be considered).

- The Commonwealth should commission an independent cost/benefit analysis of industry-led assessment models and a comparative analysis with existing funding models/training subsidies (which factors in the degree of wastage that has occurred through “tick and flick” RTOs and routing of VET-FEE HELP);
- Whilst this submission pertains to the Resources and Infrastructure Industry, it should be noted that the submission’s content may relate and could be applied to other sectors; and
- The Resources and Infrastructure Industry is a globalised one that crosses both state and national borders and necessitates restatement of the fact that one size does not fit all.

Conclusion

Industry-led vocational education and training arrangements sit within the broader national training system and relate to entry level and existing workers. Three factors are pivotal to its success:

1. Resource allocation being driven by economic need and the current and future jobs needed to sustain economic growth (**setting priorities**);
2. Industry defining the specifications for what is required of an employee to work safely and productively in a current workplace and the workplace of the future (**units of competence**); and
3. The relevance and quality of the outcome of the skilling experience is validated against Industry determined specifications to ensure an employer has confidence that the person has the skills required to safely operate in the workplace (**return on investment**).

These three factors reflect the fact that skilling is a market and has the characteristics of any market. Supply is what is offered by training service providers and demand is what Industry specifies as its requirement. Normally, demand and supply theory will allocate resources in the most efficient way possible, and poor quality products and services fall away from the market due to lack of financial support. However, the influence of third parties, most especially government policy and funding models, have prevented market forces from working effectively and limited the ability of Industry to drive the behaviour of the suppliers.

For consumers of the vocational education and training market, discerning good providers from bad relies heavily on word of mouth due to the lack of transparency about RTO performance. To be clear, this is not an issue resolved by 'truth in RTO marketing'. This is about ensuring the outcomes of formal audits are easily accessible and well-publicised to the public. A competitive market will only function effectively when consumers are truly informed. Once empowered, consumers and the market force they bring to bear will have far greater impact than any form of regulation.

The current systemic changes being rolled out by the Australian Government as part of its reform of vocational education and training, and in which Industry is being led to participate, are only serving to:

- remove Industry's agreed definition of its skilling specifications;
- move the focus via regulation from Industry-led to supply-side (providers of services) driven; and
- reinforce the assessment function (the single most important feature in determining that competence has been achieved) being undertaken by service providers rather than by Industry.

Over the past decade, reform after reform has been carried out in the name of industry and raising quality, whilst in reality those same reforms have typically focussed on meeting the needs of training providers and system regulators, and a superficial focus on processes and structures rather than outcomes. At the same time there has been a commensurate reduction of Industry's unfettered voice and determinative role in the system and its policy priorities.

Policymakers do need to consider how the reduction in industry's influence has coincided with the scandalous blowout in subsidies to RTOs and VET FEE-HELP debt, both of which have left the taxpayer and wider economy with a questionable return on investment.

Industry specifications of competency (empowerment of industry) and industry's role in assessment remain a natural bulwark against the tendency to seek high volume, low cost outcomes on the part of some RTOs and should be "front and centre" of the current discussions around quality of assessment.

1. Discussion questions – RTO limitations:

- Is it appropriate for relatively large numbers of RTOs to deliver TAE qualifications or skill sets? Should the number be reduced to a targeted number of RTOs focusing on high-quality provision?
- Should RTOs be restricted from issuing TAE qualifications or skill sets to their own trainers and assessors?
- Are TAE qualifications and skill sets so significant that evidence of competence should not—or cannot—be appropriately demonstrated via recognition of prior learning?
 - Is recognition of prior learning for TAE qualifications or skill sets granted with sufficient rigour to ensure the quality of student assessment? Should the practice be restricted?
- Are there opportunities to improve the assessment skills of the VET workforce through changes to the delivery and assessment of TAE qualifications and skill sets?
 - Should TAE qualifications and skill sets only be delivered by VET practitioners who can demonstrate a specific period of training and/or assessing employment history in the VET sector?
 - What circumstances would support a change requiring some VET trainers and assessors to hold university-level or higher-level VET qualifications, for example, practitioners delivering and assessing TAE qualifications and skill sets?
 - Should the TAE Certificate IV and/or Diploma require a practical component? If so, how long should the practical component be?
 - Should entrants to the TAE Diploma be required to demonstrate employment history in the VET industry before being issued with the qualification? Would this condition help to improve the relevance and validity of assessment? How long would this period of time be?

