

**Industry Engagement in Training Package Development  
Discussion Paper – Review of Training Packages and Accredited Courses**

**Response from the Australian Water Association & WIST**

## **INTRODUCTION**

### **The Australian Water Association**

The Australian Water Association (AWA) is the national peak water organisation, delivering information, expertise and collaboration for sustainable water management.

AWA represents over 4,000 individual members and more than 600 water industry related companies. Membership is broadly-based and multi-disciplinary, covering the entire water cycle. It includes professionals and practitioners working in utilities, science and research, energy and resources, manufacturing and agriculture.

As the largest nationally representative water industry body, AWA has continued to work very closely with Government Skills Australia and other water industry organisations in the review and ongoing development of the National Water Package NWP07.

These working partnerships have resulted in many other industry related skills development initiatives and outcomes, which would not have been otherwise possible to achieve.

### **Water Industry Skills Taskforce**

The Water Industry Skills Taskforce (WIST), led by AWA, was established to promote and oversee a nationally coordinated effort to address the competency skills shortage in the water sector.

It is the intention of the Taskforce to work collaboratively with Government initiatives to reduce the impact of water competency skills shortage, through an appropriate combination of Government and Industry actions and strategies.

The Taskforce comprises CEO-level representation from the water industry and related education and government sectors.

## **BROAD COMMENTS**

AWA agrees with the first principle set out in the discussion paper: 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 that:

- Reflect the technical and generic skills and knowledge that are required in jobs;
- Provide a basis for consistent assessment of competence in those skills across the training system;
- Provide a mechanism for the national portability of those skills; and
- Are flexible enough to cater to the needs of different individuals, employers and industries, including as these change over time.

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

The VET system is meeting the needs of the water sector, with industry showing a high percentage use of the NWP07 (78.5% of respondents surveyed in AWA and Water Services Association of Australia (WSAA) *Training needs and training capacity of the water industry in Australia* (February 2014) use the National Water Training Package NWP07). The importance the water industry places on vocational training and its determination to ensure that training delivers what employers need is evident from their engagement in GSA's development of the forthcoming water training package. However there needs to be more flexibility for employers to be able to create a training programme/qualification that is relevant to them. Employers and students would also benefit more generally from greater clarity of career paths and learning options available in the VET sector.

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

High-risk industries such as the water sector, for which the consequences of an unskilled workforce are extensive, should have sufficient oversight from federal and state/territory governments. Given the critical risk to public health and the environment that inadequate training poses, technical training is essential to the security and standard of water provision and regular review and oversight is important. However, it is important to ensure that the review process is streamlined and that the engagement with industry is sincere, extensive and coordinated to ensure that employers are not excessively taxed throughout the consultation process.

Training packages must be flexible to allow employers to adapt easily to market conditions and ensure individuals' skills are not pigeon-holed into one speciality. National standards increasingly should focus on broad industry knowledge, ethical conduct and high-level cognitive functioning to ensure an adaptable, transferable workforce with greater recognition to individual skill-sets.

A nationally consistent and recognisable standard is of utmost importance to students' transferability, but not at the expense of narrowly defined qualifications that do not promote flexibility for changing markets. For that reason AWA advocates a national standard that emphasises information processing, high-level cognitive and inter-personal skills, paired with a broad understanding of the industry in which one operates. It is critically important is ensuring the workforce has the cognitive flexibility to adapt to changing market pressures, new employers and new regulation quickly.

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

Greater industry driven flexibility would assist in the development industry-relevant skills sets and qualifications. This increased flexibility should be within a national standard framework to ensure a consistent quality outcome acceptable across industry. With this in mind, AWA advocates the recognition of national standards based on adaptable cognitive skills to stay ahead of today's fast-moving environments, with market specific outcomes depending on locality or employer. Developing technical skills is essential to maintain effective risk management governance for public health and environment impacts, as well as meeting fit for purpose skills for a wide range of treatment processes, water and waste water infrastructure operations and maintenance. The VET structure needs to enable employers to react quickly to market changes as well as providing students with career opportunities without being limited to narrow fields of technical speciality.

## CHANGING THE MIX OF SKILLS INCLUDED IN TRAINING PACKAGES AND QUALIFICATIONS

### Approaches for discussion

**More direction on the right mix of transferable and technical skills**– to support an adaptive workforce that is able to move within and across occupations and industries means that training packages need to include not only the technical skills and knowledge required to complete a specific job, but also the cognitive skills that are increasingly becoming an important component of all jobs. A possible reform option is for industry to provide more direction within some training packages on the mix of specific and cognitive skills that are needed. The level of direction and balance could vary depending on either qualification level or industry area.

**Increased consistency and clarity in the common units across training packages** – an alternate approach would be to retain narrow occupation or industry specific qualifications, but more clearly identify and develop common units that deliver skills that can be applied in a broad range of jobs. Some training providers are offering flexible training programs that enable students to undertake a number of units from different qualifications and/or training packages and issuing relevant statements of attainment to recognise competence achieved.

