



Australian Government

Department of Education, Employment and Workplace Relations

**UNIQUE STUDENT IDENTIFIER
COAG CONSULTATION REGULATION IMPACT
STATEMENT (RIS)**

DECEMBER 2011

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COAG Consultation Regulation Impact Statement

Unique Student Identifier

Background

In December 2009, the Council of Australian Governments (COAG) asked that a business case be prepared for the introduction of a national unique student identifier (USI) for the Vocational Education and Training (VET) sector.

'Improving data collections for all education sectors is of critical importance to Australia. A national student identifier could track students as they progress through education and training and would further support a seamless schooling, VET and higher education experience for students. It would also provide valuable data to facilitate a VET system that is more responsive and flexible.' COAG Communiqué 2009

A preparatory business case was considered by COAG in February 2011, resulting in COAG requesting that a final business case be prepared for its consideration based on the following five design principles:

- the USI will be established as a coherent national initiative with agreed administrative arrangements for the issuance, storage and use of the USI;
- a cross-sectoral framework for a unique identifier will be established for the whole education and training system, with the first phase of implementation in the VET sector;
- the USI will be based on a student-centred approach;
- the proposed model for the USI is one where student identifying information will be quarantined in a USI register, and stored separately from education and training activity; and
- other unique identifiers, such as a Victorian Student Number (VSN) or a Queensland Learner Unique Identifier (LUI) can be accommodated in the design.

The final business case, is due to be considered by COAG in early 2012.

The final business case is based on extensive work undertaken in three separate streams:

- a broad public consultation process, including the issuing of a discussion paper, the opportunity for stakeholders to comment and targeted stakeholder interviews (undertaken by the NOUS Group);
- an examination of the technical requirements, including the development of High Level Business Requirements, High Level Costs and Benefits and High Level Solution (by 3pillars asia pacific); and
- an examination of the legal, governance and privacy issues (undertaken by Information Integrity Solutions).

The final business case was also informed by an Expert Advisory Group that included:

- Peter Grant, Former Chair of the NCVET Board and Former Deputy Secretary, Department of Education, Training and Youth Affairs;
- Bill Burmester, Former Deputy Secretary, DEEWR;
- Lawrence Millar, technical and privacy expert who worked on similar reforms in New Zealand; and
- Dr Tom Karmel, Managing Director, National Centre for Vocational Education Research.

Ahead of COAG's consideration of this issue early in 2012, comments and submissions are sought from interested parties and close on 20 January 2012. See section 8 Opportunity for Further Comment.

1. Statement of the Problem

The National Centre for Vocational Education Research (NCVER)¹ currently collects and holds unit level records of student enrolment and achievement in the VET sector but these records are not mapped to an individual over the lifetime. Given this, the data are not able to be accessed by students themselves and are not able to be used to best effect by Registered Training Organisations (RTOs), government policy makers or researchers.

The inability to access enrolment and achievement data across the lifetime of individual VET students is a problem that inconveniences students, affects the efficiency of RTOs and undermines the capacity of state/territory and Commonwealth policy makers to develop evidence-based programs and ensure accountability for the investments made.

This issue will be accentuated with the transparency agenda under the new National Agreement for Skills and Workforce Development. Under the planned reforms, it will be essential to be able to readily assemble student record data so students themselves, training organisations and governments can better understand how the VET system is performing. This represents a basic building block of the VET system and requires government action to establish a nationally consistent approach that covers all participants in VET in Australia.

Students

Currently, students have little or no control over their VET activity data and cannot easily find, collate and authenticate all of their educational attainments in a single portable record. Within the VET sector, students often enrol and attend courses with multiple training providers – there are approximately 2.3 million enrolments in the VET system each year and it is estimated that some 30 per cent of students use multiple providers. When students need to create a transcript of their achievements for enrolment, to show an employer or to establish credit for recognised prior learning, they currently need to contact and request information from more than one source. This situation is exacerbated when training providers go out of business and their records are either lost or unrecoverable.

Registered Training Organisations

The limitation in being able to readily access individual enrolment and achievement records over the lifetime is also a problem for RTOs, particularly at the time of student enrolment, in confirming appropriate pre-requisite course work and in assessing recognised prior learning.

