Submission: Building a Skilled and Adaptable Workforce Interim Report

12 September 2025

Introduction

Thank-you for the opportunity to contribute to the Productivity Commission's 5 Pillars inquiries.

Our submission below is in response to the 'Building a Skilled and Adaptable Workforce' Interim Report, where we have highlighted the importance of developing an equitable, inclusive tertiary education system.

Only with system-level coordination, infrastructure, and co-design – together with industry, education providers (inclusive of TAFE and universities), government bodies, and the perspectives of future learners – can we solve the skills and training challenges that the Productivity Commission have outlined. We must build and apply the skills, knowledge and innovation that is critical for the productive development of our economy and to support our communities to thrive.

In response to the recommendations made within the Interim Report, we suggest the following recommendations to the Productivity Commission:

RMIT's recommendations to the Interim Report

- Developing an equitable, connected, and inclusive tertiary education system to support lifelong learning and innovation is critical for enabling a more productive economy and thriving communities
- Across all themes explored by the report we encourage adoption of a pilot and scale approach to systems change – starting with practical applied prototypes consistent with the Commonwealth's Tertiary Harmonisation budget measures

On credit transfer and recognition of prior learning (RPL):

New approaches to credit recognition should:

- Maintain a student-centred perspective: government should prioritise funding towards evidence-based credit solution pilots to support student cohorts with the greatest barriers to upskilling and reskilling and improve student experience
- The Commission must consider the enabling environment (including costs, digital infrastructure, training etc) needed for education providers to better and more efficiently address student needs for credit access
- Align, leverage and integrate with other initiatives in train including across DEWR, DoE, ATEC and JSA
- Engage across both vocational and higher education systems when scoping and testing new approaches

- Ensure any changes maintain academic rigour and trust in the system, ensuring qualifications remain a meaningful validation of the skills and knowledge that learners need

On work-related training:

- Skills system tools and frameworks (including the National Skills Taxonomy and reformed Australian Qualifications Framework) must be enabled for SMEs and individuals to access and utilise work-relating training and upskilling opportunities at scale
- The definition of work-related training should be reviewed to better reflect the range of learning available across the tertiary education system, and link to measurable skills, pathways and outcomes
- Training and upskilling incentives should bring together industry, learners, and providers to co-design innovative solutions to address long-term skills challenges

On occupational entry requirements:

- Industry regulations and government policy should support more accessible earn-and-learn models for diverse cohorts of learners to build careers in priority occupations

A harmonised tertiary system: supporting learners across life and work

To achieve the productivity gains highlighted by the Commission, there must be a focus on generating more inclusive, flexible pathways to value the different ways that people contribute to the economy over the course of their lives and careers.

RMIT understands that one part of the system – providers, government, industry – cannot solve our skills and training challenges alone. Instead, all parties must work together and co-design solutions which centres and considers the real needs of our learners, to ensure that we are offering and supporting more people into meaningful career pathways.

A lot of the work to understand the broader system challenges for tertiary education has been documented in the final report of the Australian Universities Accord.[1] Some of the recommendations of the Accord final report have been actioned, including key developments such as paid placements for students studying in many of our most in-demand industries, and the Tertiary Harmonisation measures outlined in last year's Commonwealth budget. However, there are still many ways that government – together with tertiary providers, industry and Jobs and Skills Councils (JSCs) – can support the broader long-term changes required to meet our skills and workforce challenges.

[1] RMIT's contributions to the Accord process, including the 'Meeting Australia's future skills needs' report, highlighted many of the inclusive skills pathways recommendations and system reform elements that the Commission has highlighted

Improving school outcomes: setting the foundation for lifelong learning

In order to realise the Accord's aspirations to grow our levels of tertiary attainment (across both vocational and higher education) to 80% of working-aged individuals by 2050, it is also essential that Australia continues to improve school outcomes and address the significant differences in participation and attainment across key cohorts including our First Nations peoples and regional/rural communities to ensure these cohorts are not left behind.