**'Broad banding' qualifications into vocational streams** – similar to the model adopted in New Zealand (refer to case study below); a number of narrow qualifications could be replaced with broad banded qualifications that prepare people to work in a range of related occupational fields or industries. Research suggests that the approach of aggregating VET programs could reduce the number of times individuals need to undertake different training programs, thereby reducing training costs. This approach has the potential to overcome 'blockages' in the labour market, which reduce employers' pools of potential workers.

**New preparatory qualifications** – to better support entry-level workers, preparatory qualifications could be developed that more explicitly focus on broad occupational fields or industries (rather than a specific outcome), and incorporate relevant foundational skills. These qualifications could be tailored to specific learner cohorts, such as secondary school students. Graduates of these qualifications could subsequently access future on the job and more vocationally specific training to deepen skills and specialise in a particular area over time.

**Improving the national recognition of skill sets** – without limiting the ability for providers and industry to develop skills that respond to local needs, further work could be undertaken to identify and recognise a broader range of skill sets that support strong vocational outcomes and have national application (e.g. those required to meet industry regulatory or occupational licensing requirements).

### **What would be the advantages/disadvantages of developing new preparatory qualifications that focus on broad occupational fields or industries and would this lead to more options for employers and employees?**

Preparatory programmes that focus on both traditional curriculums and practical skills, possibly including work-based learning/apprenticeships in order to create a balanced knowledge base, will ensure individuals are prepared for employment and industry expectations upon formal entry into the workforce. By engaging school-age individuals into industry via these preparatory programmes and related technical studies we can attempt to address the water industry's challenge of an ageing population as well as ensure our young people have the skills to practically apply knowledge and be ready for full-time employment.

***Do you think there are benefits to also 'broad banding' high level occupational qualifications that require workers to have broad cross-disciplinary skills?***

Yes. Ensuring a workforce has the cognitive ability, adaptability and high-level skills to adjust to changing marketplaces and employers is essential to the future of the water industry. However, the water industry is responsible for ensuring the satisfactory management of public health and environmental risks and technical skills play a large part in this. Any reform must both ensure that individuals and employers have the flexibility to address both cognitive skills and the protection that comes from the demonstration of technical ability to manage our most vital resource, water.

***Do you think there are benefits to officially recognising and regulating more skill sets, and if so, under which conditions? What are the highest priority skill sets for national recognition in your industry?***

Developing and maintaining appropriately skilled water treatment operators is a key aspect of mitigating public health risk and environmental impacts. The water industry is currently piloting a national certification framework for potable water treating plant operators in NSW, having already completed pilots in Victoria and Queensland. The implementation of a national standard will give the Australian public the security of knowing their drinking water is adequately regulated, that the water industry is properly accountable and will ensure operators have sufficient professional protection.

***In what circumstances can the delivery of training leading to a skill set or part qualification be more beneficial than undertaking a full qualification?***

A part qualification gives employers the flexibility to ensure their workforce is trained specifically to the requirements of the current industry environment and increases the accessibility (cost/time) of VET by many individuals.

Accredited skills sets supports a flexible workforce required to multi task across what are now separate qualifications without needing to achieve the full qualifications for all the tasks. This could significantly improve industry productivity.

## **CHANGE THE SYSTEM ARCHITECTURE**

### **Approaches for discussion**

***Clearer definition of purpose and associated controls*** – to improve the focus on training outcomes, training packages could be required to more clearly specify, for each qualification, the purpose of the qualification, appropriate student cohort/s (including whether it is appropriate to be delivered to school students), existing skill prerequisites, mode of delivery, and/or the units of competency or qualifications that, if delivered in combination would have meaningful vocational benefit for students (as appropriate).

***Flexibility for industry to input into the delivery of training packages*** – The VET Quality Report concluded there are benefits to prescribing additional delivery and assessment requirements within training packages according to industry need and identified risk. This could encompass occupational licensing environments and industry sectors where there is evidence of poor quality outcomes; a need to protect public health and safety and/or the environment; or where there is a risk to the standing of the VET system more broadly, such as trainer and assessor qualifications.

*For example, volume of learning requirements could be applied at the unit and/or qualification level for industry sectors or occupations identified as being at risk of poor quality training outcomes as a*

result of short duration delivery. As an example, this could include the aged care sector which has been identified as an area of concern by the national regulator.

The VET Quality Report also identified seven other delivery measures that could be incorporated into training packages where industry considers additional rigour is required: specific trainer requirements; language of delivery, learning resources; prospective learner information; range of training conditions; learner characteristics; and mode of delivery.

Furthermore, specifying requirements around workplace experience and assessment is seen by some industries, including the child care sector, as an effective strategy for ensuring the system produces competent graduates. This approach enables training to be contextualised to the needs of the workplace, allows learners to demonstrate their 'work readiness' and facilitates communication between the workplace and the training provider. However some training providers report it can be costly and difficult to organise.

