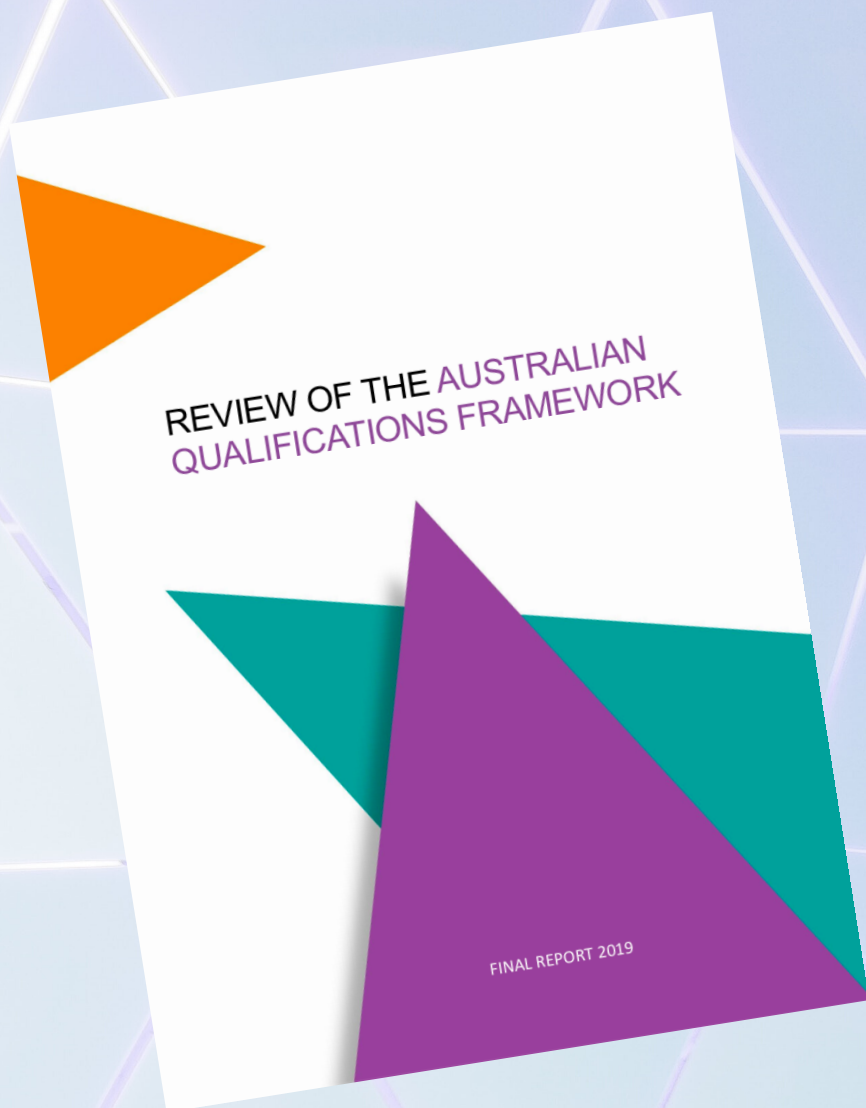# Review of the Australian Qualifications Framework:

What is the future of microcredentials in Australia?

REVIEW OF THE AUSTRALIAN QUALIFICATIONS FRAMEWORK

FINAL REPORT 2019

About the this paper and the author

This paper analyses the *Review of the Australian Qualifications Framework*, and provides a brief history of the various iterations of the Australian Qualifications Framework (AQF), the recommendations that are made in the review which relate to microcredentials and the likely impact on Australian tertiary education providers.

This paper was prepared by Matthew Dale, who has more than 10 years of experience in the VET Sector. Matthew is the co-founder of both educonomy and Audit Express. Matthew has extensive experience working across the tertiary education sector in a range of roles, including the General Manager of Quality and Compliance for a large national RTO, and as the RTO manager for a community not-for-profit RTO. Matthew has also previously worked as a policy advisor to the Victorian Minister for Skills and Training.

Matthew has had extensive experience working with various state and federal funding contract initiatives over the past decade, and is extremely passionate about education policy in the Australian context.

Matthew and his colleagues at both educonomy and Audit Express work with some of Australia's largest and most reputable TAFEs, Universities and RTOs to improve the quality, innovation and responsiveness of education in Australia.