COMMENT:

For industry, the delivery and assessment of TAE qualifications is very much an “inputs” issue.

The Alliance view is that the focus should be on the actual workplace competence and effectiveness of the individual.

In larger companies in the Resources and Infrastructure Industry, in-house trainers and supervisors sometimes undertake TAE qualifications to underpin their duties around training and assessing new and current employees.

The key issue for industry is the ability of these personnel to contribute to a skilled, safe and competent workforce.

The failure of the current reform environment and priorities are that they are largely supply-side response to the inconsistent quality of training and assessment (inputs and process focused) from RTOs (as identified by Industry in its role as the key arbiter of whether the required knowledge to operate safely and effectively in the workplace has been attained and demonstrated).

Within Industry's specifications, supply side accountabilities should be against meeting Industry need for competency assessment within the context of the workplace. The role of course structures etc., are excluded within the definition of an Industry Training Package which specifically notes that they do not prescribe how an individual should be trained. Trainers and supervisors develop learning strategies – the 'how' – to support an individual learners' needs, abilities and circumstances.

The arrangements are comprised of partners. One of the partners is the trainer. The role of the trainer is to use expertise to develop materials to ensure the outcome being sought is achieved. However, the role of some specifics is a matter for Industry such as the acceptance of the role of simulators as a training tool but not as an assessment tool from which a claim is made that an individual is workplace competent.

2. Discussion questions – skills and qualifications of trainers and assessors:

- Should the TAE Certificate IV be changed to a core unit on the design and development of assessment tools? How would this improve assessment outcomes for students?
 - Should the core unit be the existing *TAEASS502B Design and develop assessment tools* unit of competency? Are there alternative approaches, such as developing a new unit on the design and development of assessment tools?
 - Is the *TAEASS502B Design and develop assessment tools* unit of competency a specialist unit that should only sit at the diploma-level on the basis the Certificate IV is currently designed for delivery to new entrants seeking to be trainers and assessors?
- In the case of making any updates to the TAE, is it appropriate to form judgements based on majority considerations? Or is it too risky to do so? Is it a better basis for decision makers to give strong weight to key stakeholders and the nature of the argument put forward?

COMMENT:

Same as answer for 1

3. Discussion questions – benefits and purpose of a VET professional association:

- Is there a need to establish a national professional association for Australia's VET system?
 - **Specifically, is there a clear role for Australian governments in assisting the development of professional skills of the VET workforce by funding a professional association?**
- What are the barriers to establishing a national professional association? How could these be overcome?
- What would be the most useful guiding purpose of a national professional association?

COMMENT:

For industry, the notion of a 'national professional association' is very much a supply-side issue.

It is our understanding that there already are VET Professional Associations in existence, such as the Australian Institute of Training and Development.

In line with the Alliance position on assessment being undertaken in the workplace, and that the employer must play a determinative role, there is significant value in a program that better supports workplace trainers and assessors. These individuals remain an unrecognised yet critical part of the VET workforce and continue to be responsible for the bulk of skills transfer in the workplace, and to varying degrees, workplace assessment.

In the context of assessment, we would encourage the Commonwealth to pilot a program that actively supports workplace assessors in one or two industries that consider workplace assessment critical, with a view to:

- measuring and evaluating the qualitative and quantitative benefits after one and two years;
- undertaking a comparative analysis of quality outcomes with non-workplace based assessments.

