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Quality of assessment in vocational education and training – Discussion Paper

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Quality of assessment in vocational education and training

Executive Summary

Quality outcomes from vocational education and training (VET) are fundamental to ensuring a skilled workforce and supporting a productive economy. In a competency-based training system, assessment is the gatekeeper for quality.

Audits undertaken by the Australian Skills and Quality Authority (ASQA) have identified concerns with compliance against the assessment requirements of the Standards for Registered Training Organisations (RTOs) 2015 (Standards for RTOs). Recent ASQA strategic reviews, including into aged and community care, early childhood education and care, equine programs and security training industries, highlighted assessment as an area requiring more attention if the quality of training is to improve.[1] The early childhood education and care report, in particular, found the greatest rate of non-compliance was against the training and assessment standard.

VET experts have noted while there has been an effort to encourage VET practitioners to assess holistically, it is generally agreed there remains room for improvement in this area. Some learners have also raised concerns that assessment tasks were seen as 'too easy' and people were 'let through' who should not have been.[2]

Extensive consultations conducted as part of the Australian Government's VET reform process and the *Review of the Training Packages and Accredited Courses* (the Training Package Review) also identified concerns about the quality and consistency of outcomes from training in some sectors of the national training system.

Further, the Victorian Government response to the independent *VET Funding Review* noted that a number of RTOs investigated as part of the state government's recent blitz to remove low-quality RTOs from the government-funded training system were found to have substandard assessment.[3]

This is an important issue. An incompetent graduate that is deemed competent could have a negative impact on employers and the workplace or seriously affect public safety, including through endangering individuals or the community. Such flawed qualifications may also have a broader impact on public confidence in nationally recognised training and the reputation of Australia's VET sector.

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[1] Australian Skills Quality Authority <http://www.asqa.gov.au/about/strategic-reviews/strategic-reviews.html>
[2] Smith, Erica 2010, *A Review of Twenty Years of Competency-Based Training in the Australian Vocational Education and Training System* International Journal of Training and Development, Vol. 14, Issue 1, pp. 54-64, March 2010 <http://ssrn.com/abstract=1539204>
[3] Department of Education and Training 2015, *Skills and Jobs in the Education State: The Government's response to the VET Funding Review*, Victorian Government, <http://www.education.vic.gov.au/about/department/Pages/vetfundingresponse.aspx>

In response to concerns about assessment, and to ensure high-quality within the system, the Council of Australian Governments (COAG) Industry and Skills Council agreed that further reform options be developed to improve the quality of assessment of student training outcomes and enhance confidence in the VET sector.

Specifically, in November 2015 Skills Ministers agreed to explore reform options to support the following principles:

- Graduates have the required competencies for the job role and there is consistency across RTOs in the quality of assessment.
- Trainers and assessors have the capability to assess appropriately.
- Assessment meets the standard set by industry.
- The regulator has the capacity to effectively regulate assessment practices and outcomes and take appropriate action.

The *Quality of assessment in vocational education and training – Discussion Paper* (the discussion paper) seeks stakeholder views on further specific reforms that may ensure the existing reforms can generate the intended impact and are not held back by ongoing concerns over RTO compliance with assessment requirements.

The development of the discussion paper has been informed by deliberations of the Training and Assessment Working Group, established by the Australian Government. Outcomes from consultations, including feedback from this discussion paper, will form the basis of recommendations from the Training and Assessment Working Group to the Minister for Vocational Education and Skills, the Hon. Luke Hartsuyker MP.

Introduction to the proposed reform options

Objectives

The Government's primary objectives when considering measures to strengthen assessment in vocational education and training are to raise the level of confidence in the VET system, ensure the competency of VET graduates and enhance the compatibility of graduates for employers. The Government intends to pursue this by ensuring that assessment—the gatekeeper to valid graduate competencies—is delivered to the highest standard while balancing system effectiveness, efficiency, regulatory burden and feasibility.

This is why the Government intends to focus its reforms on those parts of the system that will deliver optimal effect. These include:

Chapter 1: Foundation reforms

- ensuring the requirements for VET teachers and trainers provide the strongest platform for high-quality assessment
- ensuring those teaching VET skills are highly competent professionals with high-quality, contemporary skills in assessment.

Chapter 2: Reforms to the assessment of VET students

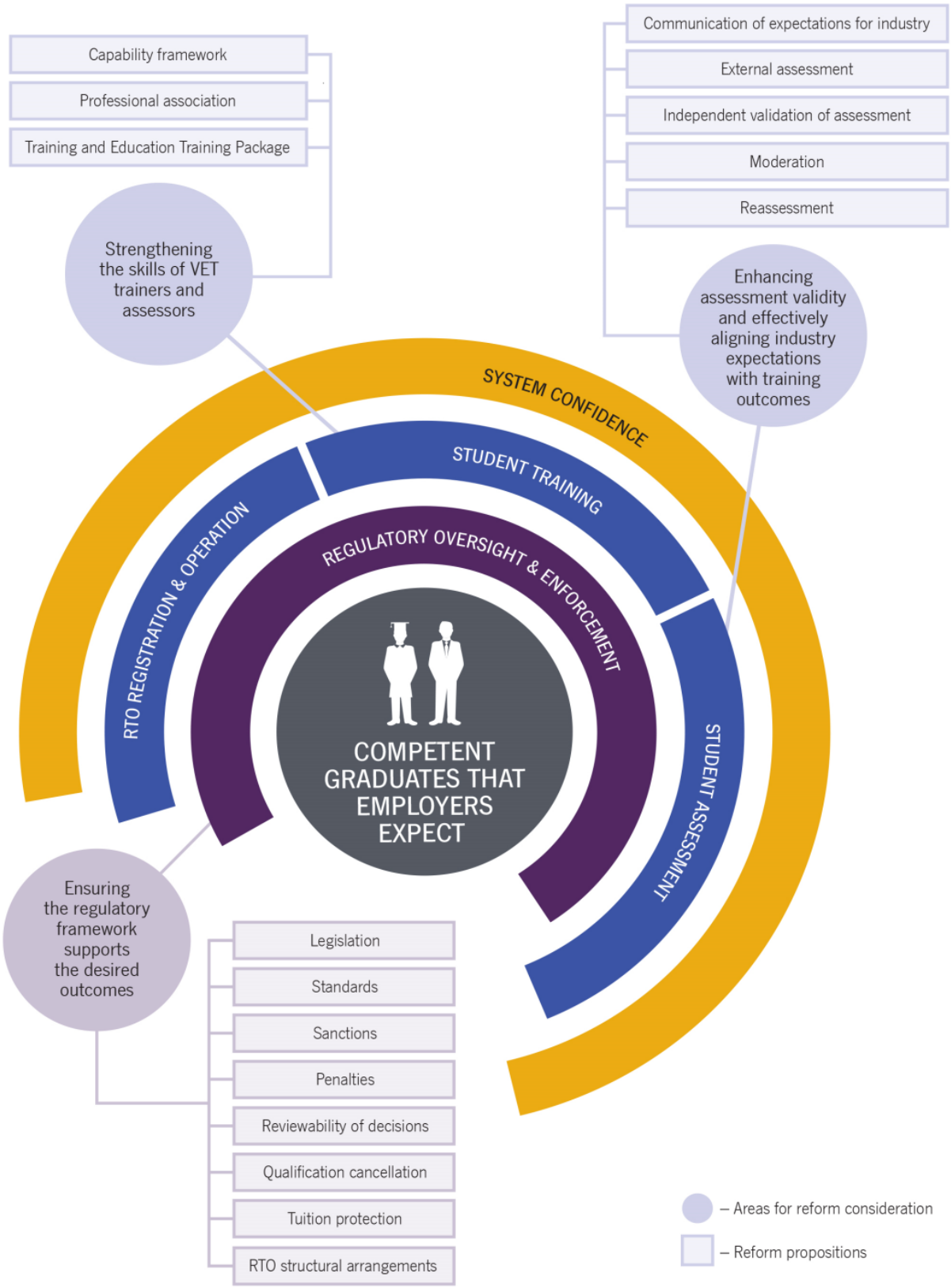
- assuring the quality of assessment through industry engagement with assessment review and control mechanisms as a gatekeeper before qualifications are issued
- ensuring employers have clear and realistic expectations of VET graduate capabilities which align with the assessment of students.