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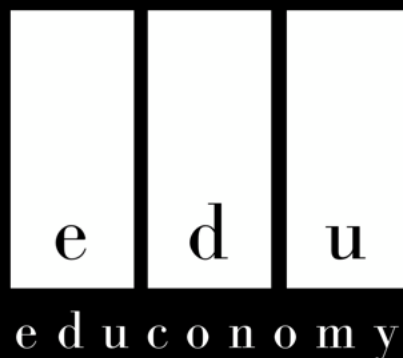
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A short history lesson on the AQF

The Australian tertiary education system is underpinned by the Australian Qualifications Framework (AQF), which is the policy for regulated qualifications in the Australian education and training system. In 2018 the Australian Minister for Education Dan Tehan announced a formal and comprehensive review of the AQF.

The AQF was first introduced in 1995 and encompasses higher education, Vocational Education and Training (VET) and the Senior Secondary Certificate of Education. A second, and improved edition of the AQF was released in 2013.

Prior to the release of the AQF in 1995, qualifications were underpinned by the Register of Australian Tertiary Education (RATE) from 1991-1994. Prior to this there were the were the Guidelines for the National Registration of Awards in Advanced Education 1983-1991, and prior to this by the Nomenclature and Guidelines for Awards in Advanced Education, Australian Council on Awards in Advanced Education, which were the first set of guidelines and existed from 1972 - 1983.

Since the last review of the AQF between 2009 – 2011, there has been an exponential increase of technological advances in the delivery of education, along with an increase in the uptake of non-accredited training, such as microcredentials. These changes have been observed globally, with a number of nations changing their qualification frameworks accordingly.

The AQF review is timely and swift action should be taken to ensure that the Australian Tertiary Education sector is in a strong position to continue being a global leader in the offering of tertiary education.

This paper discussed the findings and recommendations made in the review of the Australian Qualifications Framework that relate to microcredentials.
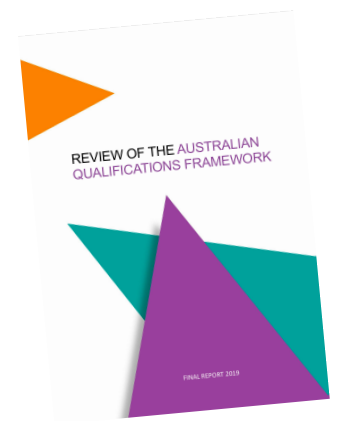
What does the review have to say about microcredentials?

The lengthy 153 page *AQF Review* document contains one brief, eight page section that is opened by stating that:

> *"The AQF was not designed for the recognition of shorter form credentials (a term that refers to microcredentials, skill sets and other shorter credentials".*

One would assume that this is commonplace, considering that the current AQF Standards were released in 2013, and even at that time they were at best a bandaid on the initial 1995 AQF Standards.

The world is moving at a faster pace and the way we work in 2019 is vastly different and incomparable to the way we worked in 1995, at a time when most workplaces were still using facsimiles and were not connected to the internet.

The review acknowledges the obvious which is microcredentials are a major issue for stakeholders within both the VET and Higher Education sectors, and that there is a demand for microcredentials. The review also recognises that there is currently no widely accepted definition of the term microcredentials. These are hardly groundbreaking insights or findings.

We support the definition of microcredential that is provided in the review, that being the definition that was developed by Emeritus Professor Beverley Oliver, which is also referred in the sector to as the Deakin model or definition of microcredentials:

microcredential.
A micro-credential is a certification of assessed learning that is additional, alternative, complementary to or a component part of a formal qualification.

The review mentions that this definition clearly differentiates itself from the definitions used by other providers within the sector, which typically lean themselves towards un-assessed learning or professional development, which is often recognised or acknowledged by a digital badge or physical certificate of participation for the learning undertaken. It is also highlighted that such digital badges or certificates do not verify that the candidate has applied their knowledge or learned skills, or that they are able to demonstrate either capability or competence in the learning they have undertaken.

Globally we are seeing a rise in the offering of microcredentials, with so many varying definitions and examples of microcredentials in practice. This makes it difficult for employers and students to understand the system and to know what they are signing up for. To ensure the quality it is crucial that we achieve a common definition for, and understanding of microcredentials across both VET and Higher Education.

