

Who we are:

SkillsIQ, with its extensive experience as a Skills Service Organisation (SSO) for seven years, was responsible for industry consultation and technical development of training packages in various sectors, including Health, Community Services, Retail, Wholesale, Tourism, Hospitality, Sport, Recreation, Public Sector, and Local Government. Although this role ceased in 2022, SkillsIQ continues to support industry committees in NSW and Victoria, focusing on addressing persistent issues in the Vocational Education Sector that have remained unresolved despite numerous reforms over the past 24 years.

Draft Recommendations: 1.1 Invest in a single national platform for all teachers to access lesson planning materials, and 1.2 Lead national efforts to ensure equitable access to educational technology (edtech) and artificial intelligence (AI).

Opportunity to use AI for effective lesson planning

The report overlooks the relationship between draft recommendations 1.1 and 1.2. Current trends and application uses of AI tools are changing daily making it difficult to fully access the strengths, weaknesses, opportunities and threats of incorporating the use of AI tools in F-10 education or indeed VET and Higher Education learning. However, there is no question that fluency in the use of AI tools will become foundation skills for school leavers, workers and professionals now and into the future. To that end the Australian Government should invest in educators being provided with extensive training on the principles of responsible and creative use of AI tools in the classroom and in lesson preparation. There is opportunity for the Australian government to gather thought leaders in the AI application and development to enhance educational delivery across all learning institutions and prepare the Australian workforce to be informed users of AI.

Imagine the potential of an AI powered national database that includes Australian and jurisdictional curriculums, existing best practice teaching Standards, adjustment recommendations for students with different abilities. An educator could input: subject, year level, learning characteristics, of their cohort to create a lesson plan that allows all students to connect and thrive.

SkillsIQ suggests the following additional recommendations

- Incorporate the use of AI to design lesson plans to enable teachers to refine lesson plans to meet the needs of students in their classes.
- Establish a working group of thought jurisdictional leaders to create national policy guidelines for use of AI in schools
- Establish a national working group ensure AI is appropriately included in Australian Curriculum.
- Prioritise the development of Edtech/AI module in teacher qualifications.

Draft recommendation 2.1

Move toward a national system of credit transfer and recognition prior learning (RPL)

In 2024, SkillsIQ began researching the challenges of Recognition of Prior Learning (RPL), a recurring issue during its tenure as an SSO but outside its mandate. The CEO of SkillsIQ, formerly the inaugural NSW Small Business Commissioner, noted that RPL was a frequent source of frustration for small businesses with their experienced team members lacking formal recognition of their skills, and frustration that when they undertook formal training it did not address gaps but rather required them to repeat at a lower level what they already had extensive expertise in.

Opportunity to use AI to shorten the mapping process in RPL but it is complex and needs expertise in Skills, Data Standards as well as technology.

In collaboration with EdTech company Edalex and Dr. Mark Keough, an expert in educational information systems and data standards, SkillsIQ established SkillsAware Pty Ltd. SkillsAware is a human-centered, AI-powered skills recognition engine. This solution captures and maintains evidence-based indicators of the skills individuals accumulate, enabling organisations to identify workforce strengths and gaps, focusing on upskilling rather than redundant training.

The current version of the product (1.2) aims to shorten the evaluation time for RPL candidates. AI facilitates this project by processing significant amounts of data, though challenges remain, such as ensuring machine-readable data, protecting data, and managing AI costs at scale.

Recommendation: Move toward a national system of credit transfer and recognition of prior learning (RPL)

1. **Differences Between Higher Education and VET:** The report overlooks the significant differences between Higher Education and Vocational Education and Training (VET) in Credit Transfer and RPL processes. VET operates on a competency-based system, which Higher Education providers often do not understand. The Australian Qualifications Framework (AQF) has VET covering levels 1 to 6, with Higher Education above that. So, by definition, VET is a lower level than Higher Education.

For example, Enrolled Nursing is one of the VET qualifications that requires not only ASQA approval to have on scope, in order to register as an Enrolled Nurse, the study program must be approved by the National Nursing and Midwifery Board. Despite this, SkillsIQ's previous efforts to standardise credit transfer between enrolled nursing (Diploma) and nursing (Bachelor Degree) revealed cultural barriers from Universities in accepting lower-level AQF credits into higher-level programs.

2. **National Framework for RPL:** The VET system already has a national framework for RPL. What is missing is not a framework but instead the framework is poorly regulated and implemented. Rather than trying to "boil the ocean" by attempting a new approach across higher education and VET, the focus should be on addressing the inadequacies of implementation in VET. If this was addressed, we would be able to achieve much faster resolution of the issues and lead to productivity improvements in a much shorter time frame. Trying to create a "top-down" approach of a new system will encounter significant cultural roadblocks as well as attempting it at a time of significant upheaval in the higher education sector.

In addition, we need to address the information asymmetry from learners' perspective. Learners assume that a registered RTO delivering a national qualification will meet regulatory requirements. Yet, in late 2024, ASQA cancelled over 21,000 qualifications issued by non-compliant RTOs that failed to deliver proper training or assessment, often under the guise of RPL. This trend has continued with additional qualifications by other providers continuing to be cancelled in 2025. This regulatory intervention was long overdue. However, the impact on those individuals that had their qualifications cancelled is significant and leads to further erosion of trust in the VET system.

The danger is policy makers and regulators conclude that RPL itself is flawed. RPL, when done well in VET, is a powerful tool for recognising real-world skills, especially for experienced workers without formal qualifications. The problem lies in poor-quality implementation and a lack of rigorous assessment practices.

The VET sector faces challenges such as an undersupply of qualified trainers, outdated delivery models, and a perception problem deterring new entrants. Employers are losing faith in the system, which focuses on supply-side solutions. Training providers are increasing knowledge-based training, and minimising work-based components as this is difficult and expensive to deliver. Ironically, with AI's impact on education, the focus should shift to less knowledge based content and more application based work-based learning. The current funding model for training encourages an approach that prioritises volume rather than quality.

In our experience, and supported by CEDA's research into work based training, much of the training done in the workplace outside the formal education system is focused on compliance. Compliance training is not upskilling.

SkillsIQ suggests the following:

- Focus on learners, making them the owners of their learning journey and evidence.
- Register specialist RPL trainers and assessors who have undertaken additional professional development and have an evidence base of quality RPL decisions.
- Increase industry involvement in determining acceptable occupational recognition; industry bodies should play the key role in independent assessment of who can deliver training.

Current practices will continue to disadvantage marginalised groups unless we address these deficiencies.

Using the existing national framework in VET to meet industry needs by addressing inadequacies in regulation and implementation will ¹drive higher education providers to look at different entry pathways in a market of declining demand and increasing costs in higher education.

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¹ based on what we are seeing occur with the Open recognition movement Internationally (particularly in the US and Canada)