Chapter 3: Reforms to the regulatory framework

- improving the detection of poor quality assessment
- ensuring quick action can be taken against RTOs delivering inadequate assessment
- managing the consequences of inadequate assessment by removing invalid qualifications from the system where necessary and supporting students if this occurs.

Figure 1 sets out the areas of the VET system that are being considered for reform and lists the key supporting propositions. The chapters of the discussion paper further elaborate on these matters, providing discussion and analysis for consideration.

Figure 1


Capability framework
Professional association
Training and Education Training Package
Strengthening the skills of VET trainers and assessors
Communication of expectations for industry
External assessment
Independent validation of assessment
Moderation
Reassessment
Enhancing assessment validity and effectively aligning industry expectations with training outcomes
SYSTEM CONFIDENCE
STUDENT TRAINING
RTO REGISTRATION & OPERATION
REGULATORY OVERSIGHT & ENFORCEMENT
STUDENT ASSESSMENT
COMPETENT GRADUATES THAT EMPLOYERS EXPECT
Ensuring the regulatory framework supports the desired outcomes
Legislation
Standards
Sanctions
Penalties
Reviewability of decisions
Qualification cancellation
Tuition protection
RTO structural arrangements
– Areas for reform consideration
– Reform propositions

Way forward

Over the past twelve months, the Government has implemented a range of reforms to ensure high-quality training and assessment outcomes, including through the strengthened VET standards, the Training Package Review and reforms involving ASQA (Appendix A refers).

Proposals build on these recent reforms, and focus on specific areas that can be addressed through a phased approach within the referral of powers for VET regulation. The Reform of the Federation agenda will provide an opportunity to consider the responsibilities of different governments, including the role of the Australian Government, and may provide a further platform for more expansive measures.

Stakeholders are asked to respond to the questions posed, giving consideration to the application of low regulatory burden and feasibility within the context of a federated system of government. Further opportunities for consultation will be available during the consultation period.

Consideration of the issues and making recommendations

Improving the quality of the VET system requires a multi-pronged approach. The Government's Training and Assessment Working Group has informed the development of the approach to assessment reform and the key areas for consideration (Appendix B refers). The Training and Assessment Working Group has had extensive discussions about the proposals with a number of experts in assessment, professional development and regulation to ensure the questions posed reflect the range of issues, the risks and the complexity of assessment in the VET system.

The Training and Assessment Working Group will use the insights from responses to this discussion paper, and consultations with further experts and specialists in assessment and the wider VET system, along with feedback from their speciality areas to inform the development of advice for the Australian Government Minister for Vocational Education and Skills and inform the implementation of actions by the COAG Industry and Skills Council.

Chapter 1: Foundation reforms

The skills and knowledge of the VET workforce are essential to ensuring high-quality, valid assessment across all training products. The assessment skills of the VET workforce have been identified as a key issue undermining the quality of assessment outcomes.

The focus of proposals in this chapter is to enhance the knowledge and skills of trainers and assessors to ensure the requirements for VET teachers and trainers provide the strongest platform for high-quality assessment, and ensure VET trainers and assessors are highly competent professionals with high-quality contemporary skills in assessment.

Ensuring VET practitioner requirements provide the strongest platform for high-quality assessment

The Training and Education (TAE) Training Package, in particular the Certificate IV in Training and Assessment, provides the entry-level qualification for trainers and assessors in the VET system.[4] There is evidence the current TAE requires further emphasis on the assessment skills to ensure those with the Certificate IV have appropriate levels of skill, knowledge and capabilities.

Given the fundamental role of the TAE in the quality of the VET sector and concern about the provision of the TAE qualifications it may be necessary to provide an additional level of quality control for these competencies. It is acknowledged the requirements of the TAE have been subject to various reviews, some of which have been recent.

To ensure that holders of higher-level qualifications graduate with the required depth of skill, knowledge and capabilities, some industries apply time restrictions on how long a person needs to serve in the industry before they can be issued with the qualification. Currently, it is possible to study for and attain the TAE Diploma without having served in the VET industry for a designated amount of time. There are opportunities within the development of training products and licensing arrangements to set such limits and some stakeholders are of the view that it is reasonable to apply these to the TAE. Further, stakeholders have raised concerns with trainers and assessors delivering units of competency on recognition of prior learning assessment or the design of assessment tools who have not previously applied this knowledge in practice.

The volume of learning for Certificate IV qualification types outlined in the Australian Qualifications Framework (AQF) is typically six months to two years.[5] There are concerns that students who graduate with the TAE Certificate IV, following training that falls well short of the AQF volume of learning, may not have acquired the necessary depth of skill and knowledge to appropriately assess.

