



# POSITION PAPER

## Front-line Productivity

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*Construction Skills Queensland response to the Skills Australia discussion paper "Creating a future direction for Australian vocational education and training" October 2010*



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## Executive Summary

Construction Skills Queensland welcomes the opportunity to provide this response to Skills Australia's discussion paper '*Creating a future direction for Australian vocational education and training*'. The discussion paper represents one of the most significant consultative policy undertakings in recent Australian vocational education and training (VET) history, with a scope that encapsulates the entire spectrum of the VET system. This broad approach has resulted in a debate focusing heavily on high-level macroeconomics and system-based reform options. Within this wide context, Construction Skills Queensland has developed a response which focuses on practical strategies and initiatives which drive improved productivity at the 'coalface'. These recommendations provide improved return on investment for an employer, thus increasing engagement with training and the successful utilisation of skills.

This document focuses on four key areas, with the following recommendations:

### **Apprentice and Trainee Mentoring and Support**

- Quality prevocational courses built upon a Certificate I outcome as well as structured workplace learning are the most effective way to determine the suitability of an applicant and to prepare them for job readiness from the start of the training agreement.
- Dedicated local mentoring services need to be embedded as a core function of the apprenticeship and traineeship system to sustain retention and engagement throughout the long duration of a full apprenticeship/traineeship.
- Encouraging larger organisations to embed apprentice/trainee coordination and mentoring services into their wider HR function is an effective way to improve retention in large cohorts. Building networks between these individuals creates communities of best practice which drive stronger outcomes across the sector.

### **Realigning Workforce Development**

- Workforce development cannot be effectively supported through employer-provider relations alone; there is a need to provide independent advice and promotion to potential workforce development clients, so as to:
  - Drive better funding outcomes through better informed clients
  - Address longer-term skills needs of the enterprise
  - Identify holistic skills needs that may encompass multiple providers
  - Align individual workforce development efforts with wider sectoral workforce needs
  - Effectively engage small to medium enterprises
- Skills advisory and industry engagement bodies are well placed to complement the employer-provider relationship by supplying this non-profit independent advice and support

### **VET Practitioner Professional Development**

- VET practitioner currency should be improved as part of the overall effort to ensure that skills delivery meets the immediate productive needs of employers.
- VET practitioners often already support life-long learning and continuous professional development. This practice should still be encouraged and promoted across the thousands of private VET RTOs in Australia.
- Industry currency could be profoundly enhanced with the introduction of work placement regimes for VET trainers. RTOs are in a strong position to develop the type of long-term relationships with industry needed to support such a program. Industry trainer and assessor networks are a critical means by which to share experiences and promote best practice within the VET professions.
- True training currency needs to reflect the latest methods, materials, technology and standards of industry.

### **VET Data Collection**

- If market-based reforms are to advance efficiently, the current lack of data regarding private training activity must be urgently addressed.
- It is inappropriate for a nationally recognised training outcome to be issued without central registration. Every delivery of a nationally accredited competency outcome, regardless of the nature of its provision, should be centrally reported; furthermore, this data should be publicly available (in a de-identified form) to underpin effective policy development and to inform the market.
- National data approaches must be sufficiently sophisticated so as to reflect the many dimensions of the diverse VET client base.
- A national Unique Student Identifier for VET is a critical strategic priority for establishing the long term efficacy of policy reform.
- Skills need to be able to go where the work is. Standardising a national VET curriculum, regulator and policy framework is critical in an increasingly mobile skilled labour force.

The scope and scale of the current Skills Australia consultation represents a significant opportunity to drive meaningful, coordinated reform across Australia. However, it is important that all such reform remains grounded in the realities of work on a job site and the skills needs of industry.

For Construction Skills Queensland specifically, the priorities from any major systemic reform should be about the 'coalface'. Productivity improvement is not a top-down process; rather, it is about facilitating practical workforce development solutions at the enterprise level.

## Introduction

Construction Skills Queensland (CSQ) welcomes the opportunity to provide this response to Skills Australia's discussion paper '*Creating a future direction for Australian vocational education and training*'. The scope of discussion at present is broad; the discussion paper canvasses dozens of options and viewpoints across the entire spectrum of VET in Australia. For the purposes of this document, CSQ has focused on providing responses that are a practical interpretation of how current high-level macroeconomic policy objectives can be implemented 'at the coalface' – solutions that work for employers and employees.