Governments

The data currently collected by the NCVER is not sufficient to support the student-centred (or entitlements based) training models that are being implemented in some states/territories. In addition, the number of unique students undertaking VET cannot be accurately identified and there is no way of knowing the extent to which individuals undertake VET with a number of providers over a given period.

¹ The National Centre for Vocational Education Research is a not-for-profit company owned by state, territory and federal ministers responsible for training. It is responsible for collecting, managing, analysing, evaluating and communicating research and statistics about vocational education and training (VET) nationally.

In addition, the inability to access and analyse VET enrolment and achievement data at the individual student level over the lifetime means that state/territory and Commonwealth policy makers are restricted in being able to understand the pathways students are taking, in being able to assess the progress of disadvantaged students and in being able to assess whether individual students are accessing resources at agreed levels.

In response, some states such as Victoria and Queensland have already introduced unique student identifiers to assist in their own policy development and program administration. While these have improved the ability of individual states to create student records, this approach has limited value if students move and study across state and territory borders.

The lack of records identified at the individual level also limits the ability of governments to monitor issues arising from or improvements in the performance and transparency of the VET system. The ability to evaluate the achievement of education and training policy goals – including the monitoring of COAG performance measures – is limited. This limitation restricts the ability of policy makers to respond in a timely manner to industry needs as the labour market and economic environment changes.

Analysts and researchers

Currently, longitudinal research databases for the VET sector can only be created through statistical matching. This limits the capacity of researchers to examine the distribution of educational opportunities and attainment across the population and analyse educational pathways over an individual's lifecycle.

2. Objectives

When COAG considered a preparatory business case in February 2011, it was agreed that the purpose of a USI, as a response to the problems associated with accessing student records, would be to:

“record all accredited education and training undertaken and qualifications achieved for each individual who accesses Vocational Education and Training (VET) over his or her lifetime”.

The overarching objective of such a mechanism would be to establish a solid framework of information which can support and enable a flexible and demand-driven VET system in Australia. It would be expected to facilitate an information-base that can support all users of the system in an equitable and efficient way and promote continued improvement in the VET system. It would also be expected to contribute to the wider VET reform agenda by enabling greater transparency in the system and improving accountability and responsiveness across providers and governments.

3. Statement of Options

The principal options initially considered in response to the problem are as follows:

- No change
- National Unique Student Identifier

During the consultations undertaken for the initiative, two further options were proposed. They are:

- State-based Unique Student Identifiers
- Data matching of existing records

All four options are described below and are evaluated in section 4.

Description of options**(1) No Change**

The status quo would remain with only two jurisdictions (Victoria and Queensland) having unique student identifiers applying to the VET sector. Under this option, there would be no mechanism for a student who has studied in other jurisdictions to find, collate and authenticate their education attainments without approaching each individual RTO.

(2) National Unique Student Identifier

Under this option, a single national unique student identifier would be implemented to allow the creation of individual lifetime VET records. Each student would be given a single number on enrolment. This number would be included on enrolment and achievement records, generated by RTOs across the country and stored, as currently occurs, with NCVER. Student identifying information would be quarantined and stored separately from national data collections of activity. The USI register would be managed by an appropriate agency (the USI service), with strict controls to ensure privacy.

Students would be able to request their full VET transcripts from the USI service which would draw the data together from the NCVER data base. This would provide students with greater control of their VET activity by making it easier to find, collate and authenticate all their educational attainments in a single portable record, provide a training history beyond the life of the training provider and enable future services and innovations such as e-portfolios and qualification-verification systems.

Policy makers would be able to analyse data held in the NCVER data base on a unit record, whole of lifetime basis while, at the same time, protecting the privacy of individual students – the data would include the USI itself, but would not be able to be re-identified as long as they remain separate from information held by the USI service.

This option would be supported by legislation that defines arrangements for the collection, storage and disclosure of personal information that will be necessary to establish identifiers for students. It would also establish limits on the use of identifiers and would create a service that would be responsible for the creation and secure storage of identifiers. Furthermore, the identifiers and associated personal information will be quarantined in a USI register and stored separately from education and training activity.