A challenging question is posed about the approach to changes to the TAE. Current design principles and industry decision processes for training package updates focus on majority considerations and consensus findings. As a result, the relative strength of some arguments may be lost when applying

[4] Standards for Registered Training Organisations (RTOs) 2015, Standards 1.13–1.24, <https://www.comlaw.gov.au/Details/F2014L01377>

[5] Australian Qualifications Framework Council 2013, *Australian Qualifications Framework Second Edition January 2013* <http://www.aqf.edu.au>

judgements and finalising training package updates, particularly where there is a clearly identified 'industry voice' or set of voices. In the case of the TAE, it may be the case that particular interests and voices inhibit proposals to strengthen the TAE, despite clear and consistent evidence highlighting the need for change.

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?

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?

Ensuring those teaching VET skills are highly competent professionals with contemporary assessment skills

Establishment of a VET professional association

The concept of a national association for VET professionals has been discussed across jurisdictions for some time. There have been a number of research projects which have identified the need for a professional body to enable VET educators to take greater responsibility for the professionalism and knowledge base of the sector.

A VET professional association would contribute to quality assessment outcomes by serving as a conduit for the professional development of assessment skills and a conduit for best practice in the development and use of assessment tools. The association could be responsible for developing VET teacher standards, providing input into the design of TAE qualifications, supporting the development and delivery of professional development and providing a professional identity for the VET workforce.

Some states and territories currently administer elements of professional associations through the requirement for VET practitioners to hold teacher registration. Teachers occupy positions of trust and responsibility within society. Registration recognises the significant role of teaching as a profession, ensures that a high standard of professional conduct and practice is upheld, and is a means to promoting consistency of minimum qualifications and professional development.

While a national professional association may have many benefits, it is important to recognise that there are also limitations that arise depending on the role, scope, membership arrangements, cost and sustainability. Defining the role and scope of a national professional association would be critical to its success and longevity.

Background

In its 2010 paper on a future direction for Australia's VET system, Skills Australia noted the need to develop the capability of VET professionals so they were in the forefront of designing and delivering diverse responses in a rapidly shifting education and training market. Further, Skills Australia raised the possibility of a professional body to improve quality and support the development of VET professional practice. Skills Australia also proposed that a VET workforce development strategy be developed.[6]

In 2011 the Productivity Commission report on the VET workforce noted concerns over both the quality and quantity of the continuing professional development on offer. The report also noted that participants in their consultation process saw a role for a workforce development strategy to enhance the professionalism and status of the VET workforce.[7]

[6] Skills Australia 2010, *Creating a future direction for Australian vocational education and training: A discussion paper on the future of the VET system*, Australian Government

[7] Productivity Commission 2011, *Vocational education and training workforce: research report*, Australian Government <http://www.pc.gov.au/inquiries/completed/education-workforce-vocational/report>

Further support for the establishment of a national VET professional body in 2011 proposed bringing together existing professionals and stakeholders with an interest in such a body.[8] Suggested roles for a professional body included developing professional and VET teaching standards which could be used to accredit VET teaching and training programs, establishing a voluntary register of members and supporting the professional development and peer review of VET teachers and trainers.

Victoria's VET Development Centre commissioned a scoping study on the feasibility of establishing a national association for VET professionals early in 2011. The results indicated strong support for some form of national VET professional association.[9] Of its potential functions, the strongest support was for developing a strong and respected national voice for VET practitioners in shaping policy and practice, followed by fostering continuing professional development, recognising excellence and promoting high standards of professional practice, developing a code of professional conduct, and developing strategic alliances with a range of organisations with complimentary interests in Australia or internationally.

In August 2013, a roundtable to discuss the establishment of an association for VET professionals was held in Brisbane, chaired by the head of TAFE Queensland. It was agreed that further work should be undertaken to progress the creation of such an organisation.

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?

[8] Wheelahan, L & Moodie, G 2011, *The quality of teaching in VET: Final report and recommendations*

[9] Clayton, B & Guthrie, H 2011, *An association for VET's professionals: What's the story?,* TAFE Development Centre, Melbourne

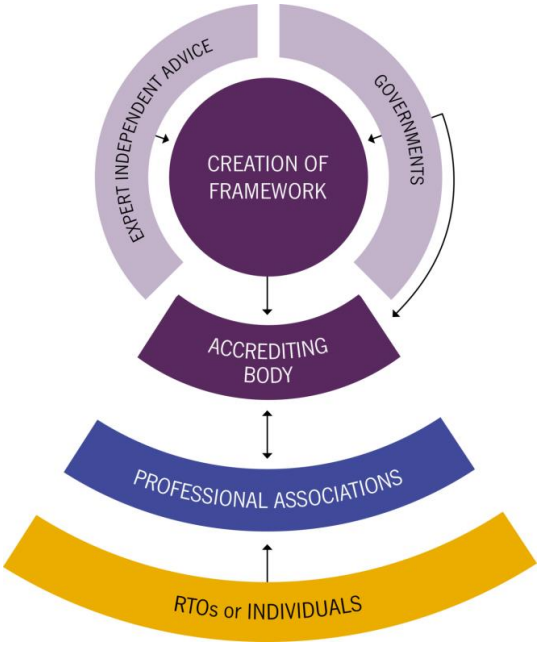
4. Discussion questions – potential activities of a VET professional association:

- 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?

This discussion paper proposes three models for the establishment of a VET professional association, each with their own benefits and challenges.

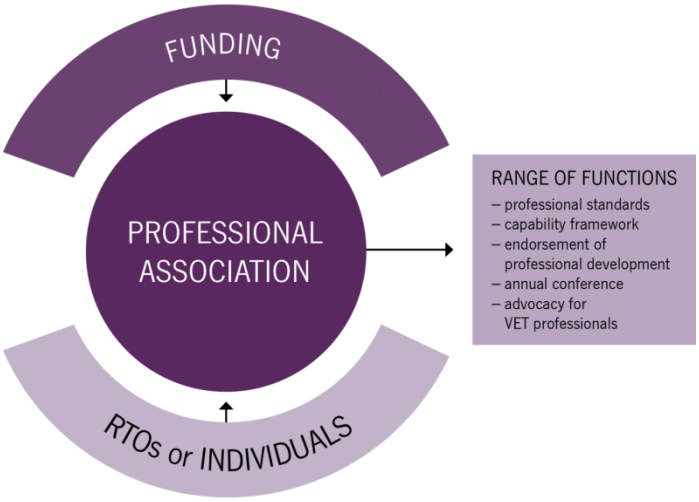
Model A

Model A outlines a possible model for the creation and governance of a VET professional association. Under this model, all the parts work cohesively to form the professional association, rather than a single body. An endorsed body would accredit multiple organisations as professional associations, which could be purpose-built, or an extension of existing peak bodies and professional groups. The professional associations could be responsible for the promotion of professional development and practice, advocacy for VET professionals, and promoting a capability framework.



