

UA response to the proposed National Skills Passport

16 February 2024

Universities Australia (UA) welcomes the opportunity to provide feedback on the government's National Skills Passport discussion paper.

UA is the peak body representing Australia's 39 comprehensive universities. Our member universities span the length and breadth of Australia. Together, they educate around one and a half million students each year, undertake significant research and development activities, and engage globally to grow Australia's and the world's knowledge base while supporting our nation's economic and social wellbeing.

Introduction

The economics in support of a National Skills Passport

- The Accord Interim Report highlighted a need to support post-school learning of more than an additional 1.8 million students by 2050, more than double the current number of students.
- 36 per cent of occupations are currently in national shortage.
- Projected employment in Australia is set to increase by 6.5 per cent over the next five years and 14.2 per cent over the next 10 years.
- These statistics point to a need for a coordinated approach to lifelong learning in Australia going forward.

Facilitating lifelong learning is essential to meeting individual upskilling and reskilling preferences and for Australia to meet its current and future labour market needs. The National Skills Passport (NSP) can be valuable in achieving this goal.

The Accord Interim Report highlighted the need for more people to participate in tertiary education, as well as the importance of developing opportunities to facilitate lifelong learning in meeting Australia's current and future skills needs.

This need equates to supporting post-school learning of more than an additional 1.8 million students by 2050, more than double the current number of students.

However, the Interim report (which was also recognised in the Government's *Employment White Paper* and Jobs and Skills Australia's *Towards a National Jobs and Skills Roadmap*) also highlighted the need to improve skills recognition and qualifications interoperability within the tertiary education sector in collaboration with industry.

This issue stems from a skills analysis by Jobs and Skills Australia (JSA), which showed that 36 per cent of occupations were in national shortage. Additionally, projected employment in Australia is set to increase by 6.5 per cent over the next five years and 14.2 per cent over the next 10 years.



Lifelong learning – defined as supporting an individual's engagement with formal and informal learning for recreation, upskilling and reskilling throughout their life – has been widely recognised as essential for Australians to upskill and reskill as the workforce evolves to meet changing economic, technological and socio-cultural conditions.^{1 2 3 4}

This need to establish a culture of lifelong learning in Australia is the key reason that UA called for the development of a Lifelong Learning Strategy in our first submission to the Accord process and is supportive of the concept of a NSP, with careful implementation and testing.

The NSP, as currently considered within the discussion paper, would ideally build on a series of earlier steps, rather than being a first step towards this goal of building a lifelong learning culture in Australia. It would need to be the result of carefully constructed and tested policy, program and technological changes necessary to build a platform and service for government, individuals and businesses to use.

Following implementation of the proposed necessary foundations below, the NSP has the potential to streamline education access, representation and achievement for learners, whilst enabling stronger employer recognition of skills needs and employee abilities, and enabling government workforce strategising in supporting lifelong learning and a better-supported workforce.

We believe the following initiatives would add significant value in underpinning a future NSP:

 Creating a Lifelong learning Strategy that provides a vision for Australia's education future and a foundation for recognising individuals' lifelong learning experiences, skills and interests as they align with skills needs.

This includes setting a continuum of learning from early childhood, through to secondary and tertiary education, and onwards into workforce and interest-based education. This Strategy should be guided by input from a wide range of stakeholders and set a general guide for the future of Australia's education settings.

2. Developing an operational Recognition of Prior Learning (RPL) system that should enable a post-school education ecosystem to support students' skills and knowledge needs at different life stages.

This ecosystem should enable interoperability between VET and Higher Education, which is essential for skills and qualifications recognition at the tertiary education level, as well as for facilitating ongoing access to and engagement with lifelong learning.

3. Establishing a Recognition of Prior Learning unit within Jobs and Skills Australia (JSA) or other relevant Agency.

This would facilitate effective skills recognition, translation, and verification, and enable interoperability between NSP stakeholders (i.e., learners, employees, employers, and governments).

¹ Government Response to the Legislative Assembly Economic and Infrastructure Inquiry into Victorian Universities Investment in Skills (parliament.vic.gov.au)

² Education Opportunity in Australia 2020 (vu.edu.au)

³ Volume 8 - 5-year Productivity Inquiry: From learning to growth (pc.gov.au)

⁴ Lifelong learning: The foundation of future work (jobsqueensland.qld.gov.au)



The work of this unit would facilitate nationally consistent and transparent advancement of Australia's skills recognition that would enable both domestic and international student recognition of skills as part of their lifelong engagement with learning, making it easier and quicker for them to retrain or upskill.