To enable this option to work effectively, the USI would need to:

- be mandatory for all students when enrolling in any accredited VET course; and
- extend to all students including international students undertaking accredited VET programs under the Australian Qualifications Framework (AQF) at an Australian Registered Training Organisation (RTO) whether onshore or offshore.

(3) State-based Unique Student Identifiers (with linkages)

This option would involve a federated database system – each state government would have its own system supported by a virtual database which queries each separate system and draws the information together. There wouldn't be a need for the same system to be implemented in each state but each state would need to adhere to common standards sufficient to share identifying information to draw together an individual's record.

Under this option, each state and territory would implement a unique student identifier system independently (following the Victorian and Queensland lead). State systems would then be linked by:

- a national indexing system that would be used to allocate an additional number to identify and track students as they move between state systems; or

- personally identifiable information (such as name, address, date of birth), allowing the identification and collation of records associated with specific individuals in different states.

Students would be able to request VET transcripts from their state/territory service, and the state government would coordinate with other systems to identify records associated with that student in other states/territories. Policy makers and researchers would be able to work with state governments to collate de-identified records to conduct studies for policy making and research.

(4) Data Matching of Existing Records

This option would involve using identifiable information that is held on existing NCVER records or provided to them through existing transfer systems as a key to matching relevant records. In this way, some of the data required for analysis of the functioning of the VET system could be assembled. However, this option would have significant limitations – for example, it would not be able to recreate transcripts of student records and the reliability of records created by data matching algorithms would not be sufficient to support entitlement-based training models.

4. Impact Analysis

The impact analysis has been undertaken by examining the options in terms of the costs and benefits for the key users of VET student record information.

Students

Option	Costs	Benefits
1. No Change	Students are unable to access a reliable record of their training history. Transition of students between institutions, and credit transfer and recognition of prior learning processes would not be improved.	No benefits
2. National USI	<p>Surveys have identified that privacy is a concern for some students. This concern can be managed through robust privacy controls in the design of the USI.</p> <p>Students will need to make contact with the USI register service to obtain their USI, and for sourcing and providing the necessary identifying information (or apply through an RTO).</p> <p>Minor fees may be charged for the provision of academic transcripts. Costs would be minimal, or example in the order of \$10 to \$20 for each transcript (based on current charges by universities for transcripts).</p>	<p>This option would provide improved access to their own VET student records by students themselves. The USI will make it easier for students to find, collate and authenticate all their vocational educational attainments in a single portable record. It will enable future services and innovations such as e-portfolios and qualification-verification systems by enabling an electronic record of learner attainment, supporting the transition of students between institutions. It will provide a training history beyond the life of the training provider. This will benefit students in their ongoing training, ensure they are adequately assessed for prior learning and facilitate their recruitment into the workforce by being able to provide a prospective employer with their complete training record.</p> <p>International students undertaking accredited courses with an Australian training provider offshore will benefit in the same way as</p>

		indicated above under this option.
3. State-based USIs	<p>Privacy concerns are not as easily managed as through the implementation of option 2.</p> <p>As above for option 2 in terms of identity checks and fees for transcripts.</p>	Benefits to students are limited as this option would make it difficult or in some cases impossible to authenticate student records and ensure records are not duplicated between states.
4. Data matching	Students are unable to access a reliable record of their training history.	No benefits.