4. Discussion questions – potential activities of a VET professional association:

- What activities would be most beneficial for a national professional association to undertake?
For example, would it:
 - coordinate, approve or design professional development programs
 - develop capability frameworks
 - positively promote the profession of VET trainers and assessors as an employment destination and career path to attract professionals
 - act as an advocate and voice for VET trainers and assessors
 - interact with industry to respond to their emerging needs
 - register VET practitioners?
- What advantages would there be to conducting these activities at a national level rather than through existing professional development undertaken through membership of existing groups, or that which is currently organised by RTOs?
- Are there any existing organisations that could fulfil this role?

COMMENT:

See answer to 3)

5. Discussion questions – models for a VET professional association:

- Which of the suggested models for a VET professional association would be considered most preferable and viable in the current VET environment? Model A,B or C?
- What value would a VET professional association, or associations, add to the VET sector?
- What mechanism would sustain a professional association, for example, membership fees from individuals or RTOs?
- Should VET teacher and trainer membership with a professional association be mandatory or voluntary?

COMMENT:

See answers to 3) and 4)

6. Discussion questions – capability frameworks:

- What can be learnt or applied from the capability frameworks that have been developed or are currently being developed?
 - Is there an opportunity to make better use of these frameworks, irrespective of proposals to develop a professional association?

COMMENT:

See answers to 3) and 4).

7. Discussion questions – increasing industry confidence:

- Are there alternative approaches not covered in this discussion paper on how industry can increase engagement with the conduct of assessment, but not specifically the validation?
- Are there other ways to ensure industry confidence in assessment without requiring independent validation of assessment? For example, are industry-endorsed, externally administered tests a practical alternative to ensure that VET graduates are competent?
 - What would be the benefits and drawbacks in requiring such tests? Under what circumstances would they be mandated, for example, for particular student cohorts? Should these be specified in training products?
 - Who should regulate the tests?
 - Should such a test be a pass/fail dichotomy, or would it be more important to use the test to identify gap training?
 - Is the concept of an externally administered test, such as a test required before receiving a qualification, inconsistent with the premise of a competency based VET system?
 - Should the results of tests be made public at the RTO level?

COMMENT:

Tests are a poor substitute for actual industry involvement in the assessment process in a workplace setting.

The concepts of validation and moderation also stop short of the authenticity of employer assessment of competency.

“Validation of the assessment tools and... the application of those assessment tools” as well as the “collaborative” process of moderation are still prone to examining inputs (i.e. processes) rather than outputs.

These concepts can also be gamed by RTOs using other supply-side parties to “independently” validate or moderate their work, as happens in some jurisdictions.

A “principles-based mode and best practice guide” and “changes to the Standards for RTOs and the Standards for Training Packages” will have little if any impact on the thousands of training transactions that occur every week.

However, it appears that the involvement of industry as envisaged by the paper is limited and tentatively expressed.

8. Discussion questions – the role of industry in assessment:

- What role should industry, for example, employers and industry organisations, play in validation of assessment? Does the varied interpretation of ‘industry’ inhibit a proper appreciation of the topic and should it be defined? If so, who would best define ‘industry’ when considering the practice of validating assessment?
- Do employers or industry groups have the skills required to fulfil this role in validating assessment? Is assessment such a specialised skill that industry and employers either do not want to get involved or should not get involved?
- Is there a need to build industry capacity and capability regarding involvement with training and assessment? If so, how might this be done?
- How can we ensure engagement with industry is appropriately targeted so it does not add undue burden and is targeted to those within industry with appropriate expertise required for validation of assessment?

COMMENT:

- The Resources and Infrastructure Alliance view is that industry is best-placed to assess whether a worker is safe and competent.
- As a matter of overall policy, separate the treatment of assessment for worker upskilling and new entrants:
 - Worker upskilling - employer must sign off on learner competency (Verification of Competency) – learner not competent until this occurs. Under true partnership arrangements between employers and RTOs, assessments can be carried out by the client trainer and validated by the training organisation’s trainer or assessor, or vice versa; and
 - Potential New entrants comprising a person trained in an institution who obtains a certificate of achievement is not deemed competent until skill learnings are assessed on the job by a party independent of the trainer i.e. challenge testing.
- Models for industry driven assessment that could be considered are:
 - Workforce upskilling
 - Employee assessment by workplace supervisors ;
 - Training and assessment by enterprise RTOs with supervisor sign-off;
 - Smaller employers - under true partnership arrangements between employers and RTOs, assessments of smaller employers’ staff are carried out by the employer and confirmed by the training organisation’s trainer or assessor, or vice versa
 - New entrants
 - Work-integrated learning – opportunities for employers to assess non-employed students in workplace as part of work-experience or cadetship arrangements;
 - Independent assessors – separate from trainers; and
 - Industry Assessment Centres that supply industry assessors who can issue Verification of Competency - issues of funding/costs to be considered.

