Towards a flexible & responsive skills system

A Submission to the National Skills Taxonomy Discussion Paper

Context

Learning Creates Australia *is a pioneering, independent non-profit organisation. We believe an Australian education should equip every young person to dream, achieve, and thrive. Our mission is to advance a just and vibrant learning system that leaves no young person or place behind. Guided by a diverse and growing alliance of stakeholders, including young people, educators, parents, policy makers, First Nations communities, employers, academics, and tertiary providers, we are focused on catalysing transformation in this next critical decade.*

We welcome the opportunity Jobs and Skills Australia (JSA) has presented to reinvigorate the Australian Skills Classification into a National Skills Taxonomy. As stated in the Discussion Paper we know skills are at the centre of our 21st Century economy and as a system, we're struggling to match and respond to skills needs. There is a significant gap between what our learning systems develop and the translation and alignment to what employers need. Our comparative and analytical review of twenty-two major reports and reviews, shows that despite the consistent efforts of many, and a will for change, it has repeatedly proven difficult to shift our systems and bridge the education to employment gap.

Our submission identifies two guiding principles that JSA could consider adopting in the design and implementation of the Taxonomy.

1. We recommend JSA design the Taxonomy for all parts of the learning system, including senior secondary education, to ensure its relevance as learners transition between education and employment throughout their lives.

2. We recommend that JSA expand the principle of "accessible" to "applicable" - this could be realised by utilising a co-design approach for the Taxonomy. We also provide two international examples that showcase innovative practices aimed at building flexible and responsive skills systems for JSA's consideration.

Design the Taxonomy for all parts of the learning system

The principles "comprehensive" and "integrative" listed in the Discussion Paper will be important in the design of the Taxonomy. There is an opportunity for the Taxonomy to signal the positive impacts of a flexible and responsive skills framework across our learning-to-work systems. This could be achieved by applying these principles to secondary schools, particularly in senior secondary contexts, as new skills-focused pathways are emerging outside formal qualifications.

In recent years we've seen the use of ATAR decline - today it is not used by more than 75% of our young people, as education providers have supplemented it with a miscellany of non-standard methods - like early offer and alternative entry schemes[1]. Universities are often looking to diversify their student base and better identify, attract and support young people with the skills and capabilities needed to succeed in tertiary education[2]. Employers have been increasingly adopting a multitude of new approaches within their organisations and through intermediaries (eg. Hatch, Studium) to employ young people directly based on their skills (not qualifications)[3].

The Noonan Review (2019) found our qualification system was confronted by rapid growth and changes in knowledge, by a proliferation of education and training providers, and the increasing use of short-form credentials. The review included a recommendation that the qualification type for the Senior Secondary Certificate of Education should be more clearly defined and represented in the AQF in terms of its role in preparing young people for a range of pathways, at different levels[4].

As the Qualification Reform Design Group continues its work of designing a reform process of VET qualifications and Australian Tertiary Education Commission (ATEC) begins its work of harmonising higher education and VET, there is the potential for the Taxonomy's inclusion of senior secondary could greatly assist in this harmonisation process, towards a flexible and responsive skills system.

[1] Learning Creates Australia (2023) *Learning Beyond Limits*

[2] Learning Creates Australia (2023) *Learning Beyond Limits*

[3] Learning Creates Australia (2021) Shifts and Flows in Learning and Work

[4] Milligan, S., Mackay, T. & Noonan, P. (2023) *Framing Success for All: A proposal about regulatory arrangements for certification in Australian senior secondary schooling* & *Dawkins, P., Lilley, M. & Pascoe, R. (2023) Rethinking Tertiary Education*

Use a co-design methodology to make the Taxonomy applicable

The principle "accessible" as it is detailed in the Discussion Paper is also vitally important to the Taxonomy's successful implementation. We commend the focus on use cases in the discussion paper and believe that this principle could be expanded to "applicable" if JSA were to commit to a co-design approach.

JSA has already started an important trust-building process with diverse stakeholders around the Taxonomy. This trust-building will be essential, not only in growing a base of first-adopters and promoters of the Taxonomy, but also in providing valuable feedback on the application of the tool in context.

Co-design is effective for several reasons[5]:

1. **Enhanced Relevance and Appropriateness**: By involving stakeholders in the design process, the resulting solutions are more likely to meet their actual needs and preferences. This participatory approach ensures that the outcomes are relevant and appropriate for the users' contexts.
2. **Increased Buy-In and Ownership**: When stakeholders are part of the design process, they feel a sense of ownership over the outcome. This buy-in can lead to greater acceptance and implementation of the designed solutions, as participants are more invested in the success of the project.
3. **Diverse Perspectives and Innovation**: Co-design brings together a diverse group of people with different experiences and viewpoints. This diversity can foster innovation, as it encourages creative problem-solving and the generation of novel ideas that might not emerge in a more homogenous group.
4. **Improved Problem Understanding**: Involving stakeholders helps designers gain a deeper understanding of the problems being addressed. This direct insight into the challenges and needs of users ensures that the design process is grounded in real-world issues, leading to more effective solutions.
5. **Capacity Building**: Co-design processes often include elements of education and skill development for participants. This can empower stakeholders by increasing their capacity to engage in future projects and fostering a culture of continuous improvement and collaboration.
6. **Transparency and Trust**: Engaging stakeholders transparently throughout the design process can build trust. It demonstrates a commitment to considering their input and valuing their expertise, which can strengthen relationships and improve collaboration.
7. **Iterative Feedback and Improvement**: Co-design allows for continuous feedback and iterative development. Stakeholders can provide ongoing input, enabling the design to be refined and improved in response to real-time feedback, resulting in more robust and user-centred solutions.