Registered Training Organisations

Option	Costs	Benefits																				
1.	None.	None.																				
2.	<p>There are moderate short-term cost implications for implementation of the USI as RTOs will need to adjust their student management systems to accommodate the USI. However, costs will be reduced by aligning the timing of the USI with the timing of the introduction of the new AVETMIS standard² on 1 January 2014.</p> <p>The estimated size of the impact varies based on RTO size, and their use of proprietary or custom-built student management systems (SMS). The following guide was developed by 3pillars Asia Pacific as part of the project business case.</p> <p>Estimated cost per RTO of introducing the USI</p> <table border="1"> <thead> <tr> <th>RTO size</th> <th>% of all RTOs*</th> <th>Low</th> <th>High</th> <th>Comments</th> </tr> </thead> <tbody> <tr> <td>Small</td> <td>55%</td> <td>\$1,000</td> <td>\$2,000</td> <td>Assumes using 'tools' or proprietary SMS software</td> </tr> <tr> <td>Medium</td> <td>25%</td> <td>\$2,000</td> <td>\$100,000</td> <td>Assumes using proprietary SMS software or custom built SMS</td> </tr> <tr> <td>Large</td> <td>20%</td> <td>\$100,000</td> <td>\$300,000</td> <td>Assumes custom-built SMS</td> </tr> </tbody> </table> <p>*At December 2011, there were approximately 4,900 RTOs operating across all states and Territories in Australia. (Source:</p>	RTO size	% of all RTOs*	Low	High	Comments	Small	55%	\$1,000	\$2,000	Assumes using 'tools' or proprietary SMS software	Medium	25%	\$2,000	\$100,000	Assumes using proprietary SMS software or custom built SMS	Large	20%	\$100,000	\$300,000	Assumes custom-built SMS	<p>The introduction of a USI would, over time, reduce the administrative burden for RTOs in a number of ways.</p> <p>It will streamline data collection and reporting reducing double entry of data and by providing an electronic record of learner attainment, and assist with enrolment details when students re-enrol.</p> <p>This electronic record could assist with skills development, training plans, recognition of prior learning (RPL) and credit transfer, and assist in managing student-centred training models.</p> <p>It would also reduce the administrative effort of providing individual academic transcripts when requested, particularly for smaller RTO's who have low tech administrative systems.</p> <p>RTOs will have better access to student records to make more informed decisions around assessments of prior learning and</p>
RTO size	% of all RTOs*	Low	High	Comments																		
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² The Australian Vocational Education and Training Management Information Statistical Standard (AVETMISS) provides a national framework for the consistent collection and dissemination of vocational education and training (VET) information throughout Australia. The AVETMIS Standard 7.0 is due to be introduced in January 2014.

	<p>http://training.gov.au/Reports/RtoCount)</p> <p>These costs are likely an over-estimate of cost impacts – for example, a large TAFE institute in Victoria has estimated the costs of implementing the Victorian Student Number at \$65,000. Also, these costs assume RTOs will need to make changes to their software in addition to their regular cycle of upgrades. In reality, all RTOs will need to make changes to their software systems to become compliant with AVETMISS 7.0. It is intended that the introduction of a USI will be a part of AVETMISS 7.0.</p> <p>There are minimal ongoing costs for RTOs, once implemented, as ongoing administration costs will be offset by improvements in data management efficiency provided by the system.</p> <p>There will be additional costs to RTOs in terms of identity checks and liaison with the USI register service. While RTOs already undertake a form of identity check for new students, the USI system will require RTOs to use a standard form of identity check and request the creation of USI for students on enrolment. However, the costs of identity checks by training providers will be offset when re-enrolling or transferring students since they will need only provide their USI.</p>	<p>student capabilities for undertaking particular levels of training. Other important benefits include more equitable access to VET and improvement in the quality of outcomes for students as they are better aligned to appropriate courses and learning pathways.</p> <p>This option would also assist RTOs to meet their national archiving requirements.</p> <p>It would also reduce the cost of transition between institutions by minimising the amount of information that would need to be collected and stored relating to previous educational experience.</p>
3.	<p>Similar short-term cost implications for most RTOs as for option 2.</p> <p>RTOs operating in multiple states and territories may face higher costs as differences in state systems may need to be accommodated separately. Proprietary software system costs will also likely increase due to the need to accommodate differences in state systems.</p> <p>Similar costs to option 2 in terms of identity checks and liaison with the USI register service.</p>	<p>Same as option 2 for those records that can be authenticated.</p>
4.	None.	None.

Governments

Option	Costs	Benefits
1.	<p>Lack of data for use in performance measurement and policy development will necessitate additional research and data collection through surveys and other means. The national reform agenda for VET will increase requirements for this kind of data collection and reporting.</p>	None.