9. Discussion questions – specific models:

- How can independent validation be best applied to avoid a 'one size fits all' approach? For example should independent validation of assessment be triggered by:
 - improving RTO practice, for example, through a principles based model and best practice guide to support the VET workforce in identifying the most appropriate technique to validate assessment
 - mandatory requirement to lift quality in specific instances, for example, where a qualification is identified as high-risk
 - funding requirement, for example, independent validation of assessment could become a requirement for RTOs seeking to access government funding.
- Should there be an increased role for external assessment by industry, and in which situations? For example, should it be mandatory for certain industries where there is a concern for public safety if a learner is incorrectly deemed competent?
- If independent validation of assessment is to be risk-based, then what factors should be considered in the assessment of risk, for example, public safety, RTO profile, student cohort?
- Should high-risk student cohorts be required to undergo independent reassessment of industry-agreed sets of competencies before being issued with their qualifications?
 - For example, particular qualifications; students undertaking qualifications with RTOs with high levels of non-compliance; or that conduct assessment wholly online or on-the-job; or in areas of public safety.
- Would the burden be too great if independent reassessments were required for an entire student cohort, and should independent reassessment apply to a sample of students instead? If so, how could such a sample be chosen?
- Who would be most appropriate to oversee the reassessment of qualifications?
 - For example, could existing regulators or other organisations (such as firms that specialise in assessing students) take on this role?

COMMENT:

See answers to 7) and 8).

10. Discussion questions – industry expectations and graduate capabilities:

- Is there a role for Government or industry to develop resources outlining VET graduate expectations for particular training products? If so, who should take this work forward?
 - Do higher order issues need to be resolved regarding terminology such as ‘competent’ (as assessed against the training product) and ‘job ready’ (ready to undertake all aspects of a particular job)? Is there a common understanding of VET system outcomes?

COMMENT:

There is not a common understanding of VET system outcomes, as evidenced above where the term competence is misused in the stated context. ‘Competence’ does not measure mastery of a training product but being able to perform competently and safely in the workplace.

To understand the issues at the heart of the assessment debate, one must first have a clear understanding of definitions, in particular the difference between qualifications and competencies. A current or future employee may be qualified (in the educational sense) but not competent in terms of applying skills in the workplace.

Unfortunately, inconsistent use of terminology and comprehension of terms related to assessment, competency and the definition of Training Packages have in no small way frustrated the ability of industry and policymakers to hold an informed discussion on core issues such as quality. A formative piece of work is required on definitions and terminology that is subject to the formal agreement of industry and governments.

The Alliance believes that the workplace is the only relevant setting to assess competence – for competence to be assessed in a workplace setting, the Alliance contends that the employer needs to play the determinative role.

11. Discussion questions – evidence of assessment and graduate competency:

- Should the Standards for RTOs be revised to include strengthened and more specific rules around the conduct of and evidence to support assessment? Which elements that have a clear link to quality of student outcomes need to be strengthened?
- Would a more prescriptive condition of registration, such as a requirement for RTOs to retain all assessment samples for a longer period, improve the quality of assessment?
- How could the focus of regulation move to evaluating assessment outputs, such as samples of students' assessment pieces, without incurring excessive costs or imposing excessive burden on RTOs?
 - Is ASQA the appropriate regulator to oversee this function, or are there better placed agencies such as firms that specialise in assessing students?
- Are there other mechanisms that you would like to see added to the regulatory framework to prevent poor assessment? For example, should training-only RTOs be recognised as a formal part of the regulatory framework?