4. Establishing a Lifelong Learning Trust that provides an equity-based funding arrangement for people to access ongoing skills development for work or interest in support of their career life.

The Lifelong Learning Trust program should link a trust account to every Australian's Unique Student Identifier (USI), provided at birth to recognise their need for lifelong participation in Australia's education system. This trust account reflects other initiatives, such as Singapore's *MySkillsFuture* system, which encourages lifelong learning and is essential to meeting labour market changes and expectations.

The program should have co-funding arrangements inbuilt, which take account of all the stakeholders and beneficiaries of education and lifelong learning. Such arrangements reflect the private and public good of learning and recognise the significant benefits of supporting education throughout a person's early, mid and later-in-life commitments and aspirations.

5. Including the USI and existing mechanisms and platforms as a necessary component of the NSP's success.

To ensure the success of the NSP, it is crucial to integrate the USI and existing mechanisms and platforms. The USI is already a mandatory requirement for both new and continuing higher education and VET students. It allows students and the government to monitor learning qualifications and facilitate transitions between different levels and types of formal education. Furthermore, existing mechanisms like the My eQuals platform for higher education and TAFE inspire confidence and establish trust within the education and industry sectors.

Leveraging this trust, the NSP would then be viewed as a reliable and trusted platform. This, in turn, should encourage more widespread adoption and confidence in using the NSP.

6. Reforming the Australian Qualifications Framework (AQF).

There are many aspects of the AQF Review that require urgent implementation, such as updating the level to clarify and distinguish the outcomes of each qualification. Other recommendations will require further consideration to remain contextually relevant to the evolved education landscape and meet the needs of learners and industry, both locally and globally.

Each of these components takes a learner-centred approach; essential, given learners are the direct targets of the NSP. As the BCA highlighted in their submission to the Accord Discussion paper, whilst employers, education providers and governments should benefit from an NSP, engagement with the platform and its utility in Australia can only be achieved from a user-learner perspective.⁵

⁵ BCA Submission to the Accord Discussion Paper 2023



This is similar to other international models, such as the Florida State University model, which is user-controlled and has seen good success. ⁶ The NSP should, therefore, be user-learner operated.

Ensuring these foundations are in place before considering an NSP that seeks to cover the swathe of items listed in the discussion paper is essential to its credibility and success. Considerations for what an NSP should be are discussed below.

UA Recommends:

- Implementing a staged approach to the NSP. Building a strong foundation the policy
 intent of facilitating lifelong learning is critical to ensuring the NSPs success. This can be
 achieved through a Lifelong learning Strategy, a Recognition of Prior Learning (RPL)
 system, an RPL unit with JSA, a Lifelong Learning Trust, and including the USI, and other
 existing mechanisms, as core system functions within the NSP.
- Prioritising a user-centred approach to the NSP. The NSPs success relies on meeting the
 needs of users, particularly learners, above all other stakeholders. Learners should have
 ownership of their NSP, including managing its content and verifying their skills and
 experiences. This aligns with the NSP's goal of promoting lifelong learning.
- Ensuring the NSP provides connectivity and synchronisation across various domains
 and platforms. Within a private sector market that already operates many aspects of the
 NSP, a critical benefit the NSP should provide is connectivity and synchronisation of a
 user's profile across a range of domains and platforms to make it easier for users to
 represent themselves in different contexts. However, this should be an opt-in feature in
 recognition of the privacy and use implications of a user's NSP data.

Considerations for a National Skills Passport

1. Purpose of an NSP

The key papers discussing the NSP – the Employment White Paper, Accord Interim Report, and this discussion paper – have each noted that barriers exist to lifelong learning. One potential barrier recognised within the context of employability and workforce participation is a lack of skills recognition – contextualised by Australia's skills crisis in certain parts of the workforce – and declining productivity.

If the intent of the NSP is to help people identify their skills and experiences, and for employers to recognise these abilities, the key challenge that the NSP aims to address is how skills and experiences can be effectively demonstrated. Moreover, considering the evolving nature of work, particularly in the gig economy, where traditional employment models are shifting, the NSP also needs to potentially accommodate and support individuals navigating non-traditional forms of employment and skill recognition.