	Implementation of student entitlement funding models will not be achievable.	
2.	<p>Implementation will require an ongoing management agency, to be funded jointly by Commonwealth and State governments.</p> <p>Capital costs for the project are estimated to be in the order of \$13-15 million over two years.</p> <p>Implementation of a similar system in the higher education sector, the Higher Education Information Management System, was costed at \$20 million over 4 years (2005-2009 budget).</p> <p>The agency is expected to require ongoing annual funding of approximately \$4-5 million based on the ongoing costs of similar systems.</p>	<p>The USI will enable the implementation of student-centred training programs and the capture of training activity, irrespective of where the training occurs. In conjunction with the national qualifications framework, a USI will assist in assuring the quality of VET by providing data on levels of VET activity and achievement. Data associated with the USI would also be invaluable for performance reporting.</p> <p>Enables longitudinal studies of VET activity and educational pathways over an individual's lifecycle.</p> <p>Analysis of de-identified lifetime VET records of enrolment and achievement will underpin key areas of the VET reform agenda.</p> <p>A national USI will lead to better data that can assist governments to assess and identify and act on emerging issues in a more timely way. This will have a key long term benefit to underpin a more rapid response of the VET sector to changes in the economy thus making it more responsive to the needs of the labour market and the economy.</p>
3.	<p>Implementation will require state-based bodies to manage state systems, as well as a national framework to ensure the systems communicate effectively. This is the most cost-intensive approach for governments, particularly at the state level.</p> <p>The costs for the implementation of the Victorian Student Number were estimated at \$5.1m. Only Victoria and Queensland currently have student identifier systems.</p> <p>There would also be a cost for the Commonwealth Government to develop and manage a system that draws all state based systems together and undertakes appropriate data checking and student identification processes.</p>	<p>Benefits to governments are similar to option 2, but are significantly reduced by the unreliability of records when sourced from across different state systems.</p> <p>This approach will make it difficult to ensure records are not duplicated between states, and may not be reliable enough to underpin student entitlement funding models.</p>
4.	Costs associated with development of data matching facility and algorithms. Costs associated with running data matching analysis and data cleansing	Access to limited additional information about student pathways.

Employers

Option	Costs	Benefits
1.	None	None
2.	None	Employers are able to request from potential employees an authenticated record of their training history. Improved data on training supply and demand will assist with workforce planning for large employers.
3.	None	Same as option 2, except the value of student records will be reduced due to their lesser reliability.
4.	None.	None.

Impact on Competition

Under option 1 and 4, differences in state systems would maintain inconsistencies in RTO costs across jurisdictions.

Under option 2 and 3, the increased costs to student management systems could represent a minor additional barrier to entry for new RTOs, but this increase is unlikely to be significant in the context of typical RTO start-up costs. The existence of proprietary student management systems that small RTOs can purchase also reduces the potential impacts. Furthermore, as indicated earlier, the changes to RTO systems will be made as part of the AVETMISS 7.0 data standard upgrade required by NCVET. The actual USI component would be minor.

Under option 3, cost impacts would be higher for those RTOs operating in multiple states and territories, and may discourage small to medium sized RTOs from expanding across state lines where they might otherwise do so.

The USI is considered important for facilitating student entitlement funding models which enhance competition.

5. Consultation

Following the endorsement of the preparatory business case by COAG in February 2011, a consultation process regarding the introduction of a USI was carried out during June 2011. This process was designed to canvass the views of a wide cross section of relevant stakeholders regarding the purpose and use of a USI across the VET system to assist in the preparation of the final business case. Views on the implementation of a USI were also canvassed during the process.

Stakeholders included in the process were VET students, peak bodies such as state training authorities and policy makers such as state government and Commonwealth Government officials, and a range of RTOs both large and small and public and private.

To inform the consultation process, a discussion paper prepared by NCVET was made available to all stakeholders. This is publicly available at <http://www.ncver.edu.au/publications/2412.html>

In undertaking these consultations, a range of views about the possible options and uses of a USI was canvassed. Specifically, the consultations sought and collected views on the introduction of a USI from stakeholders focussing on the following broad issues:

- What is a USI and why is it needed?

