



Jobs and Skills Councils' joint submission

Response to the Australian Tertiary Education Commission's "A More Joined-Up Tertiary System" Discussion Paper

Monday 22 June 2026



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Introduction

The Jobs and Skills Councils (JSCs) welcome the opportunity to contribute to ATEC's discussion paper on a more joined-up tertiary system. This response sets out the shared position of all ten JSCs, as a set of principles for how a more joined-up tertiary system can best serve learners, industry and the workforce.

The JSCs' collective view is that success relies on whole-of-system reform that starts from what learners and the economy need, with a coordinated industry voice built into the system's design and governance. As industry-owned and industry-led organisations, tripartite by design, the JSCs sit at the interface between what industry needs and what the tertiary system delivers, bringing an economy-wide read of skills demand and the evidence to support it. A more connected tertiary system, one with permeable pathways, recognised skills across the sectors, and a clear and deliberate lift in the standing of Vocational Education and Training (VET) is needed, achievable, and central to lifting productivity.

The JSCs bring a distinctive contribution to this area of reform. As industry-owned and industry-led organisations, JSCs are the standing industry voice in the skills system, bringing together employers, unions and governments. That gives us a whole-of-economy view of skills demand, grounded in workplace realism and backed by a substantial and growing body of industry-specific research and data. Our industry stewardship role is not only to identify where skills demand is heading but to help meet it, translating demand-side intelligence into action that supports the supply side across the tertiary system. Employers are where skills demand becomes real, and a connected system works only if they are engaged and supported to take part. The JSCs bring that employer and demand-side lens.

A shared agenda

The JSCs support the Australian Government's ambition for a more joined-up tertiary system. It builds on a clear line of recent work, including Jobs and Skills Australia's (JSA) Opportunity and Productivity: Towards a Tertiary Harmonisation Roadmap, the Australian Universities Accord, and the Productivity Commission's Building a Skilled and Adaptable Workforce report, which all point the same way, that a more connected tertiary system would serve learners, industry and the economy better than the divided one we have now.

The JSCs encourage the Tertiary Roadmap to begin from first principles. That means starting with the needs of learners and the economy in a changing labour market, defining the learning pathways required to meet those needs, and deriving the roles of schools, the VET sector and higher education from those pathways. These are foundational design questions, and resolving them upfront would give the reform its firmest footing. The sections that follow describe the outcomes and system characteristics needed to support those pathways.

The agenda must work for all learners. That means being honest about who the current system serves well and who it does not, including the persistent, gendered patterns in pathways and outcomes, well-evidenced in JSA's Gender Economic Equality Study, and the barriers facing regional, First Nations, low socio-economic status and other learners identified in the discussion paper. The JSCs bring that lens to the principles that follow.

The JSCs also emphasise the importance of a problem-led approach to reform. Not all boundaries between VET and higher education constrain outcomes in the same way, and a stronger evidence base is needed to identify where these frictions materially affect workforce supply, skills formation and productivity.

Defining success: the desired end state

The JSCs would judge a more joined-up tertiary system against a set of practical outcomes. These describe the destination that the principles in this paper are intended to reach.

- A single reform agenda that reshapes the whole tertiary system, rather than running parallel through siloed reforms for VET and higher education, opening access to education, training and secure, sustained work for a more diverse range of people.
- Learners carry recognised skills as they move across occupations, industries and learning experiences, with the tertiary system supporting this movement.
- Learner mobility and skills recognition are supported in a manner that preserves clear and trusted occupational licensing pathways for regulated professions and trades.
- Place-based and regional models align local schools, VET, higher education and employers, making pathways visible and viable so learners can build careers close to home and regions can grow the workforces they need.
- VET and higher education qualifications at the same Australian Qualifications Framework (AQF) level are recognised as equal in standing, with each sector's distinct and complementary contribution to the workforce and economy clearly articulated and valued.
- Recognition of prior learning and credit transfer that work as a normal and viable part of the system, reducing duplication and the time and cost of study.
- Recognition that reaches beyond formal study to value the work and life skills developed through cultural learning, particularly the knowledge and achievements of First Nations communities, on terms developed in consultation with them.
- A shared language for describing skills across sectors, supporting recognition and navigation, accessible to learners, particularly those from priority cohorts, and developed alongside other reforms rather than ahead of them.
- A deliberate and shared effort to lift the standing of VET, grounded in evidence of what it delivers, and reaching learners, as well as the careers advisers, teachers and families who shape their choices.
- A defined, enduring role for industry and JSCs as industry stewards, embedded into the system's governance and architecture across the whole tertiary system, not VET alone.
- A system informed by stronger data, qualitative and culturally developed evidence, identifying where the interface between VET and higher education constrains workforce outcomes and targeting reform to those areas.
- A harmonised quality assurance regime that works alongside the regulatory system to enforce baseline standards, manage system performance and monitor outcomes.