Model B

Model B represents a single VET professional association, endorsed to undertake a range of functions including the development of professional standards and a capability framework, and design and promotion of professional development and practice.



Model C

Model C proposes that state and territory school teacher registration extend from the schools sector to the VET sector. Under this model, VET trainers and assessors would register with the teacher registration body relevant to the jurisdiction in which their RTO operates. While this model would not require registration with one national body, the requirement for VET practitioners to be registered with the relevant jurisdictional body would be nationally consistent.

5. Discussion questions – models for a VET professional association:
• Which of the suggested models for a VET professional association would be considered most preferrable 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?

Development of a capability framework

A capability framework could enhance the quality of assessment by providing a common language for the knowledge, skills, behaviours and attitudes for professional practice as a VET trainer and assessor.

In response to the 2011 Productivity Commission report and its own environmental scan, the Innovation and Business Skills Australia industry skills council developed a VET Practitioner Capability Framework. The proposed framework describes the broad capabilities required for a range of job roles in the VET sector. The framework consists of three levels that reflect the expertise and responsibility required of VET practitioners, four domains describing the specialist skills required of VET practitioners, and six skill areas that address more generic work skills required for various VET practitioner job roles.

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?

Chapter 2: Reforms to the assessment of students

Assuring quality assessment through industry engagement with review and control mechanisms

It is important to assure the quality of assessment before qualifications are issued. Assessment is a valuable point of control in the VET system, and this chapter discusses mechanisms which look at assessment systems, comparability of assessment, and re-assessment where necessary and appropriate.

Independent validation of assessment is a mechanism to lift the validity and consistency of assessment outcomes. In this context, 'independent' means that validation[10] of assessment is undertaken by a third-party not involved in the delivery of the training.

RTOs are required to systematically validate assessment practices and judgements, and to have a person with current industry skills involved in this validation[11]. Where an RTO relies on assessment by people already involved in delivering the training, there is a danger that localised biases will develop. The addition of an independent element in the validation process reduces this danger and ensures that fresh expert viewpoints are consistently available to improve the RTO's assessment methods and the robustness of assessment outcomes.

Moderation, which differs to independent validation of assessment, is a quality control mechanism used to confirm assessment decisions about student competency based on the assumption that training requirements and education frameworks have been followed and interpreted consistently. It is a collaborative process that could be applied to the VET system to achieve comparability of decisions with medium-risk qualifications, rather than to detect invalid assessments in higher-risk scenarios.

The focus of this section is on enhancing opportunities for independent validation of assessment judgements and the role of industry in this validation. This could involve both the validation of the assessment tools of an RTO as well as the validation of the application of those assessment tools in one or more particular cases.

[10] The term 'validation' is defined in the Standards for RTOs as the 'quality review of the assessment process'. It involves checking whether the assessment tools are fit for purpose in assessing whether the requirements of the relevant unit of competency are met, and includes reviewing a sample of the assessments.
[11] Standards for Registered Training Organisations (RTOs) 2015, Standards 11.9–1.11, <https://www.comlaw.gov.au/Details/F2014L01377>

Opportunities for industry involvement in assessment validation

Given the diverse nature of the sector, it is important that any consideration of independent validation of assessment be mindful that a 'one-size-fits-all' approach is limiting.

Options for bringing about independent validation of assessment that meet the objectives and find the right balance between benefit and cost might include:

- principles-based model and best practice approach
- a risk-based approach to the voluntary or mandatory application of independent validation of assessment based on factors such as student cohort and industry
- specific government settings that require independent validation of assessment, for example the provision of public funding
- specific triggers that require independent validation of assessment such as delivery mode
- industry external assessment
- reassessment of students conducted externally from the RTO in certain situations before the qualification is issued.

Ensuring confidence in the outcomes of assessment is a central theme of concern. Increasing industry validation of assessment is a mechanism to ensure valid outcomes and lift confidence of employers and industry stakeholders in the quality of VET graduates. Of concern is ensuring that industry is adequately and appropriately engaged in independent validation of assessment.

To improve RTO practice, a principles-based model and best practice guide could support the VET workforce to identify the most appropriate technique to validate assessment. This approach would also see the release of updated tools and resources to support RTOs to understand assessment and validation.

A risk-based framework could support RTOs to identify when it is appropriate or necessary to implement resource-intensive validation of assessment or external assessment to support training outcomes. Consultation with industry during training product development could inform the application of the framework. This option is likely to require changes to the Standards for RTOs and the Standards for Training Packages.

The use of independent validation of assessment or external assessment could be mandated as mechanisms to lift quality in specific instances, potentially for particular training products, industry areas, student cohorts or modes of delivery with significant levels of non-compliance. External assessment provides a clear mechanism to ensure the validity of the assessment process. In high-risk qualifications, it provides a useful quality control process.

A further model would involve the reassessment of an industry-agreed set of competencies before the student is issued with the qualification. The application of this model could use a risk-based approach to determine which qualifications require assessment of student competency. Reassessment would be undertaken by an RTO specialising in reassessment. Oversight of RTO compliance with assessment requirements would still remain the responsibility of the regulator.

Background

State and territory governments commenced pilot studies into the independent validation of assessment following COAG agreement of the 2012 National Partnership Agreement on Skills Reform. The outcomes of VET reform consultations and information from the pilot studies suggest there is a strong case for expanding the use of independent validation of assessment methods to high risk qualifications or sectors to support the confidence in the outcomes of training.

This focus on specific qualifications or sectors acknowledges consistent stakeholder concerns around successful implementation of validation, for example:

- It is not realistic to require independent validation of all assessments undertaken by RTOs. This would place an unreasonable burden, including cost, on RTOs and industry. The pilots indicate that the requirement for independent validation of assessment and the form that validation should take varies depending on key risk factors, such as the type of training delivery and the industry involved.
- While there is a desire for industry involvement in independent validation of assessment, there are associated concerns it will place an unreasonable burden on industry. It is important to acknowledge that industry is not uniform and the pilots indicated difficulty engaging industry representatives beyond industry associations because of capability and capacity. This may increase competitive pressure on smaller RTOs as industry representatives focus their efforts on the larger RTOs where they will have the greatest effect.
- RTOs have also expressed concern, in particular those in regional areas or those delivering specialist training, that specialists or relevant industry expertise are not readily available to validate for them. Requirements for systematic validation of assessment were included in the Standards for RTOs to address concerns that current validation activities are just a 'tick and flick' exercise that do not increase industry's confidence in the outcomes of training.