The AQF Review suggests that credentials, including microcredentials should not be included in the AQF as qualifications, rather that credit recognition and RPL are the preferred way of recognising shorter credentials. We agree with this and note that one of the key reasons for needing to keep microcredentials seperate from the existing training package system is because of the unacceptable amount of time that it takes to create and update training packages within the current system. Tertiary education providers should be able to use microcredentials to respond to the rapid pace that industry moves at.

The review also addresses that recognising shorter form credentials, including microcredentials, through credit and RPL would build on current practice.
In principal we agree with the concept of using credit and RPL for recognising the skills and capabilities of a candidate enrolled into a microcredential. However we do not believe that this alone will build a framework that is responsive to the needs of both industry and the needs of the various types of providers within the Tertiary Education sector, both of which are grappling with the concept of microcredentials and are likely to struggle with learning, adopting and implementing a new model.

If a new qualifications framework and microcredentials are to succeed in the Australian tertiary education system, consideration must be given to educating the educators on how to work with this new model. This is particularly the case within the VET sector, which differs to Higher Education. This is mostly due to the level of teacher training completed by educators in this space being . Most educators in the VET sector have only completed a Certificate IV level qualification in Training and Assessment, which provides the educator with limited skills and knowledge. This course does not teach educators about education theorists, pedagogy or andragogy, nor does it teach one how to write a competency or how to complete a training needs analysis. Over the past decade this has created a tangible skills gap in Australia, with the skill of Learning and Development (L&D) seeming to have become an ancient lost art.

There is a genuine need to educate the educators within the Australian tertiary education system, particularly within the VET sector. This must be given serious consideration while designing a new qualifications framework and model for microcredentials, as the upskilling of the tertiary education workforce will not be a simple task.

The AQF Review and the model proposed within the review does not seem to have taken a broad enough look at the various microcredential frameworks that exist throughout the world, including the New Zealand and Malaysian microcredential frameworks. Nor does it appear to have given consideration to the other various models that exist in other nations including America, Mexico and Norway.

The review details the need for quality assurance of microcredentials, and notes that this is recognised internationally, making reference to the *Common Microcredential Framework*, which was launched by the *European MOOC Consortium*, which notes that a microcredential within the *European Common Microcredential Framework* must:

- have a total study of 100 − 150 hours including assessment be levelled at Level 6 or Level 7 of the European Qualification Framework or equivalent
- provide a summative assessment
- have a reliable method of identity verification at the point of assessment
- provide a transcript that sets out learning outcomes, total study hours,
- European Qualification Framework level and number of credit points.

The European MOOC Consortium Common Microcredential Framework is a solid framework that is widely recognised and supported, this is certainly worth giving consideration to in designing an Australian model or framework for microcredentials.

The AQF Review suggests that guidance on quality assurance of shorter form credentials in Australia could set out the following requirements for credentials:

- Credentials should provide a summative assessment, and have a means of verifying identity at the time of assessment
- Credentials should set out learning outcomes for consideration by the crediting institution
- Credentials should have a minimum volume of learning
- Credentials should specify a purpose, showing how it could be used
- Credentials be subject to a verifiable internal or external quality assurance process.

It is also highlighted that where credentials are to make up a proportion of an AQF qualification, they should meet the same quality standards as the AQF qualification. This would require a timely update to both the Higher Education Standards Framework (Threshold Standards) 2015 and the Standards for Training Packages and the Standards for Registered Training Organisations 2015.

Those responsible for the review seem to have made a good start in the right direction, however we do stress that the key to a successful update to the qualifications framework and to the establishment of a microcredential model or framework will be to involve key stakeholders in the design process. This should include tertiary education executives, senior managers, educators, students and their employers (industry). This consultation would be the best way of determining how we can best educate the educators within the Australian tertiary education system, particularly within the VET sector.

Meaningful consultation is not an afterthought, or something that happens once the organisers have already made up their mind on what is to take place. Our sector needs change, but that change should be meaningful.

The need for data on current activity

The Review recognises that there is little data available in relation to shorter form credentials offered in the VET sector and also in higher education. We agree with this point, and note that the government should not have needed to complete a review in order to determine and take action on this.

The review has mostly focussed on the research and data that is available within the higher education sector. The only data available relating to the offering of shorter form credentials in the VET sector is the *"Subjects not delivered as part of a nationally recognised program"* field of AVETMISS data, which is collected and reported by registered training organisations operating within the VET sector as part of the *'Total VET Activity'* reporting requirements.