Individuals without year 12 or equivalent studies face additional barriers to further studies, making it harder for them to upskill or reskill to unlock better career opportunities or to adapt as industries change, and we know that participation in work-related training is substantially lower amongst those with lower levels of educational attainment.[2]

It is important to raise visibility of a broader range of post-school learning and career pathways, so individuals can make better choices about post-secondary study and understand their options for lifelong learning and career progression beyond their first qualification or job. Greater visibility amongst school-aged learners (as well as their career advisors and families) of the range of possible career and learning pathways associated with vocational studies and new tertiary models (such as higher/degree apprenticeships) could assist in improving the parity of esteem between vocational and higher educational qualifications.

Part 1: Credit transfer and RPL

A pilot and scale approach should be adopted to support improved tertiary credit recognition systems

In response to recommendation 2.1 and information requests 2.1, 2.2 and 2.3, we recommend that work towards new approaches to credit recognition should:

Maintain a student-centred perspective: government should prioritise funding towards evidence-based credit solution pilots to support student cohorts with the greatest barriers to upskilling and reskilling and improve student experience

- The Commission must consider the enabling environment (including costs, digital infrastructure, training etc) needed for education providers to better and more efficiently address student needs for credit access
- It must also align, leverage and integrate with other initiatives currently in train with DEWR, DoE, ATEC and JSA, while engaging across both vocational and higher education sectors when scoping and testing new approaches
- Any changes must maintain academic rigour and trust in the system, ensuring qualifications remain a meaningful validation of the skills and knowledge that learners need

[2] ABS Work-related and adult learning survey 2021/ABS Table Builder.

RMIT encourages a broad view of credit pathways, allowing greater flexibility for individuals to move between different forms of study and work. Although challenging, improvements to credit for informal and non-formal learning is where the greatest impact can be realised by removing barriers to study for mid-career workers so they can more easily upskill or reskill, addressing critical workforce skill gaps. The Tertiary Harmonisation Sandbox measure (as discussed in JSA's Tertiary Harmonisation Roadmap) is one example where an applied prototyping model can pilot an innovative credit pathway solution for a targeted workforce cohort, and address a specific workforce skills challenge.

The impacts and use of credit transfer and RPL

Current state approaches to credit transfer and RPL

In response to information request 2.1 we recommend:

Further work should be carried out by DEWR/ATEC (and with JSA where appropriate) to understand the details of current credit practices and opportunities to advance the existing Tertiary Harmonisation activities aimed at improving credit recognition practices and design of any associated enabling platforms

In our submission to the previous consultation phase[3] we addressed a number of aspects of credit recognition that are relevant to this information request. We note that the revised application of terms such as credit transfer and RPL in the Interim Report are clearer, however there remains variation in how these terms are applied across the system. The substantial differences in vocational and higher education assessment models and regulatory frameworks play a large role in the complexity of this work, therefore clarity is required in the definition and discussion of recommendations when highlighting credit practices across the system.

There are opportunities to streamline credit assessments, providing benefits to both learners and educational institutions. Opportunities include the potential application of AI to reduce the administrative load associated with the credit assessment process (particularly in assessment of credit transfer); and to combine occupation and skills analysis, the National Skills Taxonomy and curriculum-skills mapping to improve the ability to recognise skills and knowledge developed through work towards higher education qualifications. Implications of recent changes to vocational qualification structures (including the introduction of vocational degrees) on future credit arrangements for vocational education students should be reflected in new arrangements. The role of microcredentials intentionally designed to support and bridge credit pathways should also be considered.