With these concerns in mind it is important to consider how to approach independent validation of assessment to ensure a flexible yet risk responsive approach to managing and ensuring quality of assessments in the VET sector rather than a 'one size fits all' approach.

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?

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?

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?

Ensuring employer expectations of graduates are clear and realistic, and align with assessment

In some instances, it has been suggested that satisfaction with VET graduate capabilities is not due to poor assessment, but due to a mismatch between industry expectations and the outcomes outlined in the relevant training product.

For example, the Certificate II in Hospitality represents a base operational qualification that encompasses a range of functions and activities requiring basic operational knowledge and limited practical skills. It would be reasonable to expect that a graduate with a Certificate II in Hospitality could understand the basic elements of coffee and know how to make basic coffees.

Comparatively, the Certificate IV in Hospitality represents a qualification based on more sophisticated technical applications, theoretical knowledge and increased responsibility. It would therefore be reasonable to expect that a graduate with a Certificate IV in Hospitality would understand, identify and troubleshoot problems with coffee and be able to backflush and clean espresso machines to industry standards, in addition to making consistently good coffee. [12]

Consideration should be given to providing employers with a better understanding of graduate expectations, particularly between qualification levels. While training packages currently are constructed as a set of standards against which the student is assessed, there may be benefit in articulating this in a specific, plain English way for employers, outside of the technical language prescribed in training packages.

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?

Food, Tourism and Hospitality Industry Skills Advisory Council SA 2011, *Essential workplace skills for the hospitality industry: Food & Beverage* <http://www.fthskillscouncil.com.au/cgi-bin/page.cgi?id=126>

Chapter 3: Reforms to the regulatory framework

The previous sections have focused on proactive processes to support validity of assessment and improve the skills of the VET workforce. This chapter discusses ways in which the regulatory system can effectively identify and respond to issues with assessment.

The regulatory framework must engage with inadequate assessment in three ways:

- by enabling the regulator to identify issues when they occur
- by providing the regulator with the tools to effectively and quickly deal with the RTOs in question, particularly in situations concerning public safety and where repeat offenders are involved
- by managing the consequences of inadequate assessment, including the provision of appropriate protections for students, employers and the public.

In dealing with assessment issues, the regulatory framework must strike a balance between the costs of regulation, both for RTOs and for the regulator, and the importance of ensuring that issued VET qualifications reflect a person's competencies as rigorously tested through robust assessment processes. An incompetent graduate that is deemed competent can have a negative impact on employers and the workplace, and could endanger an individual, the community or seriously affect public safety. Such flawed qualifications may also have a broader impact on public confidence in nationally accredited training and the reputation of Australia's VET sector.

Improving the detection of poor quality assessment

The current regulatory approach focuses on the assessment system implemented by the RTO. In the words of one ASQA Commissioner, the approach is one of 'cake making' rather than 'cake tasting'[13]. 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.

This leaves some gaps in which the RTO may have documented a sound process but may have (intentionally or otherwise) failed to implement it, leading to inadequate assessment. ASQA's consideration of assessment samples is necessarily limited,[14] and such samples are not available for ASQA to consider in determining an application for initial registration.

Focusing on assessment outputs

One possible approach to improving the identification of assessment issues may be to move the regulatory approach closer to the point of 'cake tasting'; that is, to allow the regulator to focus more on the outputs of the assessment process rather than the process itself.

[13] The Hon Michael Lavarch AO, Commissioner, ASQA, Evidence before the Senate Education and Employment References Committee, 16 July 2015

[14] An existing ASQA general direction requires RTOs to securely retain completed student assessment items for each student for a period of six months.

There are a number of possible variations in this space. For example, the Standards could be revised to include strengthened or more specific rules about the conduct and evidence of quality assessment, such as extended requirements for RTOs to retain student assessments which can be considered by the regulator in determining whether the RTO has delivered adequate assessment.[15]

At the more burdensome end, the regulatory framework could be amended to allow for the regulator to seek external and independent re-testing of graduates who have been deemed competent by the RTO and had their qualification issued. Such an action could be triggered by employer or student complaints, or other factors which raise the risk that the RTO might deliver inadequate assessment. The re-testing of graduates, however, might raise significant cost issues and would need to consider the possibility that a graduate who was competent at the point of assessment may have lost the required skills or knowledge since that time (through no fault of the RTO).

Training-only RTOs

Another approach to this issue might be to allow for recognition within the regulatory framework of RTOs which deliver training but not assessment. Under the current framework, RTOs are either registered to deliver both training and assessment, or are registered to deliver assessment only. Organisations that wish to deliver only training must do so under the auspices of an RTO.

Expanding the framework to recognise and register 'training-only RTOs' would allow organisations with high-quality training to focus on those strengths without losing the benefits of holding themselves out as an RTO. The pressure to develop and deliver assessment regardless of available skills or expertise would be reduced.

Such training-only RTOs would still be unable to issue VET qualifications or statements of attainment in their own right, but they would gain the reputational benefit of being an RTO. While it is likely that there would still be benefits to partnering with other RTOs able to deliver assessment, training-only RTOs would not be reliant on another organisation to maintain their status as part of the nationally accredited training system.

The formal registration of training-only RTOs might improve awareness of the important need for assessment skills as a separate consideration from the need for training skills. It might also allow for more effective regulatory responses, as there would be a clear avenue to restrict an RTO to delivering training only where its training operations meet the Standards for RTOs, but its assessment processes are inadequate. Consideration would need to be given, however, to ensuring that training-only RTOs are held accountable for the quality of their training, and that incentives for both training-only and assessment-only RTOs do not create perverse outcomes within the system.

[15] An existing ASQA general direction requires RTOs to securely retain completed student assessment items for each student for a period of six months.

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?

Ensuring quick action can be taken against RTOs delivering inadequate assessment

ASQA needs effective tools to manage RTOs with assessment issues. In particular, it needs to be able to deal with repeat offenders and those RTOs which deliberately deliver inadequate assessment in the pursuit of higher profits or to attract a larger market share.

At present, ASQA's enforcement powers generally fall into three categories: administrative measures, civil penalty provisions and enforceable undertakings.

Administrative measures

ASQA has access to a range of administrative measures, such as the imposition of a condition on an RTO's registration, or (at the more serious end) the suspension or cancellation of an RTO's registration. ASQA typically applies these measures when an RTO has breached a condition of its registration, such as by failing to comply with the Standards for RTOs.