⁶ Bernadette Gigliotti, CEO, Australian Centre for Career Education in <u>Inquiry into Victorian universities' investment in skills</u> (<u>parliament.vic.gov.au</u>)



Setting this initial foundation – outlined by the six underscoring initiatives outlined above – for skills recognition is important too, as part of the pipeline issue the NSP may seek to solve. Responding to broader policy settings of ensuring students are set up to succeed post-school, an effective way of ensuring individuals appropriately and adequately represent themselves should be to provide access to careers counselling services and other employment-related programs.

These programs should be designed to help get the user's foot in the door with professional skills and experience recognition as well as qualifications recognition. This should also be enabled through the implementation of the six core underpinning necessities of an NSP outlined above, as well as linking the NSP to Workforce Australia's services. Once implemented, the NSP should then be a useful platform that can comprehensively articulate a learner's abilities, competencies and experiences.

As the department is aware, a range of private platforms already exist in the market that do some of the functions of the proposed NSP. These platforms include the *My eQuals platform, UAC Advance, LinkedIn, Credly, ResearchGate,* and *Amazon AWS Certificates* etc.

Other platforms are delivered by Australian State governments, such as the NSW Digital Wallet released in late December 2023 that is available to all NSW residents on a voluntary basis through the Services NSW App, allowing them to securely store and share digital copies of common licences, permits and certificates regularly required by employers, police and regulatory authorities in NSW.

Key to the NSW Digital Wallet, and similar to the private platforms, is that it has a very clear rationale and purpose that is limited to certain certifications, credentials and stakeholders.

The European Union's *Europass* and Singapore's *MySkillsFuture*, both referenced in the discussion paper, have been set up for specific purposes that are not catch-all platforms for all issues raised in the discussion paper (e.g., a qualifications/credentials/skills passport, a resume, a short-course/microcredential-type platform for interest/work-based learning, a workforce insights platform).

Europass is currently under review with the results due shortly. This evaluation has focused on *Europass'* "implementation, effectiveness, efficiency, coherence, relevance and EU-added value". Some provisional feedback has questioned the utility of the platform in an environment where private platforms already exist and provide the same functions as the *Europass*.

Conversely, *MySkillsFuture* has received generally positive feedback for the government's investment in skills provided through the site and the education profiling of individuals. However, it has received the most success in upskilling initiatives, as opposed to reskilling.

This is an important distinction and one that should be recognised within the context of lifelong learning and the intent of the proposed NSP. A key initiative of the *MySkillsFuture* platform is the credit system used to incentivise lifelong learning. Similar to UA's proposed Lifelong Learning Trust, this mechanism is essential to meet future educational engagement.

Accordingly, an NSP should not merely serve as a 'catch-all' platform for qualifications or skills-related matters. Instead, it should be firmly grounded in a sound policy position that arises from a recognised need for a standardised platform for representing professional skills and qualifications. Moreover, it should actively distinguish itself from private platforms by adding value to stakeholders. The potential for such 'value-add' is discussed below.

⁷ <u>Lifelong learning and career management - evaluation of Europass since 2018</u>



A crucial aspect that should set Australia's NSP apart from others, and be more attuned to Australia's context, involves ensuring the interoperability of qualifications, skills, and workforce scoping for individuals. In essence, a profile should offer guidance to individuals regarding potential opportunities for upskilling or nearby employment, leveraging existing tools such as *CourseSeeker* and Workforce Australia. This approach would build upon the six core foundations of the NSP outlined above.

Furthermore, the NSP should also respond effectively to emerging global trends in education and employment. As the nature of work continues to evolve rapidly, with increasing digitisation and globalisation, the NSP should remain adaptable and responsive. It should incorporate mechanisms to address emerging skills demands, such as those arising from advancements in technology, sustainability initiatives, and changes in workplace practices.

2. Uses of an NSP

The concept of an NSP has the potential to bridge the gap between education and industry, making the labour market more efficient and responsive to changing skill demands. Its benefits should include improved efficiency, better workforce planning, and recognition of diverse skills and qualifications.

However, overcoming challenges related to standardisation, privacy, and trust will be essential for its successful implementation.