We've also provided two examples that showcase innovative practices aimed at building flexible and responsive skills systems. These examples provide useful insights on how parts of international learning systems are also approaching this ambition.

---

[5] Sanders, E. B.-N., & Stappers, P. J. (2008). Co-creation and the new landscapes of design. *CoDesign*, 4(1), 5-18.
Steen, M., Manschot, M., & De Koning, N. (2011). Benefits of co-design in service design projects. *International Journal of Design*, 5(2), 53-60.
Bradwell, P., & Marr, S. (2008). Making the most of collaboration: An international survey of public service co-design. Demos.

Case studies: 21st Century Skills Profiling & Micro Credentialing

Contexts: Tertiary institutions in UK, EU and New Zealand

Internationally, education systems are confronted by the same challenge of consistently aligning skills from formal education with employer needs. Across Europe, tertiary institutions are testing and starting to adopt a skills profiling approach to enhance the employability of its graduates. By introducing the concept of "21st Century skills hours" as a metric to quantify the time spent acquiring skills within a course, it is possible to abstract the learning outcomes across various qualifications. Institutions can integrate skill hours into their curriculum and quantify the time students spend developing critical 21st-century skills such as problem-solving, teamwork, and digital literacy. Each course module can then be mapped to specific skills descriptors, allowing for a clear calculation of indicative learning hours. Students accumulate these skills, progressing from basic capabilities to proven competencies through hands-on projects and internships. The codification and templating process can align these learning outcomes with industry standards, ensuring transparency and transferability of qualifications. As a result, graduates not only received academic degrees but also detailed skills profiles recognised by employers, bridging the gap between education and the demands of the modern workforce[6]. This skills profiling approach also underpins work across UK to integrate micro-credentials alongside or within existing tertiary qualifications[7]. A Universal Micro-Credentials Framework makes this possible by acting as a translator of granulalised learning experiences across education institutions and employers and opening up opportunities for badges and micro-credentials matched to the skills needs of the individual[8].

New Zealand has already implemented a Micro-credentials accreditation scheme through NZQA which aligns to all levels of New Zealand Qualifications and Credentials Framework and can be adopted by a range of approved institutions[9]. The National Skills Taxonomy could enable a skills profiling approach to allow meaningful comparison and transfer of time spent learning across Australia. Learning from current approaches in Europe and New Zealand to profile skills and develop meaningful micro-credentials targeted to the skills employers need would be instructive too. For employers, a consistent language used across education institutions will be a hugely important step for them to adopt and use the National Skills Taxonomy.

Learning Creates can see value in JSA adopting a co-design approach and consider piloting elements of these approaches as appropriate to the Australian context.

---

[6] Ward, R., et al. (2021) *Towards a 21st Century Personalised Learning Skills Taxonomy* In: IEEE Global Engineering Education Conference.

[7] Ward, R., et al. (2022) *QAA Collaborative Enhancement Project Report on badging and micro-credentialing within UK higher education through the use of skills profiles*

[8] Ward, R., et al. (2024) *Artificially Intelligent: How a Universal Micro-Credential Framework Can Help Our Education Systems in Better Supporting, Facilitating, and Evaluating Learning and Earning.*

[9] NZQA (2024) *Qualification and Micro-credential Listing and Operational Rules 2022*

Conclusion - Towards a flexible & responsive skills system

The Discussion Paper is a timely opportunity to reinvigorate the Australian Skills Classification as part of a wider agenda to harmonise VET, higher education and senior secondary learning and build a flexible and responsive skills system. We identify two guiding principles that JSA could consider adopting in the design and implementation of the Taxonomy. We recommend JSA design the Taxonomy for all parts of the learning system, including secondary education, to ensure its relevance as learners transition between education and employment throughout their lives. We also recommend that JSA expand the principle of "accessible" to "applicable" which could be realised by utilising a co-design approach for the Taxonomy. We provide two international examples that showcase innovative practices aimed at building flexible and responsive skills systems for JSA's consideration.

Contact:

Cal Lindsay-Field

cal@learningcreates.org.au

+61 448 706 286

Learning Creates Australia

learningcreates.org.au

Learning Creates acknowledges the traditional custodians of the land throughout Australia who have been learning and educating on Country for over a thousand generations.
We pay our respects to their Elders past, present and emerging for they hold the memories, traditions, cultures and hopes of Aboriginal and Torres Strait Islander Australia. We acknowledge that Aboriginal and Torres Strait Islander people continue to live in spiritual and sacred relationships with Australia.