COMMENT:

In the case of training, regulatory approaches are best applied in a risk-based manner.

For example, “high risk” qualifications should be prioritised from a regulatory perspective and the regulator should have the power to instruct RTOs to stop delivering and assessing during any rectification period.

In a genuine market, market discipline applies as the demand side polices the supply side – hence the strong market efficiency arguments around the determinative role for industry in assessing competence.

Although the two concepts are completely different, an employer Verification of Competency (workplace-based) is not necessarily in conflict with an RTO issued qualification (educational).

Furthermore, regulators need to get “beyond the paperwork” and actually audit the training delivery and assessment process and its outcomes.

As the Discussion Paper indicates “ASQA’s current regulatory process reviews the RTO’s assessment processes, tools, materials and a sample of completed assessments, rather than independently testing whether an individual student holds the competencies as declared by the issued qualification or statement of attainment.”

The re-testing of graduates would be costly and possibly open to legal challenge, as well as wholly unnecessary if industry involvement in Verification of Competency could be facilitated.

12. Discussion questions – enforcement:

- How could the focus of regulation move to evaluating assessment outputs?
- Which additional regulatory enforcement options should be considered in dealing with RTOs providing inadequate assessment? For example, should the regulator have an explicit administrative power to require a RTO to arrange and fund external reassessment, or should additional civil penalty provisions be created?
- To what extent should the characteristics of the RTO influence the response? Should the size of the RTO or the number of students involved matter?
- Given the need to balance procedural fairness with swift and effective enforcement action, what methods should be available to the regulator to manage RTOs that are repeatedly non-compliant with assessment requirements? How could such repeat offenders be defined?
- What role should regulators have in communicating their activities and findings? Does current regulatory practice provide adequate transparency and disclosure, or are there other approaches that should be taken?

COMMENT:

Regulators need to get “beyond the paperwork” and actually audit the training delivery and assessment process and its outcomes.

As the Discussion Paper indicates “ASQA’s current regulatory process reviews the RTO’s assessment processes, tools, materials and a sample of completed assessments, rather than independently testing whether an individual student holds the competencies as declared by the issued qualification or statement of attainment.”

Regulators need to have a capacity to respond with greater speed when issues are identified around “high risk” occupations i.e. those where there is an acute occupational health and safety risk. This does not imply more regulation but a tightening up of regulator powers.

Withdrawal of qualifications by the regulator needs to take place in a very managed way (if at all) and raises the issue of legal liability from an RTO perspective and students signing up to class actions and pursuing RTO’s through the courts.

13. Discussion questions – cancellation and reassessment:

- Where inadequate assessment has occurred, should the power to cancel qualifications be exercised more frequently than it has in the past? What factors should affect this decision (for example, potential impact on public safety) and how should they be balanced?
- Should a scheme for the reassessment of students be implemented? If so:
 - Are there any situations where a student should not be offered the chance to be reassessed, for example, student fraud?
 - Should there be a time period after which ASQA should not move to cancel an individual's qualification? Noting potential public and other safety issues, should a decision to cancel consider whether or not the person involved is reliant on the qualification for their current employment?
 - Who should bear the cost of reassessment and any gap training found to be necessary? If the cost is to be recovered from the RTO, should this be pursued regardless of the RTOs financial viability?
 - Who should deliver the reassessment? Are there any circumstances in which it would be appropriate for the original RTO to undertake the reassessment?
 - What should the qualifications be for those doing the reassessment, and what industry experience and currency would they need? To what extent should ASQA, industry or employers be directly involved in the reassessment process?
- Should a tuition assurance fund be set up to further protect students in Australia's VET sector, particularly in the context of any scheme of reassessment or cancellation of qualifications? Should membership be mandatory for all RTOs? Who should operate such a fund, and who should bear the cost of its operation?
- What linkages with income support eligibility should apply for graduates impacted by any recall of qualifications?

COMMENT:

See answer to (12