Each of these outcomes is achievable within a connected tertiary system, one in which the distinct roles of VET and higher education are clearly articulated and valued. The principles that follow set out the JSCs' proposed approach to reform for achieving these outcomes.

Jobs and Skills Councils' principles for a more joined-up tertiary system

- **Principle 1 – Whole-of-system tertiary reform**
 - Reform should bring VET and higher education together as parts of a more coherent and connected tertiary system, rather than reinforcing a structural divide between parallel tracks. The system spans both sectors, with VET extending well beyond TAFE into the wider registered training organisation sector, and higher education extending beyond universities to other higher education providers. A connected system should draw on all of them to serve learners and the economy. This widens access to education, training, and employment and supports learners into secure, sustained work. Secondary schools are often where learners first encounter tertiary options and begin

forming pathways, so a more connected system should make that early transition clearer.

- A joined-up tertiary education and training system is critical to supporting lifelong learning, as people cycle in and out of formal training while workplace knowledge, skills and capability demand change in response to rapid technological advancement in the labour market.
- Industry has a central role in making the case for this approach, for the learner opportunities, skills formation and economic outcomes it supports, and for its broader social and cultural benefits. The JSCs are well placed to lead that coordinated industry voice across the tertiary system.

- ***Principle 2 – Evidence-led reform informed by industry intelligence***

- Reform of this consequence should be guided by evidence, not assumption. The JSCs have an important role here, bringing a whole-of-economy read of skills demand to bear on where skills needs and system frictions genuinely sit, including the specific occupations, industries and pathways where weak interfaces constrain outcomes. That read is mapped in collaboration across the JSC network and with JSA. We translate that into action, not only by naming where the system falls short but also by helping to address it.
- Effort should be guided by government priorities at all levels and by clear evidence, focused where system boundaries materially constrain learner progression and workforce outcomes.
- Better data sharpens that work, and linked data across the sectors strengthens the JSCs' ability to see where the system is and is not meeting workforce needs, and to target reform to the points where boundaries affect progression, outcomes and equity, including gender-disaggregated outcomes.

- ***Principle 3 – A common skills language***

- A shared skills language and taxonomy across the sectors underpins a more coherent and navigable tertiary system. By describing skills in consistent, comparable terms across VET and higher education, it strengthens recognition for learners and confidence for employers, and it supports the portability, credit transfer and recognition of prior learning that a connected system depends on. In this sense, it is foundational and is the connective tissue that enables much of the rest of the reform work in practice.
- A common language holds only if it reflects the real skills requirements of work, not just the structure of qualifications. The JSCs add significant value here by holding the whole-of-economy skills intelligence to define and validate the descriptors beneath the taxonomy, ensuring they are grounded in genuine occupational need and trusted by the industries that rely on them. This also positions the JSCs to contribute the industry view directly to JSA's National Skills Taxonomy and related national work.
- JSCs are well placed to lead and coordinate industry adoption of a common skills language, anchoring a consistent and authoritative industry voice and supporting sustained uptake across the tertiary system.
- As a system-level enabler, it should be developed alongside the broader reforms and support them as it is rolled out, rather than running ahead of them.

- ***Principle 4 – JSCs as industry stewards across the whole tertiary system***

- JSCs were deliberately established as industry-owned, industry-led and tripartite organisations, bringing together employers, unions and governments. This underpins our stewardship function, which combines deep insight into industry and employer needs with a clear view of skills demand and genuine skills and training expertise. That mix of industry knowledge and training expertise means we can help meet the needs we identify rather than simply describe them, translating insight into action that supports the supply side.