The data that is gathered is this field is broad and relates to Stand-Alone units of competency, Accredited Short Course, Skills Sets and this is also where the current delivery of any accredited micro-credentials would be reported. This field cannot be filtered or sorted by type, which makes it impossible to break down the total number of enrolments, completions and withdrawals for the various enrolment types contained in this data set.

Analysis of historical data relating this data set indicates that between 2012-2018, the following applies:

NCVER 2018 Statement of attainment data

	2015	2016	2017	2018		2015	2016	2017	2018
Competency achieved/ passed	262 670	338 660	333 270	354 040		71 170	96 365	70 655	58 120
Withdrawn/ discontinued	12 520	28 235	30 620	32 735		7 750	12 960	17 120	17 710
All Providers					**TAFE Only**				

Source: https://www.ncver.edu.au/research-and-statistics/

This data is very interesting and raises more questions than it answers. Here are some of the questions that were raised by my team in relation to the data:

- How many of these enrolments relate to stand-alone units, as opposed to enrolments into skill sets or microcredentials?
- How many of these enrolments attracted government funding?
- Why is it not possible to see a breakdown of the various enrolment types that are contained in this data set?
- Despite a continual decrease in the number of students enrolled at TAFE institutes since 2016, why is there such a notable increase in the withdrawal of students for this dataset?
- Does this data suggest that TAFE institutes may be enrolling students into accredited shorter form credentials when a non-accredited option may be more suitable, which is leading student to become disengaged?

To gain visibility of the volume of microcredential enrolments and completions, it is crucial that more data is collected and reported by both VET and Higher Education providers. Government must ensure that this data is made available for review at a more granular level. This data should then be used to carry out more detailed analysis to determine:

- Total number of enrolments into shorter form credentials, such as skill sets and microcredentials, by provider type
- Completions, partial completions and withdrawals in relation to shorter form credentials, such as skill sets and microcredentials, by provider type
- Funding source of enrolments into shorter form credentials, such as skill sets and microcredentials, by provider type
- Employment status of enrolments into shorter form credentials, such as skill sets and microcredentials, by provider type
- Reason/s or motivating factor/s for enrolling into shorter form credentials, such as skill sets and microcredentials, by provider type

What we do know is that providers in Higher Education are already offering microcredentials, with research carried out by DeakinCo that was submitted to the AQF Review for consideration indicating that 36 of 42 Australian universities are either offering or developing some kind of microcredential. We are also seeing a sharp increase of interest in microcredentials from VET providers, with some TAFE institutes and RTOs taking a lead in this space.

Numerous examples of Australian VET providers taking a lead in the delivery of microcredentials were showcased in panel discussions, which were hosted by Matthew Dale at a number of VET Conferences this year. These included the Independent Tertiary Education Council Australia ITEC19 Conference, TAFE Directors Australia 2019 Convention and the 2019 VELG National VET Conference.

Most Australian RTOs, TAFEs and Universities are now looking at what the future may hold for their organisation. They are considering which course areas may also be delivered by offering a series of microcredentials that could be offered as stand-alone modules, or as a group of learning activities that together would comprise a complete qualification.

What is the rest of the world doing?

There is a shift taking place globally in relation to end users who are sourcing and consuming education. The way younger people consume media is also changing. Australia need an education system and qualifications framework that is responsive to the needs of students and employers. This review is at risk of being too little, too late. Which could prove to be catastrophic for providers in the VET Sector, who are already struggling with year on year funding cuts and decreasing student enrolments. Without clear data, it is not possible to determine if the drop in enrolments is attributable to the rise in non-accredited training. Or if the drop of students enrolling into traditional accredited education options such as VET Certificates and Diplomas, and Higher Education Degrees could be due to the increase in non-accredited education providers entering the the market, which is certainly what is being observed across the rest of the world.