- What are the benefits to all stakeholders?
- What are the risks and challenges for implementation?
- How can these be overcome?

The consultation process used a range of approaches including: face-to-face and telephone interviews with Commonwealth, State and Territory VET regulatory bodies and discussions with RTOs. A customised online survey was developed to engage and collect information from students.

Responses from the consultation process are available at:

<http://www.ncver.edu.au/publications/2413.html>

Key messages arising from the consultations are outlined as follows:

The USI will support ongoing reforms to the VET sector – the majority of stakeholders saw that the USI would be a very useful tool in supporting reforms in the VET sector, including a more evidenced-based approach to policy and planning and the ability to create new student-centric innovations. Also, stakeholders could see the benefits of the introduction of a USI to improve operations within the VET sector.

The USI is seen as important but not widely seen as essential - providing longitudinal data and enabling other initiatives whilst, at the same time, potentially reducing administrative burden were seen as important for the future of the sector. Those who thought the USI was not essential suggested there could be other ways to improve data and that there are other initiatives that are potentially more important.

Concerns that surfaced during the consultation process include:

Purpose and Scope – few stakeholders had a clear understanding of the purpose and scope of the USI. Others doubted the ability of the government to deliver and implement the project.

Privacy concerns – the protection of an individual’s privacy was of moderate concern to some and critical concern to a few stakeholder groups.

Governance – effective and transparent governance was considered crucial to the creation and maintenance of high quality, secure data.

Cost of compliance – for many RTOs the cost of the system is a strong concern and they are nervous about further additional costs.

Students, RTOs and ownership of data – there is a tension between students desiring ownership of training information and the ability to select the information able to be viewed by others and, on the other hand, a requirement for RTOs to submit complete records.

Overall findings

Overall, there is strong support for the concept of a USI among VET students, peak bodies and policy-makers, with Registered Training Organisation (RTOs) and regulators expressing a range of views. It is also apparent that stakeholders are looking for more detail and a clearer statement of the USI’s purpose and scope.

Implications for final business case

The final business case is supported by the outcomes of the consultation process.

A national USI approach which would deliver the greatest benefits for VET reform aligns well with the views of the broad range of stakeholders who could see the benefits of a USI in progressing such reforms.

In direct response to the concerns about privacy and governance raised by some stakeholders, the adopted approach in the business case ensures appropriate protections would be put in place to store and maintain individuals' records. Also, protocols around the use of information by stakeholders would be developed.

Some stakeholders saw the benefits of a USI but preferred alternative approaches.

To address concerns about costs from stakeholders, the business case suggests aligning the introduction of a USI with other proposed systems changes that would impact on key stakeholders – for example aligning introduction with changes to the data standards required by NCVET (AVETMISS).

The project clearly has an opportunity to clarify the purpose, refine its scope and communicate this widely through its stakeholders in a communication strategy planned for the introduction of the USI.

6. Evaluation and Conclusion

A mechanism to enable the creation of a record of all accredited education and training undertaken and qualifications achieved for each individual who accesses Vocational Education and Training (VET) over his or her lifetime is an essential building block for the future of the VET reform agenda. The alternatives to the national approach canvassed in this document are shown to have fewer benefits and greater costs than a national USI system.

Of the options considered in the context of this regulation impact statement, the option to do nothing will not provide the necessary data to support the reform agenda. The option to introduce student identification systems state by state could provide some of the data required but at a greater cost than a national system and with uncertainty about the reliability of separately built systems and their capacity to provide linked data.

The proposal to establish a national unique student identifier responds to the data problem identified in the VET sector. The proposed approach will allow for the safe generation and storage of unique student numbers in VET and for these numbers to be attached to enrolment and achievement records for each student participating in training provided by registered training organisations. There will be costs to RTOs (in software changes and handling of identity checks) and governments (to establish and maintain a USI register service). While the business case also raises the possibility of charging students for the provision of transcripts, no decision has been made on this.

However, these costs would be offset by the benefits that would accrue directly to students and RTOs by simplifying processes and indirectly to governments in their being able to better understand the needs of those engaged with the VET sector and being able to measure the effectiveness of their investment.