[3] Submission to June consultation phase: RMIT University's Policy Strategy and Impact group – qr 61

Right for credit transfer or RPL assessments before acceptance of offer

In response to draft recommendation 2.1 (the right for early credit/RPL access) we recommend:

Opportunities to increase the availability of credit before offer acceptance should be pursued in areas where it is deemed feasible/practical for both students and providers, however this should not initially be a requirement

There is a disconnect between the ideal of what might be preferable to offer to students and what might be feasible at scale, particularly within current systems. Currently, credit transfer for international students is usually assessed/confirmed prior to students accepting their offer, given the impact of study length on the visa application process, while credit transfer for domestic students is more often assessed after offer acceptance. This difference in timing across learner cohorts spreads the administrative load of conducting credit assessments.

For some domestic students, earlier confirmation of available credit may positively impact their willingness and ability to commit to formal studies. However, it is also important to note that those with work and life commitments may have lower capacity to complete a timely application for credit transfer or RPL (which is significantly more time consuming) before confirming they will pursue formal studies. These learners would need a high level of confidence that the process is likely to be positive and worth their effort, potentially supported through the proposed student-facing credit database discussed below.

It is therefore important that **any requirement for students to be able access credit assessments prior to accepting their offer does not preclude individuals from also applying for credit later during their studies**. This also allows for students who may have developed further skills/knowledge or new evidence of existing skills/knowledge – for example through their current work or work-related training – after enrolment to also be recognised.

Further investigation is also required into opportunities for tools and enabling infrastructure to enable more efficient credit assessments, by reducing the administrative burden and removing bottlenecks in the credit assessment process for providers.

The scope and circumstances where assessment before offer acceptance should be expected, also requires careful consideration. For example:

- For vocational and/or higher education – given the differences across the two assessment systems, flexibility around minimum evidence thresholds as well as current regulator and contractual obligations relating to how and when credit assessments must be made available to students
- For ‘credit transfer only’, versus for some or all RPL applications – noting that RPL applications are more complex and time consuming for both students and education providers
- For direct entry/mature age learners only (who are more likely to have prior studies/experience to be assessed) or also for applications coordinated through central Tertiary Admissions Centres (which have tight timeframes between offer rounds that could not be supported for all applicants using current systems and processes).

Consideration also needs to be given to the potential operational and workload implications for educational institutions of potentially concentrating the timing on when credit requests are received; and possible increases in the volume of credit applications which could encourage institutions to favour credit transfer only over RPL if it is too difficult to meet timing requirements.

The desired shift towards a greater proportion of credit being assessed prior to student enrolment should be coupled with new enabling systems to streamline the credit mapping and assessment process for institutions to counter these operational and workload challenges.

Establishing a national credit database

In response to draft recommendation 2.1 (establishing a national credit database) and information request 2.2 we recommend:

A national database could be useful if designed carefully with the tertiary sector. However, to achieve the most impact it must also enable more efficient assessment of credit applications by education providers; link with other enabling infrastructure initiatives, and align with tertiary harmonisation objectives

Any national credit database or system:

- Must have a clear and agreed purpose, scope and underpinning frameworks
- Must be developed in close partnership with both vocational and higher education providers from the outset, and not drive further bifurcation between sectors
- Must be designed to support tertiary harmonisation objectives and improve multi-directional pathways between vocational and higher education studies as well as between units/providers within the same sector
- Should start small and build – e.g. start with credit transfer for foundational knowledge in a subset of higher education disciplines (given credit transfer for recent vocational education studies is driven by already mapped training packages and skill sets)
- Must contain timely, accurate and validated information without creating an unwieldy system to navigate for learners or providers

The Productivity Commission's draft recommendations include establishment of a national credit database. Before committing to a specific database or framework solution, it is essential to consider the different potential users and therefore: the scope required, scale of possible impact (and for who), as well as key implementation considerations associated with the intended scope and use of the database. Any of these considerations should also draw from the critical enabling infrastructure already in train, including: Tertiary Harmonisation initiatives, the National Skills Taxonomy, the National Skills Passport and JSA pilot work mapping occupations and skills to tertiary curricula. Two options below outline different potential audiences and purposes:

Option 1: A database/system designed to improve visibility of credit options for potential students

Users	Individuals seeking to understand and compare possible credit available to support different learning and career pathways available to them
Scope and purpose	A database to allow individuals considering a particular study path or career direction to make informed decisions on what and where to study, informed by available credit they may receive for their existing skills/knowledge thus reducing reduce the study time and cost to achieve a relevant qualification
Implementation considerations	How often would the database need to be updated to be useful? How will it be maintained to ensure currency? How do we ensure that it is useful to students without adding significant additional activities for institutional staff responsible for conducting credit assessments?