WHERE ARE PEOPLE GOING TO COMPLETE THEIR STUDIES

2018 MOOC enrolments (Shah 2018).

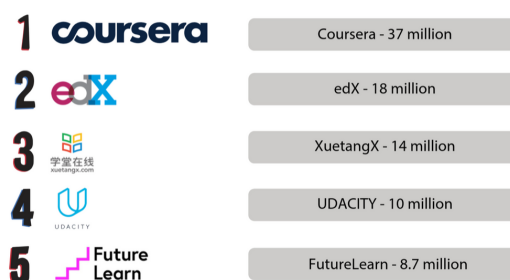101 Million Students   900+ Universities   11.4K Courses

Learners throughout the world are opting to study shorter, bite sized chunks of learning which are commonly referred to as Massively Open Online Courses (MOOCs). By the end of 2018, over 900 universities around the world had announced or launched more than 11.4k MOOCs.

Coursera is recognised as the largest MOOC provider in the world and in 2018 had more than 3,100 courses and 37 million active users, bringing in an estimated revenue of 140 million USD.

EdX is the second largest MOOC in the world and in 2018 had a catalog of more than 2,200 courses with 18 million users, bringing in an estimated revenue of 60 million USD.

Sitting at the 5th largest MOOC, FutureLearn had close to 1,000 active courses in 2018 with 8.7 million active users and a total estimated revenue of 10.5 millon USD.

2018 TOP 5 MOOC PROVIDERS
(BY REGISTERED USERS)

1 coursera — Coursera - 37 million
2 edX — edX - 18 million
3 学堂在线 xuetangx.com — XuetangX - 14 million
4 UDACITY — UDACITY - 10 million
5 Future Learn — FutureLearn - 8.7 million

Recognising that their citizens have changed the way they consume education, other nations around the world have adapted their education systems and qualification frameworks to be more responsive. Examples of this including New Zealand and Malaysia, both of which have updated their qualifications frameworks to include microcredentials. The New Zealand government has also started to fund the delivery of microcredentials under existing funding arrangements with approved registered training organisations.

Looking at what the rest of the world is doing to update their education systems and frameworks really shines some light on the Australian context. While we are busy tinkering around the edges of our system, contemplating a partial renovation of our qualifications framework that has had very little update since the mid 1990's, the world is continuing to move at a rapid pace. Other developed nations such as New Zealand and Malaysia have already overtaken Australia as global leaders at the forefront of innovation in vocational education and training. Large global publicly listed online education businesses including Coursera, EdX, Udacity and FutureLearn are already working in the Australian market, offering non-accredited training solutions that are online, responsive, high quality and in most cases are either free or low cost.

In Australia we have seen a rapid decline in the number of registered training organisations, with many having their registration cancelled over recent years and others voluntarily handing back their registration to the regulator due to low student numbers and in many cases no enrolment activity at all. Confidence in the Australian VET and Higher Education sectors is at an all time low, with countless reports over recent years detailing funding rorts, scandals, poor quality training and the exploitation of international students.

If our nation is to value and protect its tertiary education sector which is the nations third-largest export at more than $32 billion annually, behind iron ore and coal, our government will need to do a lot more than tinker around the edges of our existing qualifications framework. Consultation will need to be a lot broader than the select panel of academics engaged to review the AQF, and should include a range of stakeholders including teachers, students and their employers (industry).

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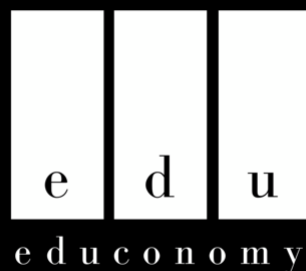
We are beginning to see an Uber vs Taxi level of disruption to established tertiary education systems on a global scale. The Australian tertiary education system has been slow to respond to innovations in the edtech space and also to technological changes. This has led to many industries becoming disengaged with the existing education system, and those industries are now either addressing their own skills and training needs internally or they are looking to new and innovative options when it comes to the skilling and up-skilling of their workforces.

Australian tertiary education providers are suffering with record low numbers of student enrolment, rates of engagement, participation, satisfaction and completion. Tertiary education providers need to innovate and should not be waiting for government to provide them with direction or guidance on how to do this. The technology and digital platforms already exist and the current regulatory standards allow for providers to deliver both accredited and non-accredited microcredentials that are responsive to the needs of both learners and industry. Those providers who are first to take action, make changes and adopt technology will not only survive, but they will lead and succeed.

I'd love to hear your thoughts on the AQF review, especially in relation to microcredentials. Please feel free to reach out to me by email:
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An Uber/Taxi level
of disruption to
Tertiary Education
....on a global scale

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