This document also makes reference to the general VET policy debate over the past five years. A separate document has been prepared by CSQ which provides a thematic synopsis and longitudinal assessment of major VET policy developments across Australia since 2006. This document, *The VET Reform Journey*, is a timely analysis, given that many of the options covered in the Skills Australia paper would have varying impacts across states depending on their relative reform position. This separate document is available at [www.csq.org.au](http://www.csq.org.au).

It is also important to reflect upon the work already done to date, before considering a fresh round of sweeping reforms. It is important to first assess the various directions of different jurisdictions and look to areas of successful implementation and best practice. With this in mind, the focus of this document has been to share the strategies and initiatives which CSQ has found most successful, in the interests of informing what any new national policy stance may incorporate.

## A comment on productivity at the 'coalface'

Most national policy discussion at present has identified the importance of productivity at the economy-wide level. There are clear macroeconomic arguments for the need to improve Australia's productivity, particularly in comparison with other OECD nations. While the discussion around how public VET policy can best drive multi-factor productivity improvement is an important one, any successful initiative must ultimately begin much more pragmatically; with a focus on how an enterprise can achieve greater value production with the same base resources.

It is understandable that the acquisition of skills is seen as a potential mechanism for improving workforce productivity. Conceptually, it seems intuitive that a worker who has received tuition in techniques that achieve a higher standard or quantity of output at a more efficient rate would be more productive. However, some of the overarching macroeconomic arguments to support this link can sometimes be criticised for their assumptions; earnings of an individual is often used as a proxy measure for their 'productivity' and given that research shows that individuals with higher qualifications tend to have higher earnings potential, the link is

tentatively established. But this approach to establishing the link is simplistic; it fails to identify a critical moderating variable: skills utilisation.

If the acquisition of skills was actually a de facto productivity gain, then simply increasing the total throughput of skills formation nationally would achieve the desired effect. Indeed, many initiatives over the past five years have focused on ways to increase accessibility to training on a mass scale. Yet, despite these initiatives (which may still achieve a range of other outcomes), Australia's productivity levels are increasingly considered uncompetitive. The missing component is skills utilisation, which is increasingly the subject of national and international policy discussion<sup>1</sup>. The increased provision of skills may be necessary for improved productivity, but it is not sufficient of itself; the skills provided must strongly align to the needs of employers and must equip an individual to immediately apply these skills in the workplace.

Construction Skills Queensland understands that a 'skills shortage' is a far more sophisticated phenomenon than a simple 'supply-demand gap'. Skills shortages can be a question of skills fit, skills mis-match, a lack of readily available skills, or an issue with competition for skilled workers. Focusing only on the supply of skills fails to address a number of the more complex underlying issues. Instead, the vocational system must continue to strengthen its ties with industry, ensuring that industry requirements are embedded into training content and provision methodologies. It is important to note that a training system that aligns strongly with the immediate needs of industry does not necessarily preclude the provision of life-long learning skills or higher level education; there is often a perception that ensuring strong industry alignment must immediately involve the breakdown of qualification outcomes into competency skill sets. While it may be appropriate to consider where the application of a skill set may improve an individual's immediate employment prospects to a greater extent than a full qualification, alignment with industry requirements is still achievable within a qualification outcome.

If a skilling outcome has an appreciable impact on the productivity of an individual, then the employer of that individual has realised a return on investment. This is the starting point for the development of practical strategies to raise skills utilisation (and therefore productivity): providing skilling solutions that yield a *demonstrable* return on investment to the employer. The core business of Construction Skills Queensland involves a constant commitment to genuine industry engagement across Queensland, which has provided CSQ with a range of insights into industry sentiment across the spectrum of contemporary training issues. A consistent message across engagement channels has been the need for practically applicable skills: job-ready new entrants and skills currency for existing workers. Employers need to see the productive advantage of skills from day one; apprentices and trainees need basic job-ready skills to ensure they can meet a minimum productive standard and upskilling or higher level skills have to incorporate latest industry practice and experience to ensure applicability.