On its own, this option can lift visibility of credit pathway options available to individuals considering study, but will not enable a step change in how education providers manage credit assessments or the associated learner experience of the process.

Option 2: A database/system designed to streamline credit assessments by education providers

Users	Professional and teaching staff within tertiary education providers responsible for assessments of credit applications
Scope and purpose	i. A national database to allow streamlined access to established credit precedents (may include credit transfer precedents for vocational skill sets and training packages, higher education units and qualifications, microcredentials and possibly some instances of RPL) and/or ii. enabling systems to conduct initial mapping and recommendations of alignment to support faster evaluation of new credit applications by suitable educators
Implementation considerations	Regardless of initial scope, it must be developed closely with both vocational and higher education sectors to ensure that it is fit for purpose and supports harmonisation objectives. If the tool is to support the credit mapping and assessment process, we must also consider: What is being mapped from/to? How would the process of mapping credit and RPL be conducted, and what is the evidence that is being used to validate its use? How will we ensure integrity of the system (and quality of the awards towards which credit is granted) is maintained? What are the workload and resource implications for universities to ensure currency and availability? And is there a risk/impact for smaller institutions being unable to support this activity vs larger, better resourced institutions?

If designed carefully, this option would have a far greater impact on the speed and efficiency with which education providers can process credit applications. Combining options 1 and 2 with different interfaces for individuals and institutions could also avoid the duplication of effort required to maintain the systems.

Considerations for the tertiary-wide implementation of a national credit database/system

Any system adopted must, in the longer term, be inclusive of both vocational and higher education data and should be designed with representatives from both sectors from the outset. It is possible that increased ease of access and assistance with mapping vocational to higher education curricula could also improve VE-HE credit pathways across those institutions that are not dual sector and/or do have established pathway arrangements in place.

Any system must also be clear in its intent regarding the inclusion or exclusion of higher degrees by research. We note that any credit towards a PhD would be for coursework components only and would not therefore impact the study duration for students, as the core assessed learning is the research project.

Recognition of Prior Learning (RPL) assessments

In response to draft recommendation 2.1 (coordinated assessments of prior learning) and information request 2.3 we recommend:

i. **Pilot coordinated assessments by starting in an appropriate vocational field working in partnership with education providers and leveraging existing best practice examples**
ii. **Consider funding models and system requirements to enable education providers to offer standalone assessments so students can demonstrate their current skills if they cannot meet RPL evidence requirements**

As indicated above, RPL assessments are more complex and time consuming than credit transfer arrangements. Additional information was provided in our previous submission.[4]

In a higher education setting, RPL is difficult to establish precedents for and often requires a highly individualised assessment by an appropriate academic educator. In vocational education settings, the competency-based framework requires that individuals provide evidence to prove competency against all skill sets being assessed in the unit they are seeking credit for: there is no flexibility for assessors to grant credit for a student with most, but not all, required competencies.

In both cases many of the assessment tasks can only be done by academic staff. Assessments are undertaken as required whenever an application is received, and are not fully reflected in staff workload models. As such, most institutions would not have detailed data on the full costs of assessing credit transfers or RPL. This would require significant internal work to collate estimates, and the costs would vary considerably across disciplines and for VE vs HE units.