These administrative measures are subject to a number of stages of review, both before and after a decision is made to take regulatory action. For example, ASQA is required to issue a notice of its intention to take action, and the RTO has typically been given 20 working days to provide a response which must be considered by ASQA. External review processes through the Administrative Appeals Tribunal (AAT) are generally available to dissatisfied RTOs. Proceedings before the AAT are often protracted and it is usually months before a substantive hearing takes place.[16] The AAT's decision on review is then made based on evidence at the point of hearing, which allows the RTO a significant period to generate and provide further rectification evidence.

[16] The RTO may apply for a stay of ASQA's decision in the meantime, and in cases to date this has often been granted.

While this system may be suitable for RTOs genuinely trying to deliver high-quality training and assessment, it deals poorly with repeat offenders and unscrupulous RTOs. The significant review rights and lengthy timeframes for review mean that it is difficult for ASQA to use these administrative measures to take swift and effective action against these RTOs. In particular, unscrupulous RTOs may be able to game the system by not dealing with problems until they are identified by ASQA.

Civil penalty provisions and fines

A series of civil penalty provisions is set out in the National Vocational Education and Training Regulator Act 2011 (NVETR).[17] Where one of these is breached, ASQA make seek a civil penalty order through the courts. This is likely the strongest of the enforcement options available to ASQA. In relation to assessment, there are civil penalty provisions prohibiting the issuance of a VET qualification or statement of attainment without providing adequate assessment,[18] or without ensuring that the student satisfied the requirements of the relevant qualification or units of competency.[19]

Civil penalty proceedings are likely to be protracted and require a significant commitment of resources (e.g. for legal fees and the preparation of the case). To date, ASQA has not initiated any such proceedings.

In April 2015, amendments to the NVETR Regulations were made to allow for the operation of an infringement notice scheme. Under the scheme, ASQA can issue infringement notices, or fines, for breaches of specified civil penalty provisions (which do not at present include the assessment-related provisions mentioned above). The idea behind such a scheme is to address relatively minor offences in a low-cost, efficient way where a straightforward and objective assessment can be made of whether a breach has occurred.[20]

An RTO may choose to discharge their liability by paying the fine, which is a fraction (no more than one-tenth) of the maximum penalty available. Alternatively, the RTO may choose not to pay the fine, in which case ASQA must pursue the matter through the courts. Since its introduction, ASQA has issued infringement notices on three occasions.

Enforceable undertakings

Another option where ASQA considers a civil penalty provision has been contravened is to seek an enforceable undertaking from the RTO involved.[21] An RTO cannot be required to offer an enforceable undertaking, but if one is offered and accepted by ASQA, it may be enforced through the courts. The court has a broad discretion as to the appropriate order if a breach is proven. ASQA also has a discretionary power to publish enforceable undertakings on the National Register.

To date, no ASQA-regulated RTOs appear to have entered into enforceable undertakings.

[17] There are also criminal offences specified, but it would be extremely rare for these to be invoked.
[18] NVETR Act, ss 104, 106.
[19] NVETR Act, ss 108, 110.
[20] Commonwealth policy on infringement notice schemes is set out in *A Guide to Framing Commonwealth Offences, Infringement Notices and Enforcement Powers* (Attorney-General's Department, 2011).
[21] The breadth of this power is not consistent across VET regulators and is expressed differently, for example, in the *Education and Training Reform Act 2006* (Vic).

Options for expansion of existing powers or approaches

How, then, might ASQA's enforcement powers or approaches be improved to better deal with repeat offenders or unscrupulous RTOs?

One option may be to create more targeted regulatory enforcement options which can deal specifically with the consequences of inadequate assessment. For example, it might be appropriate for the regulator to require an RTO to provide independent external reassessments, and gap training if required, where it is found to have delivered inadequate assessment. Other possibilities might include adjusting the regulatory response depending on characteristics such as the size of the RTO or the number of students involved, or introducing new civil penalty provisions for actions which are objectively clear failures to provide adequate assessment and which could then be prescribed as triggering the infringement notice scheme.

A significant restraint on the regulator's capacity to take swift action at present is the availability of significant, protracted and potentially expensive review processes. Bearing in mind the need to ensure procedural fairness, amendments to review processes could improve the regulator's effectiveness. In particular, if a fair and objective definition of a 'repeat offender' can be found, it might be useful to limit the extent to which such offenders can access merits review.

A corollary of the current approach is that the regulator publishes few details of its adverse audit findings and the basis for its regulatory enforcement actions, particularly prior to the conclusion of any review processes. There might be some advantages to speedier and wider publication of these details, deidentified or otherwise, as an educative measure for RTOs.

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?

Managing the consequences of inadequate assessment

A key feature of Australia's VET system is that employers should be able to expect national consistency of qualifications, and graduates should expect their qualifications to have national portability.

Employers' confidence in the system is based on the expectation that someone holding a nationally recognised qualification has been rigorously assessed against the requirements of an industry-driven training package and has the skills and knowledge set out in the relevant units of competency. If this confidence is impaired, there may be substantial inefficiencies and burdens beyond those which affect any particular individual. For example, employers or licensing authorities may demand significant additional proof of competency beyond that evidenced by the training qualification.

In some fields, the possibility that an improperly-assessed graduate may not have the competencies required, will pose significant and unacceptable public safety risks. Sectors which involve some sort of caring role, such as aged care or child care, have received significant attention for this reason. Similarly, a number of coroners' reports into deaths involving security personnel at licensed venues have highlighted issues with the skills and knowledge of the personnel involved.

On the other hand, there are numerous reasons to avoid cancelling qualifications due to the potentially significant consequences for the individual involved or their employer. The qualification may be an essential prerequisite for their current employment (imposed by their employer or by a licensing authority, for example). There may be financial consequences if the individual needs to undertake remedial training or be reassessed.

How qualifications issued under flawed assessment methods should be managed therefore raises conflicting priorities regarding systemic impact, safety issues and the impact on the affected individual.

Current framework

Under its legislation, ASQA has a broad power to cancel qualifications where it is satisfied of certain matters, including where it is satisfied that a RTO did not provide the assessment necessary for a student to demonstrate they have achieved the relevant learning outcomes. The legislation, however, does not provide prescriptive guidance to ASQA as to when it should cancel (or consider cancelling) qualifications, nor does it provide guidance as to whether an opportunity for reassessment should first be provided.

To date, ASQA and its predecessor VET regulators have not implemented the wholesale cancellation of qualifications as part of their regulatory approaches. In the four years since its establishment, ASQA has exercised this power sparingly, involving approximately seven RTOs (or former RTOs), 350 individuals, 250 qualifications and 225 statements of attainment.