Importantly, a national USI will lead to better data that can assist the identification of emerging issues in the VET sector in a more timely way for RTOs, employers and governments. This will have a key long term benefit to underpin a more rapid response of the VET sector to changes in the economy thus making it more responsive to the needs of the labour market and the economy and make the workforce more readily adaptable to the changing skills needs of the future.

7. Implementation and Review

The implementation of the USI is planned to coincide with the introduction of the new VET data standard for data generated by RTOs. This standard is updated from time to time by the National Centre for Vocational Education Research – and the new standard, AVETMISS 7.0, is due for implementation on 1 January 2014. This is also the proposed implementation date for the USI as it would allow data requirements for the USI to be included in AVETMISS 7.0, thereby minimising costs for software changes required by RTOs.

An implementation date of 1 January 2014 would also allow for the planning and development of the USI solution to be undertaken in a considered way – and will allow appropriate consultation with stakeholders in the development of business requirements for the IT system and other arrangements. The business case recommended that the Department of Education, Employment and Workplace Relations (DEEWR) take the lead for the implementation of the USI.³ A taskforce has been set up in DEEWR for this purpose and planning is underway pending COAGs decision. It is expected that Commonwealth/state working groups for key aspects of the implementation would be established – they would focus on governance and legislation, IT, data and communications. An engagement strategy would be developed to ensure that all stakeholders are included in the planning and implementation phase of the project – should COAG decide to proceed – and are kept informed about progress.

A review of the operations of the USI initiative will be provided to COAG or its nominated committee following its introduction.

The introduction of the USI will be a foundation building block to support the broader VET reform currently being considered. The National Agreement for Skills and Workforce Development (NASWD) aims to provide Australians with the opportunity to develop the skills and qualifications needed to participate in, and contribute to, the labour market. Central to achieving this objective is a shared commitment to a national training system that is responsive to local needs and delivers high-quality and nationally consistent training outcomes. This will help to ensure that the skills provided by the national training system are attuned to changing labour market demand.

The Commonwealth is also working with the states on a new reform-focused National Partnership (NP) to deliver a higher quality and more productive sector. The reforms needed to achieve the objectives and outcomes of the agreement include reforming training to achieve a more demand-driven and client-focused system, and to help drive the next wave of innovation and productivity.

The revised NASWD and reform NP is to be considered by First Ministers in early 2012.

³ Please Note: The Tertiary Cluster of the Department of Education Employment and Workplace Relations and support for that Cluster is transitioning under a machinery of Government change to the Department of Industry, Innovation, Science, Research and Tertiary Education (DIISRTE). In effect, this would mean that DIISRTE would take the lead.

8. Opportunity for Further Comment

Comments are invited by submission to:

Department of Industry, Innovation, Science, Research and Tertiary Education⁴.

Attention:

USI Secretariat
GPO Box 9880
CANBERRA, ACT 2601

Or via email to:

USITaskforce@deewr.gov.au

Please include the following in the subject line: USI regulation impact statement submission.

Submissions close on: Friday 20 January 2012.

In preparation of your submission, you may wish to consider the following:

- Issues of privacy were raised by some stakeholders in the earlier consultations. These have been taken into account in the development of the options. Is there anything further that could or should be done?
- Across the range of options considered in Sections 3 and 4, are there any costs or benefits that have not been considered or fully taken into account?
- While it is generally agreed that the benefits to RTOs of introducing a USI would increase over time, particularly through a reduction in administrative costs, the initial cost to RTOs was raised as an issue in earlier consultations. In order to minimise costs, it is anticipated that the required systems changes for introduction of a USI would be incorporated with the systems changes required by AVETMISS 7.0. Are there other mechanisms to minimise cost that could or should be considered?
- The estimated cost of implementation is likely to vary depending on the size of RTO – see page 7. Please provide any further information to assist in refining the cost of implementation for RTOs.

⁴ Please Note: The Tertiary Cluster of the Department of Education Employment and Workplace Relations and support for that Cluster is transitioning under a machinery of Government change to the Department of Industry, Innovation, Science, Research and Tertiary Education.