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<sup>1</sup> *The VET Reform Journey*. Construction Skills Queensland 2010

Construction Skills Queensland supports a number of initiatives that are aimed at improving the return on investment in skills to employers, many of which are referenced throughout this response. These initiatives are practical and client-focused, including:

- Provision of quality pre-vocational courses that incorporate structured work placement and job ready skills
- Improved currency of VET trainers and assessors to ensure skills and assessment reflect the expectations of the modern workplace
- Mentoring and support for apprentices/trainees and their employer throughout the course of the training agreement to improve retention and increase productive engagement
- Integrating enterprise-level and sector-level workforce development planning systems to drive improved responsiveness from the training system and increased training investment and return for employers
- Improved user choice of training product and provider – a more open and transparent vocational training system and associated funding mechanisms

The context of much of the current VET policy discussion refers to sweeping, systemic reform. The focus is on the mechanisms of the system itself and the macroeconomic goals that VET policy attempts to support. While this is a worthwhile and important discussion, Construction Skills Queensland believes that any serious discussion on 'productivity' must begin at the 'coalface' and establish what employers need from productive, engaged, skilled employees. This is the foundation on which to build the system, so that it always houses these needs as the core deliverable.

## Apprentice & Trainees – Pathways and Support

Construction Skills Queensland has long identified the completion rates of apprenticeships and traineeships in the Queensland construction industry as an area of strategic priority. This has been underscored in recent times by the demonstrably negative effects of the GFC on apprentice/trainee retention. Apprentice and trainee retention is a critical issue because of the degree to which it represents wasted effort, time and investment in new skills. Cancelled training contracts represent a significant loss of investment to employers, administrators and to the student themselves. Investing in higher skills throughput is inefficient unless it is also coupled with strategies to improve successful completion. While there is certainly scope to consider the potential limitations of the current structural arrangements around the apprenticeship pathway, there are two clear policy areas which could provide significant support for completions under the current apprenticeship model: the use of quality pre-apprenticeship training as the preferred pathway and the provision of quality mentoring and support throughout training.

There are a range of factors that may contribute to the cancellation of an apprenticeship or traineeship, but there are three key issues which can be readily identified and targeted for improvement:

1. The extent to which a new applicant has been correctly matched with an appropriate apprenticeship or traineeship
2. The extent to which a new applicant has been prepared for the reality of work as an apprentice or trainee in the given trade
3. The extent to which a new apprentice or trainee is equipped to deal with new challenges and developments throughout the considerable three to five year time period of the training agreement

The first issue is particularly pertinent where a young person is making the transition from a school environment into an apprenticeship. Often, vocational training in the school system is treated as 'remedial' or seen to be the only alternative for students who are not engaging in other pathways. This can lead to situations where the 'school based apprenticeship or traineeship' (SAT) is used as a 'taste test' pathway for students who are unsure of what vocation they should enter after school. The problem with this approach is that it devalues the apprenticeship pathway overall and will compound the difficulties many students already face when completing a SAT. The apprenticeship/traineeship pathway should not be seen as an interim or trial step towards employment; it is instead a very real vocational undertaking and should be treated with the same selection and preparation rigour as any other hiring process.

The second issue expands on the first; if the apprenticeship pathway is not considered a serious undertaking from the outset, it often leads to a poor standard of preparation on the part of the new applicant. As the pathway

is an employment agreement, it is not acceptable for a first year apprentice to be unproductive; the employer will expect a minimum return on their investment from the beginning of employment. If a new apprentice/trainee has not been properly prepared for what will be expected of them as an actual worker in a construction environment, their performance may be below acceptable standards, leading to friction with their new employer and potential disengagement.

The third issue affects all ongoing apprentices and trainees, regardless of their successful or unsuccessful initial entry into the pathway. The training agreement is a considerable undertaking, in which a student will work full time in addition to learning and adopting trade techniques. Both young and mature aged apprentices/trainees can find the expectations of the full term of the agreement daunting, especially as personal circumstances change throughout the duration. Unlike most other training pathways which are not employment-based, the apprenticeship/traineeship pathway represents both an investment in the student's future, as well as their livelihood and income during the training. For a young school-leaver, the apprenticeship wage will be the foundation of their first independent household, in which they will learn to cope with the costs of living, the impact of early relationships and the difficulties of effective financial management. Similarly, a mature-aged entrant is often supporting the existing responsibilities of a house and family, leading to serious pressures on life balance and finance. Stress on the job and outside of the work environment can lead to situations where apprentices or trainees feel they need to stand down or disengage from the pathway before they complete. It is important to fully and frankly recognise the high expectations that an apprenticeship or traineeship conveys on the participant and the difficulties in maintaining that commitment over a three to five year timeline.