- Working as a network across the whole economy, the JSCs are uniquely placed to map skills demand and the pathways that connect learning to work, and to validate qualifications and training products against genuine industry needs. By taking on this coordination at a national level, the JSCs provide a structured mechanism for engaging employers in the skills system, strengthening the case for a coordinated industry voice in the system's governance.
 - These insights reflect a whole-of-economy perspective on the labour market, not limited to VET-level considerations. While JSCs have historically placed greater emphasis on engagement within the VET system, the industry workforce needs we identify extend across the full tertiary spectrum. As industry stewards across the tertiary system, JSCs should therefore have a clear, formalised role within the system's governance and architecture, ensuring a consistent and authoritative industry voice is embedded in decision-making across both VET and higher education.
- ***Principle 5 – Lifting the esteem of VET across the system***
 - The JSCs support a deliberate and sustained effort to elevate the standing of VET, with industry, providers and governments collectively reinforcing a clear and consistent message about its economic, social and cultural value and effectiveness. That message should be grounded in evidence of what VET delivers for learners and for industry, including outcomes, earnings and pathways into secure and meaningful work.
 - Esteem is also built through system performance, with strong pathways and lifelong learning across VET and higher education, enabling learners to see VET as a credible and enduring route through their working lives.
 - Evidence must be applied consistently. Where VET leads to secure, well-rewarded work or improves opportunities for priority cohorts and regional, rural, and remote Australians, it strengthens the case. Where outcomes are weaker, including in undervalued and gendered occupations, it points to the need for improved access to learning opportunities, career progression, skills recognition and remuneration.
 - Esteem is reinforced, not undermined, when qualifications are matched to the genuine requirements of an occupation. JSA and others have identified a growing number of occupations that require qualifications, yet this is often reported as rising qualification levels, as though all such requirements are moving to higher AQF levels. In practice, the direction of change is more varied, and where a VET qualification better serves an occupation than a higher education qualification, the system should recognise this without treating it as a downgrade.
 - How people learn also matters. Some learners do best through practical, applied learning rather than more theoretical study, and many occupations require the development and demonstration of practical skills. This is increasingly important as adults return to study across their working lives. Yet applied approaches are often available only at lower qualification levels, so learners can hit a ceiling, held back not by their ability but by the limited availability of advanced applied learning pathways. This disadvantages learners in the labour market, reinforces a lower esteem for applied learning and practical expertise, and is one of the clearest ways in which the current divided system works against diversity.
 - ***Principle 6 – Skills portability across occupations and industries***
 - Labour market mobility must be a core system objective, emphasising the portability and recognition of skills across roles and contexts, rather than relying on linear progression through qualification levels. As careers become less linear and people change roles and industries more often, a system organised primarily around progression through qualification levels leaves too much of what people can already do unrecognised.
 - Learners should be able to carry recognised skills as they move between occupations and across industries, reflecting the increasingly dynamic nature of the labour market. Recognition that travels with the learner reduces the need to relearn what they already know and helps them redeploy their skills as industries change.

- In regulated and licensed occupations, portability and recognition arrangements should support workforce mobility, including across jurisdictions, while maintaining clear and trusted occupational entry and licensing pathways.
- The tertiary system should actively support and enable this movement, rather than reinforcing barriers that constrain mobility, so that changing occupation or industry is treated as a normal part of a working life rather than a fresh start each time.
- **Principle 7 – Equivalence of standing across the AQF**
 - A joined-up system should build on the distinct strengths of VET and higher education and, rather than narrowing learners' options, should expand them. The aim is a wider, clearer set of routes to a given outcome, with greater opportunity for learners to progress more quickly where their skills and prior learning support it, rather than a single track that channels everyone the same way.
 - VET and higher education qualifications at the same AQF level should be recognised as equivalent in standing, with each valued for its distinct contribution and strengths within the tertiary system.
 - This is a principle of parity of standing, not interchangeability, recognising that different forms of provision serve complementary purposes. It supports more fluid movement across the AQF, treating qualifications at the same level as genuine peers, distinct from progression up and down levels and reinforcing a more coherent and connected system.
 - For parity of standing to be meaningful in practice, learners and employers need clear guidance on what each qualification offers and how qualifications at the same level relate, so equal standing translates into informed choice rather than confusion.
- **Principle 8 – Recognition of prior learning and credit transfer as standard practice**
 - Recognition of prior learning (RPL) and credit transfer should operate as standard features of the tertiary system, rather than exceptions, recognising skills developed through work and prior study in Australia and overseas, and applying in both directions between VET and higher education. Making them routine, with clear and predictable rules, matters as much as the principle itself, because arrangements that are technically available but slow or uncertain are rarely used.
 - This reduces unnecessary duplication, lowers the burden and cost of study, and shortens time away from paid work. It is particularly important for mature-age learners returning to study, including those in sectors such as care and support, where a predominantly female workforce has often developed deep expertise through experience.
 - Addressing credit transfer remains a significant challenge between and within VET and higher education, with viability a critical concern for educational institutions. Meaningful progress will require a shift from credit arrangements negotiated bilaterally between individual institutions towards more consistent system-to-system approaches to recognition that respect the distinct characteristics of each sector.
- **Principle 9 – Place-based and regional models**
 - A more connected system should support place-based models that align local secondary schools, VET and higher education providers, and employers, including through co-location, to make pathways visible and build local workforces that have skills that the local labour market needs. Co-location or location-based delivery partnerships are crucial in regional contexts, especially for regional study hubs.
 - These 'home-grown' approaches help address workforce shortages in hard-to-recruit locations and reflect more granular local needs, while signalling to students that viable pathways exist close to home.
 - Some industry sectors are equipment-dependent, and training needs to be provided on industry-standard equipment that education and training providers cannot afford. Design solutions might include access to workplaces and industry sites as learning

environments, which also supports more flexible delivery for workers already in jobs and for learners in regional and remote areas.

