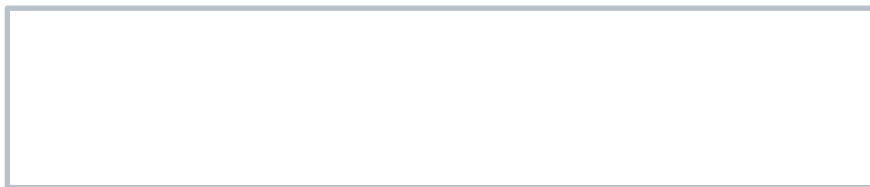




Australian Government
Productivity Commission

National Agreement on Skills and Workforce Development (NASWD) Review: Final report



Community Colleges Australia, 9th February 2021

Commissioners Jonathan Coppel and Malcolm Roberts



What we were asked to do

- Assess the NASWD
- Assess options for nationally consistent funding and pricing
- Assess options for more consistency in funding and loan arrangements between the VET and higher education sectors
- Assess options to ensure government investment in VET increases participation and aligns with the benefits flowing to students, employers etc
- Assess potential for further reforms, including recommendations from the Joyce review (e.g. LLND)



► Where we ended up

Intergovernmental arrangements

A new national agreement (with embedded LLND arrangements)	Improve system monitoring and evaluation
Revise intergovernmental financial transfers	Develop national LLND skills strategy

Supporting the VET system

Improving VET quality	
A national regulator	A VET workforce census
Improve use of existing data for quality improvement	Shorten training package development timeframes
Improve complaints handling mechanisms	Shorten training package development timeframes
User choice	Other reforms
Address information gaps	Improve operational autonomy of public providers

Improving VET investment and participation

Pricing and funding	VET Student Loans	Apprenticeships
Common methods for costing VET courses	Revise course eligibility restrictions	Establish screening processes
Streamline subsidies	Expand loans to Certificate IV courses	Define and identify pre-apprenticeships
Remove fixed course prices	Refine loan caps	Improve apprenticeship support services
Minimum student fees	Reform loan fees	Improve pathways to trade occupations
Improve investment in public provision	Collect unpaid debts from estates	Streamline employer incentives
Improve portability of funding	Lifelong learning	
Broaden funding options for Aboriginal and Torres Strait Islander students	Reduce barriers to recognition of prior learning	Trial loans for mature-age students

▶ the NASWD post-mortem



Strengths

- Sound objective
- Flexibility and subsidiarity
- Lessons shared between jurisdictions – benefits of cooperative federalism



