



## **REIA SUBMISSION TO THE REVIEW OF THE NATIONAL VOCATIONAL EDUCATION AND TRAINING REGULATOR ACT 2011**

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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.

The 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.

The 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.

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.

The REIA welcomes the opportunity to provide a submission to the Review of the National Vocational Education and Training Regulator Act 2011.

### **Introduction**

REIA's response focusses on real estate professionals and addresses the Terms of Reference by outlining problems that have been encountered in training in this sector.

REIA recognises that Australia needs a skilled workforce to maintain and improve our economic position in the face of increasing global competition and that to achieve this businesses must have access to a skilled workforce. The vocational education and training (VET) sector plays a central role in achieving this goal and as such must be both of a high standard and integrity and be governed effectively with clear roles and responsibilities for industry and Government.

The overriding objectives of drawing the attention of this Review to the problems that have been encountered in training real estate professionals is that we have a structure that is responsive to industry, less onerous, reducing 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.

## **Matters Raised About ASQA**

The following matters have been raised about ASQA:

- The variable quality of training. In particular some short courses and self-paced e-learning courses were of a poor quality, particularly in NSW. Examples are courses which offer a Cert IV in property that can be completed within a few days. Some have in the past advertised that a job will be available at the completion. The colleges or institutions that the REIA takes issue with across all states are those that offer very short courses for the purposes of licensing based on a questionable system of Recognised Prior Learning (RPL). Many colleges use a process of “self-assessment” – i.e. “tick the box if you have the following knowledge” - and do not actually test or validate the information in an objective way that could stand any scrutiny. Similarly many providers provide answers to question and students then tick the appropriate answer – students are not trained but yet gain full qualification
- The approach to training has not been coordinated and uniform across jurisdictions with a detrimental consequence on the quality of training. Indeed jurisdictional differences have at times been used by some RTOs to circumvent scrutiny by registration bodies. For example, in at least one jurisdiction the registration body will only investigate complaints when these are about RTOs based in that jurisdiction
- The RPL process is not being properly audited by state training authorities
- The complaints procedure only provides the ability to lodge a complaint online. The response fields are too narrow - can only input evidence that the system permits. So unable to complain about another provider as unable to get information into fields. There is no follow up or indication on progress and outcomes
- There is a feeling that with a focus on compliance audits that processes are created to meet the compliance requirements but the delivery and assessment of training are not evaluated. Would be preferable to follow the system in place in WA where a list of learning resources and the amount of time a student needs to commit to this is identified. This then the RTO to provide evidence to the auditor that the amount of training required for each student has been identified. Further, one can see how training has been adjusted in response to feedback and how the student has been informed
- ASQA appears to be process rather than outcomes focused and it is not responsive to the RTOs seeking advice/input
- The assessment of LLN (language, literacy and numeracy) requirements should only be done by those that have received the specific formal training.

Most trainers in the VET sector have not and are undertaking this assessment.

### **Recent Developments**

ASQA released a report reviewing short training courses in June of this year. The report, *A Review of Issues Relating to Unduly Short Training*, made a number of recommendations (pages 13 and 119) which, if implemented, in REIA's view would address some of the problems identified above.

***REIA recommends that, the recommendations contained in the report, A Review of Issues Relating to Unduly Short Training, are implemented.***