



# VET Qualification Reform

## Fact sheet

### What is VET Qualification Reform?

Qualification reform seeks to modernise Australia's system of Vocational Education and Training (VET) qualifications to ensure it is fit-for-purpose, relevant to labour market needs, and can keep pace with the challenges and opportunities facing the Australian labour market and economy.

The reform approach proposed by the Qualification Reform Design Group in December 2024 provides greater flexibility in the design of VET qualifications, that allows for new approaches to describing knowledge and skills outcomes from VET qualifications, while preserving units of competency focused on specific job tasks or functions for those occupations and industries that require them.

This nuanced approach recognises the different purposes of training, while offering new models of qualification design that maximise the benefits that VET offers to learners and industry.

### What are the key changes introduced by the reform?

The reform introduces several key changes to Australia's system of VET qualifications:

- Moving to a qualification-first approach, based on designing a coherent body of knowledge and skills, rather than the traditional unit-first approach focused on developing a large range units of competency to reflect all functions and tasks, which are then packaged into qualifications with lengthy electives of varying use.
- Providing choice to qualification developers when designing qualifications – through new templates – to either describe job functions and tasks, or to describe the knowledge and skills outcomes obtained from training to support adaptability.
- Consistently embedding foundation skills as a holistic outcome of a qualification, rather than as a narrow component of every individual unit of competency.
- Strengthened principles to underpin development of VET qualifications, including drawing on data and evidence, removing duplication and unnecessary specification to enable flexible and high-quality delivery, and drawing on broad industry and educator expertise when developing qualifications.

### Why is qualification reform needed?

The underpinning approach to Australia's system of VET qualifications has remained largely unchanged from its establishment over thirty years ago, based on the premise of codifying job tasks and functions into units of competency, which are packaged into qualifications and aligned to the Australian Qualification Framework.

This approach of codifying specific occupations has delivered significant benefits to millions of Australians, particularly for relatively stable occupations such as traditional trades, but has also experienced challenges in responding to newly emerging and knowledge intensive occupations.

Utilisation of VET qualifications is concentrated – 80% of all enrolments are in 200 qualifications, with the remaining 20% scattered over 1000 qualifications –and, as a result, large parts of the economy are not realising any direct benefit from VET. Reform offers new approaches to design training for the increasingly diverse needs of different industries across the economy.

In addition, reform is needed to ensure Australia’s system of VET qualifications delivers a greater balance of transferrable skills and knowledge alongside industry or occupation specific technical skills – which in turn will present additional career pathways for VET graduates, and new opportunities to simplify Australia’s complex system of VET qualifications.

### **When will reform occur?**

Reforming Australia’s system of VET qualifications will be undertaken through a phased approach, with new templates becoming available for use by developers from 1 July 2025.

Jobs and Skills Councils (JSCs) will be able to utilise these as part of their training product development activity, which is set out in their respective annual training product development plans developed in May each year, and which will be bought together into a national schedule in July 2025. It is anticipated that reformed qualifications will be available for delivery in 2026.

Implementation of new approaches will move at different speeds for different industries – some industries may opt to continue to use existing unit of competency approaches, while others will look to new models that deliver better outcomes for their particular circumstances.

To support coherence across the system of VET qualifications, the initial phase of reform will include a tripartite stewardship group that facilitates collaboration, provides guidance and advice to Jobs and Skills Councils and governments on the development of the national schedule, and monitors collective impact of reform.

### **What does this mean for Jobs and Skills Councils?**

Jobs and Skills Councils (JSCs) have been established to provide national industry leadership to drive strategic workforce development and help address Australia’s economy-wide skills shortages.

JSCs will play a central role in qualifications reform, drawing on their deep industry networks, findings from their strategic workforce planning activities, and advice on government priorities to identify opportunities for improving their suite of VET qualifications and units of competency, which will be set out in their annual training product development plans.

These annual training product development plans will continue to form part of a structured change program to implement the reforms to ensure the VET system is able to deliver direct benefits to more employers and individuals across the economy.

### **Where to go for further information?**

The Department of Employment and Workplace Relations’ website remains the best source of information relating to activities and updates for VET Qualifications Reform - [www.dewr.gov.au/skills-reform/vet-qualification-reform](http://www.dewr.gov.au/skills-reform/vet-qualification-reform).