Consideration could be given to incorporating some or all of these delivery measures in training packages where industry and other stakeholders consider there is a need. Care would need to be taken to ensure that any additional prescription did not inhibit innovative delivery practice or increase regulatory burden unnecessarily.

**Targeted national coverage** – One approach to reform would be to explore ways in which features of the system can be tailored to meet different employer and industry needs. Broadly, this could mean a more risk based and proportionate approach to the regulation of qualifications, and more flexible arrangements for some industries.

For example, a lighter regulatory touch could be applied to some qualifications/units of competency while a regulatory system similar to the current one could be applied to training packages, qualifications and units of competency that carry a higher level of risk such as those that are a requirement for a specific job or occupation; those that relate to occupations that operate in licensed and regulatory environments; those that are of specific national and state importance, or are significant for a range of industries (e.g. workplace health and safety (WHS) units).

Applying a more proportional approach to the regulation of the sector would provide an opportunity for a more direct role for industry nominated bodies to develop and maintain industry-wide or local occupational standards as needed. Further options include allowing industry-maintained occupational standards in a semi-regulated environment, for example through mutual recognition of these 'private' qualifications through a range of industry-devised processes.

**Discontinuing accredited courses** – one option for reform would be to remove accredited courses from the national system, allowing non-accredited training to meet any skill needs that fall outside the parameters of training packages. This approach would allow innovative training developers to nimbly respond to the needs of highly specialised or niche markets, for example in emerging industries or for those sectors undergoing structural adjustment. For these industries the imperative for a nationally agreed and consistent standard may be a secondary consideration to their immediate business development and training needs. However, it would mean that fewer individuals would receive a nationally recognised and portable qualification.

**Refocusing accredited courses** – if accredited courses are retained, another option for reform would be to refocus them to ensure they are genuinely responsive to industry needs with their primary purpose being to address gaps in training packages including for new and emerging industries. Under such a scenario, a strengthened case would need to be made to justify the course's inclusion within the national training system. This refocusing would also raise the issue of who is best placed to consider and accredit courses. One option is that the same body responsible for endorsement of

*training packages would assume this role to minimise duplication and ensure consistent, high quality standards across all qualifications and accredited courses appearing on the national register.*

***Removing unused qualifications*** – An approach would be to remove outdated enterprise training packages no longer compliant with policy requirements and which no provider has had on scope for an agreed period. Qualifications that are no longer relevant to industry could also be removed. As a safeguard, analysis of the national register and consultation with relevant industries would need to be undertaken prior to the removal of any qualifications or units of competency to ensure that those used in highly specialised or emerging industries and those with enrolments in the fee for service market are retained. As a further preventative measure, a review cycle could be introduced which would require the ongoing assessment of industry need for and uptake of qualifications and units of competency.

***Is national consistency necessary for all industries and qualifications? Do all vocational qualifications and skills need to be included in the national system?***

National consistency is necessary for qualifications that support risk based activities such as the treatment of potable water supplies and the impact on public health as well as environmental outcomes. This also supports portability of the workforce and efficiency in not having to retrain people. Ensuring continuing improvement in the regulatory arrangements between states/territories so there is a national standard for qualifications is important both to individuals (for transferability) and hiring employers. However it is important that the process is streamlined for training providers and not overly bureaucratic.

***What are the advantages and disadvantages of targeting regulatory effort to training packages and units of competency where national consistency and government oversight are necessary? What should the criteria be? If the system provided for a lighter touch for some nationally recognised training and a higher level of regulation for others – what should be applied?***

AWA advocates a risk-based approach to the regulation of training packages and accredited courses, based on potential scale of risk to public health, the environment, business success and social stability. We also support workplace experience and assessment in order to make the training process more accessible to employers, although more support should be offered to training providers in offering this type of assessment.

***Are there too many qualifications on the national register? If so, does this make it difficult for consumer to find the right training?***

The VET sector is currently difficult to understand for anyone not working within it regularly, effectively closing it off to time-poor employers or prospective students looking for skills development. A simplified structure that identifies cross-industry skills paired with a coordinated communication structure for the public will facilitate wider use of the VET system. Unused qualifications could be discarded provided extensive care was taken that they were not in use in the fee for service market.

There appears to be duplication of like skill sets under various qualifications which indicates that more flexible packaging would enable less qualifications achieve the same outcomes with less confusion.

The current approach to the development of training packages by industries does not support significant cross reference to other industries which may require similar skills particularly if developed by separate Industry Skills Councils. This has led to the development of too many qualifications, particularly some with like skill sets.

Accredited courses should retain a place in the VET sector if applicable in multiple spaces.

***Do you support the regular review and rationalisation of qualifications and units of competency?  
How could this best be achieved?***

Yes. AWA supports the regular review and rationalisation of qualifications and units of competency based on a risk-based approach.

This is essential to maintain currency and relevance of VET to changing industry needs, new technologies, systems and work practices as well as regulatory changes and maintaining an up to date competitive skilled workforce.

This is best achieved by peak industry bodies and key enterprises identifying needs and specifying requirements.