Opportunities for coordinated RPL assessment processes

A central or coordinated approach to testing and validating an individual's existing skills is more likely to be feasible in the vocational system where training packages, skill set

[4] Submission to June consultation phase: RMIT University's Policy Strategy and Impact group – qr 61

structures, and competency frameworks provide a common basis for clear and mutually recognised learning outcomes across the sector. Such an approach could be informed by existing models, such as:

- The NSW Trade Pathways for Experienced Workers program assesses unqualified but experienced workers from relevant industries (such as construction) allowing them to validate and gain credit for their current skills/knowledge to fast-track their pathway to a trades qualification. The proposed Commonwealth Advanced Entry Trades Training program will be based on this model.
- The Offshore Skills Assessment Program (OSAP) which applies a risk-based approach to rapid validation of key skills amongst internationally-qualified trades workers to allow them to work in Australia.

Other opportunities to enhance credit recognition practices

In the higher education sector there are intentional variations in curricula across institutions, due to the self-accrediting nature of higher education and the need for institutions to align their curricula with local contexts and specific industries that they each serve. A centralised approach to credit assessments is therefore more challenging. However, there may be some limited discipline areas where a credit assessment framework could be established to allow workers to demonstrate they have sufficient foundational skills and knowledge to be granted advanced standing towards an appropriate undergraduate or postgraduate qualification. Similarly, in some disciplines strong mapping between occupation skills and educational curricula could support a fast tracked RPL assessment before application, as RMIT's College of Business and Law has put in place for selected postgraduate business units.

Credentialing services and assessment only alternatives to traditional RPL assessments

Institutions could design and offer assessment-only options for reduced costs so that experienced workers could validate their skills and knowledge for credit towards an award where they may not have sufficient evidence to qualify for RPL. This approach would most likely work in selected contexts, such as foundational skills in selected disciplines. This would allow institutions to be confident that learners have the skills and knowledge aligned to their specific learning outcomes in a more streamlined, reproducible and scalable approach than traditional individual RPL assessments.

Example: RMIT Online credentialling service for businesses to validate staff skills

RMIT Online offers a credentialing service for employers, as well as delivering workforce training solutions. The service involves working closely with industry partners to understand the specific skills needs of the business and assess/validate current staff capability in key areas – for example to allow businesses to understand if current staff meet expected skill levels to manage risk, and to identify areas for future workforce development needs.

Part 2: Work-related training

Linking work-related training opportunities with national skills infrastructure and a harmonised tertiary education system

In response to draft recommendation 2.2; information request 2.4, 2.5 and 2.6, we recommend:

Skills system tools and frameworks (including the National Skills Taxonomy and reformed Australian Qualifications Framework) must be enabled for SMEs and individuals to access and utilise work-relating training and upskilling opportunities at scale

Work-related training and upskilling opportunities are critically important for workers and employers to improve the productivity and adaptability of workplaces. However, to achieve the desired outcomes, this initiative cannot be developed in isolation from the broader development of our national skills infrastructure and the identification of in-demand skills and capabilities across occupations. Targeting incentives to encourage SMEs to participate in WRT – in a generalised way – only addresses a very small proportion of the challenge.

Similarly, an advisory service for skills uplift and identification would be helpful for SMEs, however a national advisory service requires the underlying skills system infrastructure to inform its work. Without accurate knowledge of the industry and skills required for different occupations, a generalised program would not be an efficient or effective solution to the critical skills challenge at hand.

Skills system infrastructure and frameworks that are currently being progressed (including the development of the National Skills Taxonomy and the broader tools, data and frameworks being piloted by Jobs and Skills Australia toward mapping occupation profiles, qualifications and skills) are a critical step toward this type of advisory service. There may also be a role for Jobs and Skills Councils to work with JSA to further link emerging skills and industry growth areas to support this service.

Supporting individuals to pursue up-skilling opportunities

In response to draft recommendation 2.2; information request 2.6, we recommend:

The definition of work-related training should be reviewed to better reflect the range of learning available across the tertiary education system, and link to measurable skills, pathways and outcomes

A national framework could also inform opportunities for individuals to engage and identify the skills and training required to progress their careers and job mobility. Addressing barriers to individual-led engagement with work-related training offers a more scalable opportunity to addressing our skills challenges, and is equally as important as employer-led incentives for SMEs.