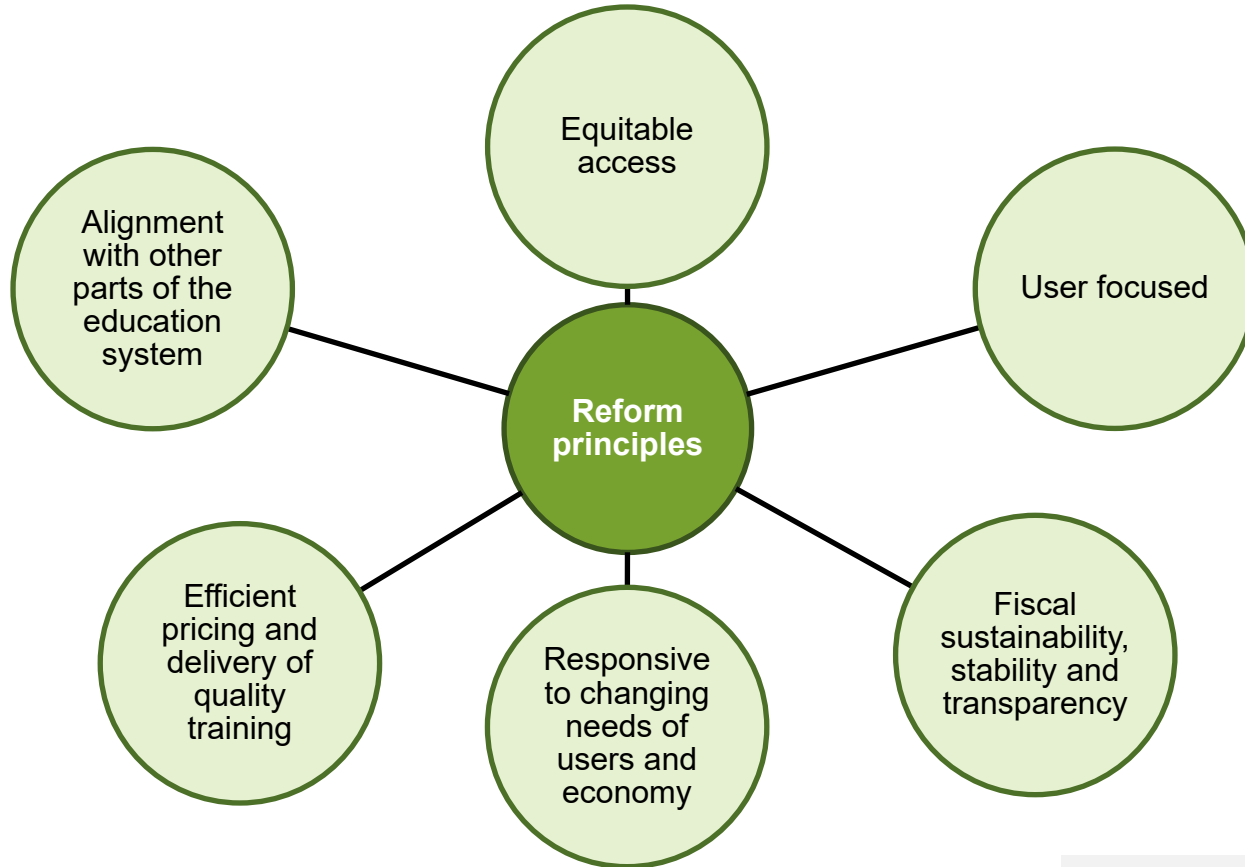
Shortcomings

- Limited transparency and accountability
- Performance framework was not well-designed
- Did not sustain coordinated reform





The next intergovernmental agreement – key principles



Fixing information gaps

Publish high quality and relevant information to support student choice

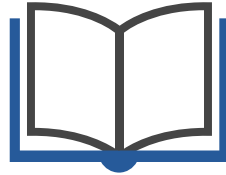
- Informed choice is not just about providing well-curated VET and career information. Career guidance, screening and regulatory safeguards also support informed choice.
- NCI to publish information on student fees, provider quality, graduate employment outcomes and credit pathways. **(rec. 6.1)**
- Require RTOs to provide up-to-date student fees information. **(rec. 6.1)**
- NCVET to develop summary indicators on provider quality and expected student outcomes for each RTO on My Skills. **(rec. 6.1)**

► Quality has many dimensions



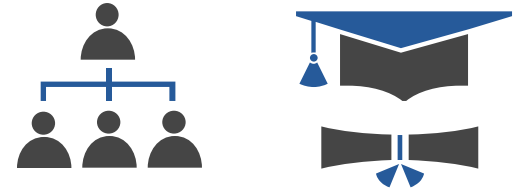
The student experience

- Current reforms should continue
- Move to a single national regulator ([rec. 7.1](#))
- Make better use of survey data for continuous improvement ([rec. 7.2](#))
- States and Territories should establish VET ombudsmen ([rec. 7.3](#))



Course content

- Allow Industry Reference Committees to update and approve minor changes to training packages ([rec. 7.4](#))



Course delivery

- NCVET to conduct a census of the VET workforce ([rec. 7.5](#))
- Phased implementation of independent assessment ([rec. 7.6](#))

► Foundation skills



No national approach



Little known about effectiveness
of current programs



► Foundation skills – a national approach

A co-ordinated approach to improving foundation skills

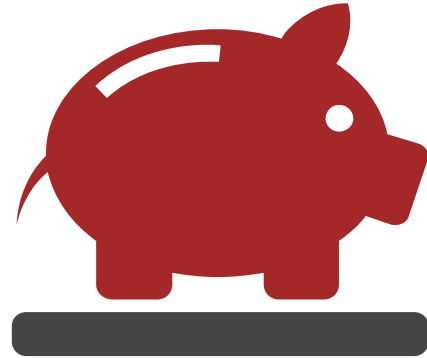
- Develop a national LLND strategy that aims to reduce the number of people with skills below level 2 in the Australian Core Skills Framework (**rec. 12.1**)
- Identify VET-specific high-level objectives and outcomes to include in a schedule to the new IGA, with the following key elements:
 - Governments' roles and responsibilities for different programs
 - LLND funding arrangements
 - Reporting and accountability including a performance framework (**rec. 12.2**)



► Other targeted reforms



Develop reciprocal arrangements that allow funding to follow students interstate **(rec. 12.3)**



Consider providing supplementary block funding to support Indigenous RTOs **(rec. 12.4)**

