Date: 20 February 2006

To: VCEM, Heads of School

Cc: Julie Wells, Director, Policy and Planning

Subject: Communiqué from Council of Australian Governments Meeting - 10 February

Dear colleagues,

The purpose of this memo is to summarise relevant outcomes from the recent meeting of the Council of Australian Governments (COAG). A full copy of the communiqué is available on request.

Overview

COAG has agreed on objectives, priority areas and in-principle institutional reform and financial arrangements to underpin a new ‘National Reform Agenda’. The Reform Agenda responds to significant challenges posed by demographic changes - in particular, the ageing Australian population – and global competition. It has three strands: human capital development, competition, and regulatory reform.

The ‘National Reform Agenda’ will be implemented through Intergovernmental Action Plans and overseen by a COAG Reform Council.

Relevance for RMIT

COAG comprises the Prime Minister, Premiers and Chief Ministers of every state and territory as well as the President of the Australian Local Government Association. Therefore, decisions taken here have significant impacts across Government departments and are likely to shape Government priorities in relation to education, training and research.

For RMIT, the human capital reform stream is the most significant. It responds specifically to the threat of reduced workforce participation as a result of an ageing population: a threat to be addressed through improved workforce capability and productivity. As such, much of its focus is on improving health, education and training. The aspects of reform most relevant to RMIT relate to improved pathways and ease of transition between school, study and work for young people; and a focus on building adult workforce participation. While there are clear implications for higher education provision in relation to the agenda around health, most of the proposed areas for reform relate to vocational education and training.

Issues

**Strengthening the Health Workforce**

COAG expressed support for the directions outlined in the Productivity Commission’s Report on Australia’s Health Workforce (for RMIT’s submission and a briefing paper on the recommendations, go to http://www2.rmit.edu.au/departments/planning/polissues/polissues.php . It has requested senior officials to undertake further work on the detail of the recommendations and report back in mid-2006. This will include consideration of the number and distribution of training places, organisation of clinical
education and training and what additional Commonwealth supported places in higher education might be required to meet workforce shortages.

National Approach to Apprenticeships, Training and Skills Recognition

COAG has agreed to accelerate the introduction of a national outcomes-based auditing model and stronger outcomes-based quality standards for registered training organisations. This will have implications for the work of the new VET National Quality Council and for VET providers such as RMIT.

To improve workforce mobility and participation, COAG has agreed to move to a common testing and registration regime for tradespeople in areas experiencing skills shortages, and will also allow apprentices and trainees to work as soon as they have demonstrated competency to industry standards (without the need for a waiting period or special application). Regulatory and educational barriers will be removed by December 2006 to make school-based apprenticeships nationally available as pathways in areas of industry demand.

Improved arrangements for recognition of prior learning will be introduced by January 2007, and new funding agreed to help training organisations and assessment centres to establish or improve recognition processes.

Next steps in education and training reform

COAG has requested that the Ministerial Council on Vocational and Technical Education prepare a report by December 2006 examining issues relevant to improving workforce productivity, including:

- the growing need for higher level skills,
- funding and other reforms to increase the responsiveness of the training system to demand
- options to increase investment in VET (note: the focus will be on private investment)
- more appropriate regulation of education and training providers, and developing meaningful and timely performance information
- building stronger relationships between industry and training providers.

Given the strategic directions RMIT has embraced, the consideration of these issues by COAG is likely to have significant implications for our work over the coming five years. We will keep a close watching brief and take every opportunity to participate in the discussion.

Yours sincerely

Julie Wells
Director Policy and Planning