Vocational education and training (VET) system

Context

The vocational education and training (VET) system is Australia's largest education system, with over 4,000 registered training organisations supporting more than four million learners each year. The VET system reaches across all life stages – including young people in VET while at school and adult learners at various stages of their working lives. While learners undertake VET for a range of reasons, for many it is a pathway into employment.

Since 2019, the VET system has undergone major reforms, including the National Skills Agreement, the establishment of Jobs and Skills Australia and the Jobs and Skills Councils, qualification reform, Fee-Free TAFE and the Australian Universities Accord. These initiatives aim to strengthen economic and social outcomes.

As part of its second term priority to lift productivity, the federal government has argued that a more skilled and flexible workforce is essential for improving productivity and helping more people into work. This focus on skills is now a core part of this agenda.

However, the VET system continues to underperform. Government policy has largely focused on boosting training commencements (e.g. Fee-Free TAFE), with far less attention to helping learners complete their courses or transition into secure, decent work. Also, while VET enrolments have grown in recent years, inequities persist for learners with disability and people in regional and remote communities.

Ultimately, training only lifts productivity when people – including people experiencing disadvantage – can access it, finish it and actually use their new skills at work.

The 5Cs framework

BSL advocates a comprehensive policy framework to shape the VET system, including the following elements:

- **Commencement** – learners have access to information and services that help them select the VET provider and course that aligns with their interests and goals, and institutions have inclusive practices and systems for learners at the point of VET access and entry.
- **Connection to training** – registered training organisations (RTOs) employ teaching and delivery approaches that support learner participation and expand the use of training models that enable learners to gain workplace experience.

- **Completion** – historically completion rates for training have been low. A well designed and implemented skills system will encourage high rates of completion in order to build learner confidence, support transition to further training or employment, and minimise wasted time, effort and resources (for both learners and providers) associated with non-completion.
- **Conversion of training into employment** – course completion is not the final objective of the VET system, rather it should (ultimately) aim to support learners into secure and decent work.
- **Career continuity** – high quality training will not only support entry into a 'first-job', but also equip graduates to continue upskilling and reskilling throughout their working lives, and to gain subsequent jobs as skills and productivity increase.

These '5Cs' represent critical transition points where the VET system can either support learners and wider labour market and productivity gains or, if opportunities are missed, impede learner progress and limit individual and collective benefits.

In the absence of a comprehensive policy framework the VET system has suffered from three major limitations:

- Prioritisation of commencements, and under-prioritisation of other elements.
- Inadequate focus on equity across all stages of the learner journey from commencement to career continuity – in particular, learners experiencing disadvantage and other barriers to training (e.g. language, disability etc.) have been under-represented in VET.
- Limited investment in growing the quality and capability of the VET workforce.

BSL position and recommendations to the Australian Government

- Government should reform and build a comprehensive VET policy framework that extends over the full learner journey – beyond a focus on commencements – and includes clearer focus on Connection, Completions, Conversion and Continuity.
- Commit to regular reporting on equity and inclusion in VET through the establishment of annual national and jurisdictional public equity performance reports on the VET system that clearly establish who the system is and is not working for.
- Establish a national coordination function for TAFE equity and inclusion – through the newly established National TAFE Network – to lead reforms and approaches to address equity and inclusion gaps.

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