



REIA

REAL ESTATE INSTITUTE
OF AUSTRALIA

REIA SUBMISSION TO THE VET REFORM TASKFORCE ON DRAFT TRAINING PROVIDER AND REGULATOR STANDARDS

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PREPARED BY

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The Real Estate Institute of Australia (REIA) is the peak national association for the real estate profession in Australia.

REIA's members are the State and Territory Real Estate Institutes, through which around 75 per cent of real estate agencies are collectively represented. The 2011 Census records the Rental, Hiring and Real Estate Services Industry employment sitting at a total of 117,880. By occupation the key data recorded by ABS Census were 64,699 business brokers, property managers, principals, real estate agents and representatives.

REIA's members are committed to providing high quality training for the nation's real estate professionals and to improving the level of service to consumers through education.

REIA represents an important element of the broader property and construction sector which together makes a significant contribution to Australia's social climate and economic development. Property contributes \$300 billion annually in economic activity.

Importantly, REIA represents an integral element of the small business sector. Some 99 per cent of real estate agencies are small businesses and 11 per cent of all small businesses in Australia are involved in real estate. Only 0.6 per cent of businesses employ 50 or more persons.

REIA is committed to providing and assisting research and well-informed advice to the Federal Government, Opposition, professional members of the real estate sector, media and the public on a range of issues affecting the property market.

REIA welcomes the opportunity to make a submission to the Vet Reform Taskforce on the Draft Training Provider and Regulator Standards that the Minister for Industry released on 25 June 2014.

Introduction

The overriding objectives of the proposed standards are to be flexible and responsive to industry, less onerous, reduce costs for RTOs and less of a regulatory burden for RTOs. Furthermore the national training system is to be industry led, using appropriately skilled trainers and assessors capable of delivering high quality outcomes.

As such, REIA supports the overall direction of the proposals relating to improving standards and feels that the proposals should be welcomed by those RTOs that provide quality training.

There are, however, a number of areas that REIA feels present some practical difficulties which if addressed would improve the workability of the current proposals. REIA's submission outlines these. Whilst REIA's comments relate to the training of real estate professions they would be applicable to other sectors as well.

Discussion

Standards for RTOs

Item 1.9 proposes that systematic validation of assessment is to be undertaken by person/s that are not directly involved in the training or assessment delivery of that qualification and have: a) vocational competencies b) current knowledge and skills in teaching and learning, and c) training and assessment qualifications.

For training in the real estate profession this is going to be extremely difficult, if not impossible, to implement without incurring considerable costs which is against the overriding objectives of the proposal.

Anyone who is in the industry with relevant experience and has current knowledge in teaching and learning, as well as appropriate training qualifications, who is not already one of your own trainers will in all likelihood be engaged by another RTO either locally or interstate. If it is locally this will be from a competing RTO. One would need to look interstate to engage such a person without a conflict of interest at a cost to the RTO. This is a cost that, depending on the course, would be incurred every year.

It would appear that the proposed standards will limit the use of industry experts without teaching qualifications to undertake training.

There are many skilled and knowledgeable professional agents who are considered to be the best amongst their peers and are keen to share their knowledge and skills particularly with entry level students. Their real estate skills and knowledge are invaluable to a trainee entering the profession. Conversely the loss of this expertise should be avoided by the proposed standards.

REIA believes that provided an RTO has a system in place to ensure the quality of the training and assessment, a person who is vocationally competent should be able to teach and assess without the requirement of the proposed Training and Education (TAE) qualification.

REIA thus proposes that the standards should reflect that provided the training and assessment tools are produced by a person(s) employed by the RTO, who meet the requirements of the proposed standards, then a person with professional skills under the supervision of the RTO management should be allowed to undertake training and assessment in their field of expertise without the requirement of training qualifications.

Standards for VET Regulators

The requirement that “an audit team may comprise ... and may also include technical advisers who provide specific knowledge or expertise to the audit team. Technical advisers must operate under the direction of an auditor...” does not require the auditors to have any understanding of the industry, licensing, legislation and documentation amongst a range of other aspects of the RTO being audited. In REIA’s view, this is seen as a weakness in the proposal as audits undertaken by auditors with little knowledge of specific industries and about the content to meet training package requirements will invariably take much longer and thus incur a greater cost to both the RTO and the auditors. Some audits undertaken by ASQA are prime examples of this being the case where the lack of industry understanding has resulted in lengthy and convoluted processes.

Costs can be minimised if auditors of RTOs have industry expertise and can relate to the training package from the vocational point of view rather than just the training delivery and assessment.

Further, to maintain some consistency in standards for RTOs and those for regulators it should be a requirement that auditors also have some knowledge of the industry and the skills relevant to the assessment.

Recommendations

REIA makes the following recommendations

- ***The standard for undertaking assessments of RTOs takes into consideration the practicalities of having the assessment undertaken by person/s that are not directly involved in the training or assessment delivery of that qualification and have: a) vocational competencies b) current knowledge and skills in teaching and learning, and c) training and assessment qualifications***
- ***The standards for RTOs provide for a person with professional skills, under the supervision of the RTO management, to undertake training and assessment in their field of expertise without the requirement of training qualifications***
- ***The standards for VET Regulators provide for a requirement that auditors should also have some knowledge of the industry and the skills relevant to the assessment.***