Defining skills and experiences within an NSP is complex as it requires integration of tertiary education course material, labour market outcomes, culturally reflective skills and interests and other priority areas.

Possible uses of an NSP

Career Mobility

- Individuals should use their NSP to apply for jobs, change careers, or seek opportunities in different industries
- It should facilitate the recognition of transferrable skills. In other words, it should function as a standardised resume that should be accessed through a centralised portal and shared with employers.
- This is similar to the *Europass* platform.

Education and Training

- Educational institutions and training providers should use this information to tailor their programs to meet the specific needs of learners and to grant credit for prior learning.
- It should also function to streamline RPL by breaking down provisional credit areas, subject to other forms of assessment and admissions practices.
- This would be based on a dedicated RPL system and RPL unit with JSA to ensure interoperability within the tertiary education sector.
- Critically, the system must be accessible and equitable to learners, with a focus on recognising people's
 existing skills and experiences.
- Learners should be supported to have their relevant and applicable skills and experiences fully recognised to enable sufficient upskilling and reskilling in responding to skills needs.

Workforce Planning

• Policymakers should use data from these passports for strategic workforce planning and skill gap analysis. This should be useful in identifying areas where additional resources should be allocated.



- It should also be useful for understanding historical and life-stage skills-based issues.
- For instance, a shortfall in STEM-based skills in early childhood and primary school may correlate with a continued gap in such skills into secondary school, tertiary education and work-based skills development.

Opportunities to enhance the NSP

Connectivity

- A core component of a successful NSP should be its connectivity to other similar platforms (such as *LinkedIn* or *Credly*).
- Many Australians already maintain their data on at least one, if not multiple of these platforms. There would be real value in creating connectivity that would allow users to maintain their NSP as their primary 'source of truth' and then push that data to other platforms, rather than having to reproduce the same content across multiple platforms.
- Connecting through user-directed and controlled synchronisation with other platforms would also help balance the many stakeholders involved in an NSP project whilst remaining learner-focussed.
- This opt-in connectivity would be important in streamlining a learner's profile, making it applicable for different audiences and being responsive to the diversity of users of the NSP.
- It's essential that this connectivity be well-designed in collaboration with existing platforms and utilise strong privacy and security measures to avoid poor user outcomes and data-loss.

Challenges to effective operation of an NSP

Privacy and Security

- Storing and sharing sensitive personal data raises concerns about privacy and data security. Safeguards must be in place to protect this information.
- The My eQuals platform has had 100% success in validating and securing its digital credentials for Higher Education providers and some VET providers in Australia and overseas (over 90 per cent of students across the tertiary education sector use My eQuals upon graduation nowadays) and should be leveraged to provide similar safeguards for an NSP.

Standardisation

- Achieving international recognition and standardisation of these passports is essential for lifelong learning but will likely be challenging due to the varying education and employment systems around the world.
- However, Singapore's *MySkillsFuture* platform should provide a basis from which to develop an Australian version that is reflective of the unique Australian education system and culturally adaptable.
- It should include a culturally reflective component of skills and experiences identification that should be driven by a self-determined approach to engaging Australia's Indigenous communities and culturally and linguistically diverse communities.
- Ensuring a community-driven approach from the outset is critically important to recognising diversity and encouraging participation and uptake.
- This will also be important in including Australia's small to medium enterprises, where community focus is a primary incentive. This community-driven approach is also inbuilt into *MySkillsFuture*

Verification and Trust

- Ensuring the accuracy and authenticity of the information included in the passport could present a challenge.
- This will depend on the agreed scope of the NSP, and how much further if at all it goes beyond recognised and accredited qualifications. Some workplace skills are more subjectively assessed and may be harder to



demonstrate or compare. The My eQuals platform is already a trusted name in the verification of credentials space, servicing 99% of Australia's university students, and should be leveraged as a foundation to include additional mechanisms for skills verification.

Positives of an NSP

Efficiency

- An NSP should streamline the hiring process for employers and simplify enrolment and credit transfer for educational institutions.
- This should include an accessible form of RPL assessment that translates into a credit value, without limiting the necessity for discretionary assessment for RPL evaluation and adaptation.