Individual-led training should focus on upskilling opportunities not only for non-award learning (i.e. work-related training as defined in the Interim Report, which doesn't lead to a formal qualification) but linking to the broader tertiary education system and lifelong learning pathway opportunities. To achieve this, work-related training must be verifiable and portable (through some means of credentialing, whether non-award or leading to a stackable qualification) in a way that can be linked to the credit and RPL systems outlined earlier in this submission. Workers must be able to have the tools to confidently build their skills and opportunities for career mobility and adaptability across workplaces.

Example: DJSIR Digital Jobs Program with RMIT Online

The Victorian Government sought to support unemployed, under-employed and at-risk mid-career Victorians to retrain and pursue career transitions. The government invested $64 million to create the "Digital Jobs Program" to equip mid-career Victorians with up-to-date digital skills.

Through its Future Skills portfolio of short courses, RMIT Online created a suite of eleven 12-week training courses to provide program participants with the new skills they need to embark on a digital career. RMIT Online – currently the program's largest education provider with over 1600 participants in the program – collaborates weekly with the department to ensure the success of all participants and the overall program. The project team continuously reviews the learning outcomes of the course to ensure it remains industry relevant.

We need to focus on partnerships and outcomes with industry, not only short-term incentives

In response to draft recommendation 2.2; information request 2.4, 2.5, and 2.6, we recommend:

Training and upskilling incentives should bring together industry, learners, and providers to co-design innovative solutions to address long-term skills challenges

To better target the productivity, currency and accessibility of training for the future of our diverse and dynamic workforces, industry must participate in the co-design and development of skills for their workplaces.

A skills coalition involves an employer or group of employers, together with an education provider (a TAFE or university, for example), and a relevant policy team within government, to identify skills gaps and co-design a skills solution that would be accessible, relevant, and productive for a current workforce to undertake. The short-term outcome is a rapid development and delivery of targeted skills and learning, which can be implemented as a solution in response urgent skill challenges. This solution may be in the form of a short program of learning, such as a microcredential or short course, that is designed or adapted with the education provider to deliver to employees.

The tripartite nature of a skills coalition is important because it requires all parties to consider the practical needs of a specific workforce or occupation, including: the types of skills required, the make-up and experience of the workforce cohort, barriers to engagement, the costs involved, and the immediate and long-term outcomes of addressing the skills challenge. Instead of providing isolated funding for businesses to adopt or participate in general workplace training, skills coalition models include a policy and system-change component to address systemic skills challenges. A successful pilot program of an initiative (where outcomes for employees are evaluated) can then be further extended to other employers with similar profiles and skills challenges. Targeted funding from government – with contributions from industry where necessary – can then be scaled to deliver high-impact learning and co-design methodology across a range of SMEs and occupations.

Example: Skills Solution Partnerships developed with the Victorian Government

A skills coalition partnership model has recently been trialled with the Skills Solutions Partnerships program in Victoria, where industry partnered with TAFEs and dual-sector universities to co-design targeted solutions for their industries.

For example, the Digital Health Skills project, which is being delivered by RMIT in partnership with Grampians Health and Cisco, is piloting five micro-credential modules covering a range of subjects, from foundations in digital health to new and emerging technologies like AI. The pilot has enrolled 362 learners at Grampians Health, equipping staff with skills to leverage digital tools to improve decision-making, efficiency, data security, and increase workforce adaptability to new technologies.

Part 3: Occupational entry regulations

One part of the solution: developing work-based learning models at scale to support more learners to develop careers within in-demand occupations

In response to draft recommendation 3.2; information request 3.1, we recommend:

Industry regulations and government policy should support more accessible earn-and-learn models for diverse cohorts of learners to build careers in priority occupations

As highlighted in the PC's Interim Report and the Universities Accord, working-age Australians are increasingly needing to re-skill and up-skill across their lives. As we shift toward a lifelong learning system, mature-age and re-skilling learners will be making up a growing proportion of the student cohort in our tertiary education institutions.