Cancellation and reassessment

ASQA has acknowledged that the opportunity for reassessment should generally be provided prior to any cancellation of qualifications.[22] It is possible that there might be some situations, such as

[22] *Statement regarding regulation of the training sector* (ASQA, 5 June 2015)

student fraud or collusion between the student and the RTO, in which it is inappropriate to allow the option of reassessment prior to cancellation.

The power to conduct or direct reassessment is not within the current remit of the regulator, however, and it would potentially require legislative change and additional funding if ASQA were to adopt this function. Various aspects of a reassessment process would need to be considered, such as the circumstances in which an RTO might be permitted to reassess its own students after it has rectified issues with its assessment processes. Regulator-directed external reassessments might be required to take place through specified training organisations (such as well-established assessment-only RTOs).

Regardless of how reassessments are implemented, there will be an associated cost for both the reassessment itself and any remedial training which might be required. While that cost should self-evidently fall on the RTO at fault, there may be a question as to whether this should continue to be the case even where the cost would threaten the financial viability of what might otherwise be a high-quality RTO.

If the reassessment takes place a significant time after the original assessment, there is a serious risk that someone may be found to be not competent although they were competent at the point of the original assessment (despite any flaws in the assessment process). Given that qualifications do not purport to be ongoing statements of competency, an affected student may argue that they should be entitled to retain their qualification if they were competent when originally assessed. This consideration suggests that it might be appropriate to set some period of time beyond which a student's qualification should not be 'at risk'.

If, in the final analysis, it is considered appropriate to cancel a particular qualification, there remains the question of what review rights should be available, and to whom those rights should accrue. For example, should both the RTO and the qualification holder have the right to challenge a cancellation decision, or should such rights rest with the qualification holder alone?

Consumer protection

In considering reform options, it is critical to ensure that the chief bearer of risk is the RTO and not the student, who is generally not at fault for any inadequate assessment.

Some of the cost issues raised by the prospect of reassessment and cancellation of qualifications could be addressed through tuition assurance schemes (TASs). At present, such schemes provide either a refund of fees already paid or placement at a suitable alternative RTO in response to the original RTO failing to deliver the course. The functions of TASs could expand to also cover the financial impact of reassessment, remedial training or cancelled qualifications.

There would be a question as to whether membership of a TAS providing such coverage should be mandatory. RTOs are not currently required to be members of a TAS, although under the Standards most RTOs cannot collect more than $1500 in prepaid fees without being a member of an approved TAS (or having in place some other approved prepaid fee protection measure).[23] An RTO may also be

[23] Two TASs have been approved for this purpose so far: one operated by the Australian Council for Private Education and Training and one operated by TAFE Directors Australia.

subject to other requirements to have tuition assurance measures in place, such as guidelines under the VET FEE-HELP programme, and those registered to deliver courses to overseas students fund the government-operated Tuition Protection Service for international students through the annual registration charges for that registration.

Imposing a requirement for mandatory membership, however, would represent an additional cost burden on RTOs. The implementation of a national TAS would likely be complex, and its interaction with existing schemes would need to be carefully considered. Further, consumer protection generally lies within the responsibilities of states and territories, and national agreement might be required to implement such a scheme.

Other ideas might be considered in this space, such as links with income support eligibility where a person's qualification is cancelled in circumstances where such cancellation temporarily or permanently affects their ability to remain employed.

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?

Having your say

Key consultation areas

The department seeks stakeholder input on the following broad themes to improve assessment:

Chapter 1: Foundation reforms

- ensuring the requirements for VET teachers and trainers provide the strongest platform for high-quality assessment
- ensuring those teaching VET skills are highly competent professionals with high-quality, contemporary skills in assessment.

Chapter 2: Reforms to the assessment of VET students

- assuring the quality of assessment through industry engagement with assessment review and control mechanisms as a gatekeeper before qualifications are issued
- ensuring employers have clear and realistic expectations of VET graduate capabilities which align with the assessment of students.

Chapter 3: Reforms to the regulatory framework

- improving the detection of poor quality assessment
- ensuring quick action can be taken against RTOs delivering inadequate assessment
- managing the consequences of inadequate assessment by removing invalid qualifications from the system where necessary and supporting students if this occurs.

How to provide feedback

To support the Training and Assessment Working Group to provide the Australian Government Minister for Vocational Education and Skills with recommendations on how to improve assessment, stakeholder consultations will begin with the release of this discussion paper in January 2016 and continue through to 11 March 2016.

Respondents may provide feedback on some or all of the discussion paper's themes. To assist with the compilation and analysis of the views of all stakeholders, respondents are encouraged to provide feedback via the discussion paper submission template, available from the department's website at www.education.gov.au/improving-quality-assessment-vet. Submissions in alternative formats will also be accepted.

All written responses to the discussion paper and queries on the consultation process may be directed to the department via email at trainingpackages&VETquality@education.gov.au.

All written responses will be made publicly available on the department's website, unless respondents direct otherwise. Terms and conditions for public submissions are available at www.education.gov.au/terms-and-conditions-public-submissions-department-education.

Further consultation

In addition to seeking written feedback from stakeholders, the department and the Training and Assessment Working Group will continue to seek the advice of assessment experts and hold targeted consultation sessions with key stakeholder groups.

Appendix A: Systemic changes already underway

Before exploring options for future reforms, it is important to recognise there have been a number of recent reforms in the training sector implemented by the Government which will lead to improved assessment when their full effect is realised.

Reforms to VET standards

There have been a number of changes to the VET standards, including:

- the Standards for Training Packages 2012 now specify conditions of assessment, assessor requirements, and/or a period of work placement
- the Standards for Registered Training Organisation (RTOs) 2015 now require RTOs to have independent validation of the training and assessment qualifications or assessor skill sets from 1 January 2016
- the Standards for VET Regulators 2015 provide additional requirements for RTOs delivering the training and assessment qualifications, including that these qualifications can only be added to its scope of registration if it has held registration with the regulator for at least two years, and from 1 January 2016, has undergone an independent validation of its assessment system, tools, processes and outcomes.

Review of Training Packages and Accredited Courses

The outcomes of the recent *Review of Training Packages and Accredited Courses* (the Training Package Review) will be considered carefully in the context of dovetailing with the proposals to improve assessment. Broadly speaking, the Training Package Review proposes:

- removing obsolete and superfluous qualifications from the system to make it easier for consumers to find the training they need
- ensure the advice industry provides on training delivery is made available to RTOs to improve their delivery and to consumers to enable more informed course choices
- ensure the training system supports people to reskill quickly to support movement within an industry
- improve the efficiency of the training system by developing units that can be used across multiple industries
- foster greater recognition of skill sets
- ensure that new training courses can be developed as quickly as industry needs them and are available to support niche skill needs.