Construction Skills Queensland believes that the first critical step in addressing all three of these issues is the provision of quality prevocational training, which combines job-readiness skills at the Certificate I level with structured work placement and learning. Keeping prevocational education at the Certificate I level is vital for the Queensland construction industry; Queensland has a strong competency-based payment arrangement for the apprenticeship/traineeship industrial instrument, and the acquisition of higher level competencies prior to the commencement of the training agreement leads to serious issues around what level of pay the new entrant should begin at. It is not appropriate for a new entrant to be considered a second year apprentice simply because their off-the-job training has been advanced; employers will not consider these individuals as attractive employees if they are forced to pay higher rates for an individual with limited practical experience.

Prevocational programs address all of the above issues by:

- Providing a low-risk environment in which a potential applicant can acclimatise to the reality of work in the construction industry and better evaluate which trade environment may be suited to

them. This step improves the likelihood of an effective matching and selection process between the host employer and the applicant, which in turn will improve retention.

- Preparing a new apprentice/trainee with job-ready fundamental skills, immediately improving their capability and productivity on the first day of their new job. This improves an employer's evaluation of their value and increases the likelihood of initial retention.
- Educating a potential applicant as to the full reality of the apprenticeship/traineeship pathway, emphasising the importance of the decision to engage in a training contract. This prepares an apprentice/trainee for the longer-term difficulties they may face throughout their training.

Construction Skills Queensland has experienced significant success and positive support from industry in the implementation of structured pre-vocational programs, both at the school-leaver and mature-aged entrant levels. The flagship Doorways 2 Construction school program has now been successfully operating for the past four to five years, providing a combination of Certificate I training and 160 hours of structured workplace learning to school students interested in a career in construction. Dedicated mentors in every region across Queensland facilitate the enrolment and work placement of students across schools and employers, as well as providing support and advice to students, employers, teachers and parents. The program has also been expanded to include Doorway 2 Civil Construction, providing a dedicated pathway for the civil sector. Construction Skills Queensland has provided 1000 student places for Doorways 2 Construction programs in 2010/11.

The pathway is also just as effective for mature aged entrants. Construction Skills Queensland is rolling out the Trade Start program for new adult entrants, built on the same principles of Certificate I outcomes, combined with quality job placement experience. Construction Skills Queensland has provided over 500 places for Trade Start in 2010/11.

The second strategy that can help improve apprentice retention is the provision of quality – and sustainable – mentoring, advice and support services. Construction Skills Queensland has been a strong advocate of apprentice mentoring services for many years. The recent trial of a dedicated Sunshine Coast apprentice and trainee support service has culminated in the decision to roll out dedicated Apprentice Support Officers to every region in the state. Construction Skills Queensland believes that quality mentoring services – which can be accessed by apprentice and employer alike – must be an embedded expectation of the apprenticeship/traineeship pathway. Institute-based learning often packages student support services as a matter of course for all students, ensuring that the student body has an advocate and a contact point throughout study. For the apprenticeship/traineeship pathway, this is arguably even more important. The pathway is often characterised by long periods of time without contact with other apprentices and the

decentralised nature of the training can lead apprentices and trainees to feel isolated throughout the course of their training. For mentoring to be successful in this environment, it requires dedicated on-the-ground resources, capable of travelling to job sites and providing support services directly. While there is always a place for helpline-style phone support services, Construction Skills Queensland believes that successful mentoring is about building sustainable relationships throughout the course of the training agreement; mentoring cannot be properly facilitated remotely.

Construction Skills Queensland has found direct mentoring is particularly successful when embedded into the wider HR framework of large employers. CSQ sponsors and co-funds the placement of dedicated Apprenticeship Coordinators with several major construction industry employers in Queensland. This initiative encourages the employers of large apprenticeship cohorts to provide a dedicated internal management point for the unique issues involved in maintaining a training agreement. Construction Skills Queensland further enhances the efficacy of this approach by facilitating the exchange of best practice and experience through the Apprenticeship Coordinator Network. By regularly bringing Apprenticeship Coordinators together to share experiences from their parent organisations, techniques and practice can be refined and proliferated, leading to higher quality outcomes and greater industry ownership of solutions.