Skills Planning

- Employers should make more informed decisions regarding workforce planning, and universities should align their programs with industry needs for certain critical skills areas. For instance, an NSP should be used as a format for job advertisements to enable clear expectations, requirements and outcomes.
- In conjunction with the codesigned nature of the NSP a collaboration between government, industry and education providers a base framework or portfolio for jobs advertisements should reduce the uncertainty of jobs applications, help identify the legitimate need for certain types and certain levels of qualifications from businesses and help potential employees fit an employer's offerings.

Skills Recognition

- It should help recognise and value skills acquired through traditional (formal) and non-traditional (informal/work-based) means, promoting lifelong learning and skill development.
- It should also serve to legitimise formal education providers in the credential portfolio space.
- Currently, some of the most notable private platforms in this space include <u>Linkedin</u>, <u>Credly</u>, <u>Coursera</u>,
 <u>Udemy</u>, <u>Microsoft Badges</u>, <u>Google Career Certificates</u> and <u>Amazon AWS Certificates</u>. The difference between these platforms and formal education providers is useability and trust at scale.
- Formal institutions benefit from adhering to regulatory standards and decades of trust-building through
 formal qualifications. Breaking into the portable credential and portfolio space through an NSP should make
 formal education more accessible throughout a person's education and career journey.
- However, the skills should be broad and flexible enough to reflect diversity of learning that also includes soft outcomes.

Global Mobility

- An NSP should help facilitate international mobility, enabling individuals to take their skills and qualifications to different countries.
- This would, however, require recognition of the NSP as a globally legitimate form of credential portfolio, underpinned by a robust RPL component, transparent and trustworthy verification processes and set within a Strategy that recognises lifelong learning.
- However, as with existing qualifications, and through a trusted platform like My eQuals, this mobility issue can be overcome, particularly through the recognition of international student/migrant skills and experiences.
- A component of visa-alignment is therefore necessary to consider to ensure international education qualification and skills recognition, whilst maintaining Australia's strong international education standing.



3. Potential risks of an NSP and mitigation options

Without knowing the scope of the NSP, it is impossible to identify and mitigate all risks. However, we have identified some areas for consideration that may be relevant depending on the path chosen by government.

There is a risk of credentialism, which overlooks personal attributes and qualitative experiences and preferences a person's qualifications, potentially limiting the recognition of individuals' diverse capabilities.

- Rigid models for identifying skills may hinder innovation and diversity in the workforce, risking Australia's ability to meet evolving demands.
 - A balanced approach to skills recognition, encompassing both technical and soft skills, can provide a more comprehensive evaluation of individuals' capabilities.
- Implementing a skills passport system could unintentionally worsen inequities, highlighting the need for solutions to mitigate barriers to accessing formal credentials.
 - A flexible framework within the National Skills Passport (NSP) is essential to recognise diverse skills and experiences, preventing undervaluation of non-traditional routes.
 - The NSP should include input from Indigenous and culturally diverse communities to ensure fair assessment and representation of skills.
- Rapid technological changes may render certain skills obsolete.
 - Continuous updates to the NSP, informed by expert forums and experiential learning, are crucial to adapting to technological advances and meeting current workforce needs.

To summarise

- Universities Australia supports the development of an NSP, recognising the important role it could play in promoting lifelong learning and workforce development, although it will have to be done carefully and in consultation with employers, education providers and individual users.
- Universities Australia looks forward to engaging with government on the development of an NSP.
- The success of the National Skills Passport (NSP) relies on its staged implementation, involving key initiatives such as a Lifelong Learning Strategy, Recognition of Prior Learning (RPL) system, and Lifelong Learning Trust.
- Combining and improving existing private sector platforms is crucial for trust building and adaptability, requiring transparency, accountability, and stakeholder engagement.
- Adaptability ensures the NSP remains useful and avoids biases, while meaningful stakeholder engagement is
 essential for complementarity within the private credential and skills market.
- Without a staged approach, the NSP risks entrenching disadvantage for some groups and must address equity, data sharing, and privacy concerns.
- Rushed implementation risks undermining trust, reducing Australia's education reputation and impacting the workforce.
- UA recommends prioritising the foundation before wide-scale implementation to ensure long-term sustainability.
- The NSP has the potential to be a successful tool in addressing some of Australia's skills and labour market challenges. However, as outlined above, there are significant risks that must be mitigated in order for the NSP to succeed. It must be carefully designed and deployed with a human-centred focus.