Reform of the Australian Skills Quality Authority

The Government has recently undertaken a range of reforms involving ASQA to ensure that it can deal with poor quality RTOs ensuring ASQA can respond rapidly to emerging issues and to facilitate more effective and efficient regulation.

Appendix B: Training and Assessment Working Group terms of reference

Preamble

On 8 May 2015, COAG Industry and Skills Council members agreed that reform options be developed to improve the quality of assessment of student outcomes in consultation with industry and other participants.

Since this agreement, public concern over assessment has been heightened following the Australian Skills Quality Authority (ASQA) release of a strategic review into training for the early childhood education and care sector. The review identified some areas for improvement around assessment practices and areas for wider improvement in the delivery of the Certificate IV in Training and Assessment.

Purpose

Over the past twelve months the Australian Government has implemented a range of reforms to ensure the highest quality training and assessment outcomes. These reforms include strengthened national standards that require trainers and assessors to have current knowledge and skills and the introduction of a new model of training package development, overseen by the Australian Industry and Skills Committee (AISC), which places industry at the centre of development.

To ensure these reforms are generating the intended impact, it is important the concerns raised by stakeholders around assessment are thoroughly addressed. Further, improving the status of the national vocational education and training is a key goal for Government through these reforms. Robust assessment practices are a requisite to achieving this goal.

Task

The Training and Assessment Working Group (the Working Group) will be responsible for consulting with industry and providing advice to the Australian Government Minister for Vocational Education and Skills (the Minister) on options to improve the conduct of assessment in vocational education and training (VET).

The focus of these reform options will be guided, but not limited to, the matters to be agreed by the COAG Industry and Skills Council in November 2015. The task does not extend to resolving wider issues of quality in VET although it is reasonable the Working Group consider reform options within the context of the unique challenges experienced in the Australian VET sector. In providing advice to the Minister, it will be important that recommendations are specific to assessment and are action focused.

It is expected the Working Group will be asked to explore options for reform as follows:

- Options to improve the capacity and capability of the VET workforce. Options may include a model for VET professional development and the use of capability frameworks. Considerations will extend to including the desirability and viability of a VET professional association and the functions such an association would fulfil.

- Considering changes to the design and delivery of the Training and Education Training Package (TAE) to ensure trainers and assessors skills appropriately prepare a trainer to conduct valid assessments. Consideration may extend to the application of restrictions to assessment and issuing of TAE to registered training organisations' (RTOs) own employees and restricting the use of recognition of prior learning for qualifications within the TAE.
- How independent validation of assessment may be applied to be industry-led, flexible and risk-based. Of consideration would be whether best practice models are sufficient, an exploration of the various benefits and risks to mandating independent validation of assessment in specific instances, with general consideration to appropriate implementation and cost benefit requirements.
- Consideration of the role external validation or external assessment may play where students were incorrectly deemed competent. Considerations will include options for external re-assessment of students.
- Options to revise the Standards for Registered Training Organisations (RTOs) 2015 to increase the applicability of sanctions by ASQA for breach of the Standards, such as the use of infringement notices.

Linkages

The Australian Industry and Skills Committee will be tasked with examining the set of findings and recommendations made by ASQA in the strategic review of the early childhood education and care sector. The Working Group will be briefed on the progress of the Australian Industry and Skills Committee's consideration of the recommendations in the ASQA review that relate to the conduct of assessment.

To support the Government's VET reform agenda, the Department of Education and Training is undertaking a Review of Training Packages and Accredited Courses. The review is asking a range of questions relating to the content of training packages. This will include issues specific to the design of training such how volume of learning should be specified in training packages and the general role that accredited courses play. The review will also look at some areas of overlap with the work of the Working Group. The review has asked for views from the public on the role that validation of assessment has to offer and the risks and benefits of capstone (external) testing. The Department of Education and Training will brief the Working Group on the findings from the review to maintain the linkages across the work.

Timing

The Working Group will be established in September and meet again in November and December 2015. The Working Group will report back to the Minister for Vocational Education and Skills by the end of March 2016. The Working Group may meet further in early 2016 ahead of reporting to the Minister and following consideration of the report the Minister may seek to extend the Working Group until June 2016 to seek further advice from the Working Group.

Membership

The Working Group is comprised of industry and training leaders, regulators, peak bodies, employer and worker organisations, including:

- Shane Thomas, Crown Entertainment (Chair)
- Chris Butler and John Churchill, Enterprise Registered Training Organisation Association
- Rod Camm, Australian Council for Private Education and Training
- Tanya Cole, Hessel Group
- Stephen Conway and Gail Eaton-Briggs, TAFE Directors Australia and TasTAFE
- Darrell Cox, Thiess Australian Mining
- Ian Curry, Australian Manufacturing Workers Union
- Paul Edginton, VET Advisory Board and SYC Limited
- Megan Lilly, Australian Industry Group
- Suresh Manickam, National Electrical Communications Association
- Patricia Neden, Australian Industry & Skills Committee and Innovation & Business Skills Australia
- Chris Robinson, Australian Skills Quality Authority

Appendix C: Glossary

Item	Meaning
AISC	Australian Industry and Skills Committee
ASQA	Australian Skills Quality Authority
civil penalty	A pecuniary penalty set out in the NVETR Act for certain prohibited conduct. ASQA may seek to impose the penalty through court proceedings. See also enforceable undertaking, infringement notice scheme.
COAG	Council of Australian Governments
department	Australian Government Department of Education and Training
enforceable undertaking	A written undertaking given by a person or organisation considered by ASQA to have contravened a civil penalty provision. There is no requirement to offer or accept such an undertaking. ASQA may seek a court order where an enforceable undertaking is breached.
Government	Australian Government
infringement notice scheme	A scheme which allows ASQA to issue a fine for an alleged contravention of a civil penalty provision which is no more than one-tenth of the maximum penalty. If the fine is not paid, ASQA may institute court proceedings for the contravention in the usual way (see civil penalty).
moderation (of assessment)	A quality control mechanism to bring assessment judgements and standards into alignment prior to the finalisation of candidate results, which can include consensus meetings and external or statistical moderation.
NVETR Act	*National Vocational Education and Training Regulator Act 2011*
RTO	registered training organisation
Standards for RTOs	Standards for Registered Training Organisations (RTOs) 2015
TAE	Training and Education Training Package
validation (of assessment)	A quality review mechanism to promote continuous improvement of assessment, which can include assessor partnerships, consensus meetings and external or independent validation.
VET	vocational education and training