- A connected system should enable training to be tailored to regional and end-user needs, with national consistency complemented by scope for local and sectoral adaptation.
- In regional and place-based contexts, effective pathways in regulated or licensed occupations also depend on recognition being trusted by regulators, employers and industry bodies, and on licences, tickets and workplace authorisations transferring with the learner.

- **Principle 10 – Joined-up data to support pathways and outcomes**

- A connected tertiary system can only be steered and navigated if movement through it can be seen. Shared and linked data across the sectors, building on assets such as the VET National Data Asset, would make that movement visible across qualifications, occupations and industries, and across work, licences, microcredentials and further study. Today, that data sits largely apart, making it hard to follow how learners move between VET and higher education.
- Linking tertiary data with workforce and labour-market data is where the picture of pathways into real work comes together. This is where the JSCs contribute, bringing a demand-side view of whether pathways are leading to jobs and where they fall short.
- This visibility has practical payoffs. It supports better training product design, and it lets pathways be articulated and promoted to learners so they can see where a course leads before they commit. It also makes it possible to measure outcomes across the system, including employment, earnings and progression, so the system can be held to account for what it delivers.
- Realising this needs continued investment in linking tertiary and workforce data and in shared dashboards, alongside a common, agreed and comprehensive data dictionary across VET and higher education that can inform consistent metadata on learning outcomes. These are practical enablers of the broader reform, not preconditions for it.

On regulatory settings

Different regulatory approaches across the two sectors, including those between ASQA and TEQSA, and within sectors with national and state-based regulators, can pose practical barriers to cross-sector pathways and dual-sector models. Continued work to reduce duplication and support collaboration will be important, building on the Dual Sector Regulatory Strategy already underway. In practice, this may mean being clearer about what counts as education and what counts as training, so each can be regulated accordingly.

On the AQF

A more connected tertiary system ultimately rests on the AQF as the shared framework for both sectors. Substantial prior work exists, including the 2019 Review of the AQF, whose direction aligns closely with the principles advanced here. The JSCs see merit in revisiting the framework and the unfinished reform directions from that review as part of the longer-term Tertiary Roadmap, so improved credit recognition and pathways are built on a structure designed for genuine equivalence, rather than added to one that was not.

On funding settings

The discussion paper invites views on how funding settings, government-administered student loan programs (including HELP and VET Student Loans) and incentives could be better aligned. The JSCs note that these settings play a critical role in shaping provider behaviour. Funding settings and student loan programs should be designed to support learners' access to formal training by ensuring delivery is viable across all pathways, regardless of institution type. Where viability pressures push providers to converge their offerings, settings should protect the distinct strengths of each sector rather than erode them, so that learner choice is widened, not narrowed.

Aligning funding, student loan programs and incentives will be important to ensure joined-up pathways are supported rather than penalised. Ultimately, lasting reform in tertiary education

depends on reform of the tertiary funding system, which makes the sequencing of that reform within the broader program a key question.

On work-based learning

There is an opportunity to strengthen collaboration across the sectors on work-based learning, from traineeships through to higher apprenticeships and, increasingly, the work placements now embedded in coursework outside the traineeship and apprenticeship system. When done well, this supports continuity of learning and builds stronger relationships between industry, governments and providers. Ensuring equitable access to high-quality placements across VET and higher education, including for regional learners, should be an important part of this.

All of it depends on employers being able and willing to host placements, and the discussion paper recognises that the high prevalence of small and medium enterprises limits that capacity. As a result, the settings and incentives that support employer participation should be designed from a system-wide perspective, recognising the growing demand for placements across the tertiary system. The system should be realistic and proportionate about what it asks of employers, particularly smaller and regional ones. As placements grow across traineeships, apprenticeships and mainstream coursework, a more coordinated, system-wide view of employer participation matters more, not less.