#### **Recommendations:**

- Quality prevocational courses built upon a Certificate I outcome as well as structured workplace learning are the most effective way to determine the suitability of an applicant and to prepare them for job readiness from the start of the training agreement.
- Dedicated local mentoring services need to be embedded as a core function of the apprenticeship and traineeship system to sustain retention and engagement throughout the long duration of a full apprenticeship/traineeship.
- Encouraging larger organisations to embed apprentice/trainee coordination and mentoring services into their wider HR function is an effective way to improve retention in large cohorts. Building networks between these individuals creates communities of best practice which drive stronger outcomes across the sector.

## Realigning Workforce Development

With such a strong emerging policy focus on international competitiveness, it is clearly appropriate for Skills Australia to signal a renewed and determined commitment to better workforce development strategies. The discussion paper correctly identifies the need to better inform employers as to the merits and techniques of strong workforce development planning. Construction Skills Queensland is keenly aware of the difficulties many construction organisations face in converting their (often very well planned) forward construction project schedules into meaningful recruitment and skilling plans. However, it is important to ensure that the policy discussion regarding how best to support a culture of workforce planning is not limited to the employer-training provider relationship. Achieving strong sector-level workforce development goes beyond the enterprise-provider space and encompasses a wider strategic approach that is focused on industry as a whole.

A recurrent frustration with the workforce development discussion is the apparent lack of clarity as to what the term entails. Its functions and scope need to be clearly delineated in order to effectively identify who may facilitate the process, how it can be funded and what its eventual aims may be. To clarify the matter, Skills Australia has provided the following definition for workforce development<sup>2</sup>:

*“those policies and practices which support people to participate effectively in the workforce and to develop and apply skills in a workplace context, where learning translates into positive outcomes for enterprises, the wider community and for individuals throughout their working lives.”*

Construction Skills Queensland supports this definition and conceptualises workforce development as a comprehensive effort that ranges from individual capacity building at an enterprise level through to a much wider strategic management of a sectoral workforce at a macroeconomic level. This necessarily produces a very wide scope of activity that demands an alignment of workforce development process across these different levels in order to produce an optimum outcome. For example, addressing an aging workforce at a sectoral level requires a coordinated process of firstly supporting recognition of how this issue appears within individual enterprises, promoting potential responses and supporting their implementation.

This type of sectoral-approach has further advantages, in that it can identify and separately address the uniquely different workforce development challenges faced by large organisations versus small to medium enterprises (SME). The construction industry is dominated by SMEs, for whom engagement in workforce development is particularly challenging; they don't have the same economies of scale as larger employers and so often cannot see the cost-benefit of a dedicated

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<sup>2</sup> *Australian Workforce Futures: A National Workforce Development Strategy*; Skills Australia, 2010.

training strategy. Approaching these smaller employers with a view to facilitating workforce development is a critical challenge, requiring a dedicated sector-level strategy.

Currently, a significant portion of the workforce development effort is undertaken between training providers and enterprises on a case-by-case basis. These types of activities generally involve capacity building measures such as skills gap analysis that creates the opportunity for remediation by training providers in the form of customised training efforts. This can produce an uneven participation in workforce development, both in terms of the enterprises that engage in workforce development as well as the types of process undertaken.

The discussion paper promotes the view that workforce development planning can be best supported through the expanded remit of Australia's VET providers. Construction Skills Queensland does not wholly support this view; providers are a *critical* component of the workforce development effort, but they cannot hope to meet the full spectrum of "*outcomes for enterprises, the wider community and for individuals throughout their working lives*" as espoused by Skills Australia's own definition. This is because providers are themselves a business and an employer; they are driven by the same profit motives as their clients and they face the same challenges in maintaining the skills of their workforce<sup>3</sup>. Business entities, even when publicly-owned, are inherently focused on the next transaction and are not strongly placed to advance strategies that look beyond immediate-term profits or which advance interests in competition with their own. In simplest terms, while a provider is well placed to assist a client, they are not well placed to support an entire sector.