These learners cannot easily pause their work and care responsibilities to undertake a traditional tertiary program, and yet they offer a wealth of work and life experience with diverse skill sets that our in-demand industries require.

‘Earn and learn’ models offer a solution to jointly provide industry experience and solve skilled workforce shortages; encouraging workers to gain qualifications while maintaining employment. In these work-based learning models, including degree and higher apprenticeships, students are employed in the workplace from the beginning of their study, and gain a qualification at the same time as an income and real-world experience in their chosen field.

Example: RMIT’s free Diploma of Information Technology for women and gender diverse students across Victoria

RMIT’s free Diploma of Information Technology for women and gender diverse students across Victoria is supported by the Women in STEM Cadetships and Advanced Apprenticeships Program, which aims to help women upskill and build careers in STEM, develop a pathway to higher education, produce graduates with workplace skills in STEM, and increase the number of STEM-qualified women in the labour force. The program offers women and gender diverse people in paid employment in any industry the opportunity to study part-time and online.

The Earn and Learn model kicked off last year and has over 60 students based across regional Victoria and Melbourne studying part-time, across two years, while they continue their careers. The program has provided funding for another 25 students to commence in Semester 2, 2025, bringing the total to more than 80 women and gender diverse students upskilling in IT as part of this program.

Full details of this example and can be found at: https://www.rmit.edu.au/news/all-news/2025/feb/diploma-of-it-2025

These new types of work-based learning models require far more intensive collaboration with industry than traditional classroom-based learning, which is both the challenge and the advantage of these programs. A great deal of work must be undertaken in the co-design process to clearly articulate the pathways, job roles, and year-by-year development of the apprentice employee as they progress through the program. In the long term, the intensive and careful co-design process for developing these programs must be scalable and offer a viable business model for employers and tertiary providers.

For these types of innovative models to be implemented at scale, a broad scope of industry – including SMEs – should be supported by government to participate, particularly in the initial years of longer degree-length programs which require a greater long-term commitment from employers to support degree apprentices to complete the qualification.

Not only occupational entry: building career pipelines beyond the critical first year

Another benefit of earn-and-learn qualifications is that they are designed to prepare the student for the day-to-day tasks of a career in that industry, and align the expectations of students and prospective employers.

It is important for industry to be incentivised not only for the hiring of new employees and trainees, but to also develop career pathways for their workers. There is a risk that if we focus on incentivising the hiring of trainees, employers may focus only on short-term contracts to hire new employees for one or two years, where the business receives the most financial benefit.

Incentives that don't support long-term careers and development pipelines for workers will enforce poor outcomes (particularly in workforce areas that are already insecure and disproportionately affecting disadvantaged cohorts) but also will not build the overall skills and productivity capabilities of the workforce over time.

Professional accreditation bodies have a role in developing more innovative pathway options to meet skills challenges

At times it's not formal qualifications or employers that are impeding workforce entry pipelines, but the role of professional and accrediting bodies in enforcing certain requirements (such as stipulations for unpaid placements or training hours, and not recognising previous work experience) which inhibit the speed and accessibility of students to gain a licence or accreditation and enter the workforce. The Commonwealth's implementation of 'Prac Payments' are a critical first step in addressing this issue, following its recommendation in the Universities Accord. The example outlined in the PC's Interim Report in the field of psychology (where the Psychology Board of Australia are investigating the potential for a shorter, practical pathway to an accredited qualification) demonstrates the important role that adaptability and innovation plays in improving workforce pathways and pipelines – not just for employers but for professional accrediting bodies as well.

Conclusion

Thank-you for the opportunity to respond to the Productivity Commission's Interim Report into 'Building a Skilled and Adaptable Workforce'.

We would be happy to discuss any of the above areas further with the Commission, and look forward to the Commission's final reports across each of the five inquiries.

RMIT University