How our principles map to the discussion paper's themes and questions

This section sets out how the principles align with the paper's structure and discussion questions. It summarises the themes and questions in each part of the paper and maps the relevant principles to them, showing how the submission responds to the paper's framing of issues and reform opportunities.

Why a more joined-up system (the case and expected benefits)

- Principle 1 (whole-of-system) and Principle 5 (esteem) speak to the rationale, a single reform agenda and a deliberate lift in the standing of VET.
- Principle 2 (problem-led reform and evidence-led) frames the case for targeting reform where boundaries most constrain outcomes.
- Principle 4 (industry stewardship) frames the productivity and workforce-demand case from the industry side.

The learner journey

- Principle 1 (lifelong learning) and Principle 6 (skills portability) speak to the non-linear journey across occupations, industries and the life course.

Barriers and challenges, entering the system (questions 1 to 3)

The paper asks how to better inform learners about offerings and occupations when choosing pathways, what would tangibly improve parity of esteem between the sectors, and how funding settings could better support learner choice and labour market outcomes.

- Principle 5 (esteem and value) and Principle 6 (portability, occupation-based information) speak to information, navigation and esteem barriers.
- Principle 9 (place-based and regional) speaks to access barriers.
- The note on funding settings speaks to how funding and incentives shape learner choice and labour market outcomes (question 3).

Barriers and challenges, transitioning between the sectors (questions 4 to 6)

The paper asks about effective transitions and how to strengthen them, the support that helps learners move between sectors, and how providers can better inform learners about credit recognition and pathways.

- Principle 7 (equivalence of standing), Principle 8 (RPL and credit transfer), and Principle 3 (common skills language) are central to the credit, recognition and parity that make transitions work.

- The note on the qualifications framework speaks to the AQF as the shared foundation that equivalence and credit ultimately rest on.

Barriers and challenges, strengthening through collaboration (questions 7 to 9)

The paper asks what each sector does well that the other could adopt, what makes cross-sector qualifications and practices hard to sustain and what each sector needs from governments, and where dual-sector models are best suited.

- Principle 9 (place-based and regional) speaks to where collaborative and dual-sector models suit, and the note on work-based learning speaks to partnership models. The note on regulatory settings speaks to what each sector needs from government and how to make dual-sector models easier to sustain.
- Principle 7 (complementary value of each sector) speaks to cross-sector collaboration.

Next steps and reform opportunities (questions 10 to 12)

On what an ideal joined-up system looks like, the strongest reform starts with the needs of learners and the economy in a changing labour market, defines the learning pathways required to meet them, and from those derives the roles of schools, the VET sector and higher education. The connected tertiary system set out in these principles is how those pathways are then delivered. As for where to start, this design work is itself a first-order priority because it sets the terms for subsequent reforms.

The paper also asks how data and information systems could better support learner pathways and outcome measurement.

- Principle 1 (whole-of-system) and Principle 4 (JSC role in governance and architecture) frame how reform should be shaped and the role of key system actors in supporting it.
- Principle 2 (evidence-led prioritisation) speaks to which reform opportunities should be prioritised and why (question 11).
- Principle 3 (common skills language) and Principle 10 (joined-up data) are concrete reform enablers.

In conclusion

The case for a more connected tertiary system is clear and overdue. The JSCs see firsthand the cost of the divide between VET and higher education. A tertiary system that is permeable, learner-centred and responsive to workforce needs would better serve learners, industry and the economy and support Australia's productivity agenda. The task is to start with what learners and the economy need, then build on the distinct strengths of VET and higher education and bring them together to meet those needs.

The principles in this submission describe how we can get there. Several principles focus on the learner's path through the system, treating qualifications at the same level as genuine peers, making recognition of prior learning and credit transfer the norm rather than the exception, enabling learners to carry skills between occupations, industries and jurisdictions, and building place-based provision that grows local workforces close to home. Other principles run across the whole system, such as a deliberate, evidence-based effort to raise the standing of VET, a common skills language we are well placed to help industry adopt, and joined-up data that shows where reform should focus.

A reform on this scale needs a coordinated industry voice at its centre, and that is the JSCs' role. Bringing together employers, unions and governments, we are well placed to direct reform with evidence and to act as stewards, not stopping at naming where the system falls short but helping to put it right. The reform must also work for all learners, including those the current system serves least well, and we bring that lens. The JSCs are ready to help shape the Tertiary Roadmap and play a central role in delivering the connected, effective tertiary system learners, industry and the economy need.

Signatories

The undersigned Jobs and Skills Councils jointly provide this submission.

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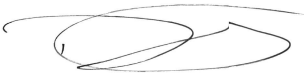
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