Construction Skills Queensland believes that it is this sector-level space which poses the new challenge for skills engagement entities across Australia. The function of the traditional industry training advisory networks (which have undergone extensive change nationally over the past 3-5 years) must be reconfigured to place holistic workforce development solutions at the centre of skills strategy. As an industry engagement body, Construction Skills Queensland has aligned all services and support initiatives with this 'one-stop-shop' approach. The strategy is to provide a client-focused solution that can educate, promote, facilitate and fund skilling solutions that are tailored for a specific employer, but which cut across the full spectrum of the skills value chain. This approach stops short of actually *providing* the training; instead, the focus is on driving uptake of skills through increased awareness, simplicity of access (which may involve the brokerage of funding) and informed client choice.

This role capitalises on and extends the workforce development achievements of training providers. This type of approach also requires an entity that is committed to the industry as a whole and one that has the capacity to identify workforce issues and deploy workforce

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<sup>3</sup> This is particularly evident in the need identified by Skills Australia for improved provider currency.

development support. Not-for-profit skills engagement and advisory bodies such as Construction Skills Queensland meet these requirements. Because such an entity does not profit directly from any one training transaction, they occupy a stronger position of legitimacy when arguing for large-scale, sector-level workforce needs. CSQ can be trusted to give advice and support that improves the skills profile of the industry as a whole, thus providing a coordination point for longer-term skills planning.

This is emphatically important where a market-driven entitlement model is employed. Entitlement systems are increasingly favoured in the Australian VET policy landscape, with the Federal VET agenda clearly supporting a move towards market-led, demand-driven funding systems. Construction Skills Queensland broadly supports any initiative that improves accessibility to training that meets the immediate needs of the client; improving client choice is therefore a key component of any such strategy. However, where such a system empowers the individual client directly to make a choice, *that client must be well informed*. Market-based systems are susceptible to inefficiency resulting from information asymmetry; if users are not well informed, they will not make purchasing decisions that best reflect their needs and a strong return on investment.

In the case of workforce development, any shift towards a specialised funding model would necessitate a strong commitment to industry engagement. The decisions of a large employer regarding what provider and what training to select have a multiplicative effect, as it will affect their entire workforce. If this choice is not informed by strong, independent advice and education, there is a danger that any workforce development funding mechanism would underperform. This is again where a non-profit, industry-focused engagement body would support workforce development effectively; entities such as Construction Skills Queensland can focus on informing employers as to the qualities and benefits of effective workforce development, leading to stronger client decisions regarding provision.

#### **Recommendations:**

- Workforce development cannot be effectively supported through employer-provider relations alone; there is a need to provide independent advice and promotion to potential workforce development clients, so as to:
  - Drive better funding outcomes through better informed clients
  - Address longer-term skills needs of the enterprise
  - Identify holistic skills needs that may encompass multiple providers
  - Align individual workforce development efforts with wider sectoral workforce needs
  - Effectively engage small to medium enterprises
- Skills advisory and industry engagement bodies are well placed to complement the employer-provider relationship by supplying this non-profit independent advice and support

# VET Practitioner Professional Development: Industry Currency

Construction Skills Queensland welcomes the strong focus on further developing the skills and knowledge of VET practitioners. As discussed above, Construction Skills Queensland believes that the first step towards improving the productivity dividends of training is to ensure that training is directly aligned with the latest requirements of industry. Industry currency is one way to conceptualise this connectedness. It refers to the relevance of VET practitioners' skills and knowledge to current industry practice, implying a process of ongoing maintenance to ensure the continued relevance of this expertise. A renewed focus on practitioner currency is appropriate, given that the industry currency of VET practitioners is often identified as problematic by building and construction industry employers within Queensland.

Increasing the relevance of VET practitioners' skills and knowledge to industry practice generates a range of potential benefits for the learners, practitioner, training provider, and the industry as a whole. Firstly, learners benefit from training that is easily translatable to current on-the-job practices, as it improves their attractiveness to a potential employer. Improving industry currency is therefore an important step toward increasing the employability of VET graduates. Secondly, increased industry currency assists practitioners in following industry best practice, giving practitioners the opportunity to innovate training practices so as to better provide competitive and attractive service offerings. Training providers also accrue reputational benefits by demonstrating an active involvement in industry and a commitment to industry requirements. Lastly, the industry itself benefits from learners who can easily apply skills, removing any need for employers to address skill deficiencies or mismatches. In this way, developing industry currency represents another means to improve industry productivity; labour market entrants have the requisite skills that can be immediately applied within a workplace.

VET practitioners can potentially develop and maintain their industry currency a number of different ways. Construction Skills Queensland envisions three components to a strong VET practitioner development program:

- Continuous professional development & life-long learning
- Regular industry placement/experience
- Communities and networks of best-practice

Most competitive training providers already strongly support the first component, encouraging their trainers to engage in professional development by way of short courses, wider reading and conference attendance. Industry associations often play an important role in facilitating such opportunities. However, it is important to note that quality development for training professionals needs to also reflect a commitment to excellence in training methodology. There is an ongoing

need for trainers and assessors to update their pedagogical principles, particularly in the preparation of curriculum and assessment mechanisms.

Actual work placement is a less common form of professional development. Effectively, employment based approaches to maintaining industry currency create short-term opportunity costs for providers, even though it may create longer term benefits. While reluctance on the part of the provider is understandable (given the additional logistical difficulties inherent in a work placement arrangement), providers are actually very well placed to support such activities. In order to support work placement activities, providers need to firstly acknowledge the value of industry currency and provide real support to practitioners in the form of study leave as well as flexible employment options. This must be coupled with strong client relations, building upon existing relationships to create opportunities for collaboration in work placement schemes. The advantage for many providers is that they already have a base of suitable host employers to draw upon; indeed, the exercise may serve to strengthen the client relationship and open up further opportunities for business. However, it is also important to ensure that work placement experience for trainers is focused on updating an understanding of latest industry practice. Experience must be structured so as to learn the latest developments in technology, equipment and material use, as well as the practice and standards which underpin them.

As with apprentice and trainee mentoring, Construction Skills Queensland believes that the key to driving sector-level outcomes is a collaborative community. Individual VET practitioners need opportunities to share their experiences and exchange ideas. In support of this need, Construction Skills Queensland is currently supporting the development of a Training and Assessment Network for VET practitioners in the building and construction industry. The aim of this network is to create an opportunity for VET practitioners to share their knowledge and skills, including their approaches to developing industry currency.

#### **Recommendations:**

- VET practitioner currency should be improved as part of the overall effort to ensure that skills delivery meets the immediate productive needs of employers.
- VET practitioners often already support life-long learning and continuous professional development. This practice should still be encouraged and promoted across the thousands of private VET RTOs in Australia.
- Industry currency could be profoundly enhanced with the introduction of work placement regimes for VET trainers. RTOs are in a strong position to develop the type of long-term relationships with industry needed to support such a program. Industry trainer and assessor networks are a critical means by which to share experiences and promote best practice within the VET professions.
- True training currency needs to reflect the latest methods, materials, technology and standards of industry.

## VET data collection

Increasing the scope, accessibility and timeliness of VET activity data is fundamental to improving the capacity of the VET sector to respond to changing skills requirements and increasing global competition. Currently, significant gaps exist in the understanding of VET market dynamics, yet significant reform is underway across many jurisdictions. Construction Skills Queensland affirms the value of the National VET Data Strategy which aims to expand the breadth and depth of national VET data. The consequences of data deficiencies are significant both in terms of this lack of understanding about the market as well as transparency. Remedying these gaps means addressing further dimensions of relevance, timeliness and availability. The Unique Student Identifier (USI) project represents an important step toward addressing some of these deficiencies, although it embodies a number of significant challenges.

Two key deficiencies exist in the current data collection for VET activity, namely the capture of non-accredited training and the activity undertaken by private providers. It is the second issue that probably has the most serious ramifications for understanding the VET market. As the discussion paper points out, there are in excess of 2,000 private training providers currently in the VET market. Yet the contribution of these providers to the overall training effort remains unknown. This deficit frustrates efforts to understand training activity as a whole, not to mention the potential impact of reform and other interventions. Without this data it is not possible to gain an insight into the training capacity of the VET sector. Training capacity will become increasingly important in light of educational attainment and participation goals set by the Council of Australian Governments (COAG). This knowledge gap also has serious ramifications for market- or individual-led reforms that have been implemented across a number of jurisdictions. These models assume that the centrally positioned learner is informed about the relative value and performance of different training providers. Yet detailed information is not publicly available in these new VET marketplaces.

Addressing the deficiency in national VET data collections is not limited to the scope of the information collected but also must address dimensions of timeliness, relevancy and accessibility. As noted by the discussion paper, the VET market is occupied by a wide diversity of training providers, in excess of 4,800. This tally does not take into account the array of other parties, such as learners, regulators and industry associations. In short, there is a wide variety of parties that have quite varied needs for information about provider performance as well as the quality of the training effort as a whole. A significant challenge, beyond addressing the scope of data collection about VET activity, is the capacity to provide relevant data to these diverse interested parties in a way that meaningfully informs a range of objectives, from personal learning aspirations through to enterprise and wider policy objectives.

Construction Skills Queensland recognises the importance of the national Unique Student Identifier (USI) project to longitudinally track VET

participants. Longitudinal data is the key to better understanding the impact of VET participation given the complex interplay of numerous variables. Longitudinal data offers the opportunity to better understand learner pathways through VET, the labour force outcomes of this participation as well as the implications of completing or not completing qualifications. Implementing a longitudinal tracking methodology is also opportune given the increasing integration of the VET and higher education sector. This raises questions about the current national USI project, given that it will not capture details about higher education participation and attainment. Long term student tracking also reduces the risk of data loss represented by the potential for private providers to go out of business and so lose data about learner participation and attainment. However, Construction Skills Queensland acknowledges that any standardised student identification system would involve significant challenges. Longitudinal tracking is particularly intensive in terms of time and labour, often involving specialist roles. Additionally, the lead time for producing results can be long depending on timing of data collection as well as the unit of analysis. Together, these issues require significant political commitment.

In an increasingly mobile construction labour market, Construction Skills Queensland strongly supports the national alignment of the system across several important fronts. A national USI is a critical step, but it is just as important to advance a national standard VET curriculum and a national regulator for VET. Under the previous paradigm, policy development and requirements have fragmented, leading to systems whereby qualified workers face difficulty in transferring their skills between jurisdictions. During this period of uneven industry activity, the mobility of skills has been sharply highlighted. To ensure an efficient skilled labour market, skills need to go wherever the work is. Only national VET standards, regulation and data monitoring can ensure this.

#### **Recommendations**

- If market-based reforms are to advance efficiently, the current lack of data regarding private training activity must be urgently addressed.
- It is inappropriate for a nationally recognised training outcome to be issued without central registration. Every delivery of a nationally accredited competency outcome, regardless of the nature of its provision, should be centrally reported; furthermore, this data should be publicly available (in a de-identified form) to underpin effective policy development and to inform the market.
- National data approaches must be sufficiently sophisticated so as to reflect the many dimensions of the diverse VET client base.
- A national Unique Student Identifier for VET is a critical strategic priority for establishing the long term efficacy of policy reform.
- Skills need to be able to go where the work is. Standardising a national VET curriculum, regulator and policy framework is critical in an increasingly mobile skilled labour force.

## Conclusion

The scope and scale of the current Skills Australia consultation represents a significant opportunity to drive meaningful, coordinated reform across Australia. However, it is important that all such reform remains grounded in the realities of work on a job site and the skills needs of industry.

It is also vital to ensure that the substantial amount of policy and initiative reform over the past four years is not simply discounted. The initial focus should be on determining where new directions and new strategies are working, seeking to capitalise on these gains.

For Construction Skills Queensland specifically, the priorities from any major systemic reform should be about the 'coalface'. Productivity improvement is not a top-down process; rather, it is about facilitating practical workforce development solutions at the enterprise level. Any new system must encode this type of direct commitment into the fundamentals of policy design. Activities that have long been seen as 'supplementary' to the system proper – such as strong apprenticeship and traineeship mentoring and support – must now become the standard. Furthermore, all of these decisions must be underpinned by a strong evidence base, supported by open and transparent data on the system itself.

It is clear that 2011 will herald a new period of national VET policy reform. For this opportunity to be maximised, macro-level systems debate must be grounded in the ultimate end focus of vocational education and training: the development of people and their organisations.



For further information please contact Construction Skills Queensland on 1800 798 488 or visit our website at [www.csq.org.au](http://www.csq.org.au)



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