This paper is the first instalment of the fast-tracked foundational work on micro-credentials agreed to by Ministers at the 22 November 2019 COAG Skills Council meeting. The purpose of the paper is to explore issues on the use of micro-credentials in the national VET system to better respond to student and job-need.

This work fits under the COAG VET Reform Roadmap and when completed will deliver an agreed definition of micro-credentials in the VET sector and an operational framework for how micro-credentials function in the national VET system. This will complement work being undertaken by the Australian Qualifications Framework following the Expert Review and in the higher education sector.

This consideration of micro-credentials in the national VET system will be explored in the context of dual pathways between the higher education and VET sectors.

**Definition**

The Australian definition for micro-credentials will draw on research and international experience. Some examples of definitions for consideration are as follows.

**AQF review**
The Review used the definition developed by Emeritus Professor Beverly Olive: 

*A micro-credential is a certification of assessed learning that is additional, alternative, complementary to a component part of a formal qualification.*

**ASQA (2015)**

*... a single unit of competency or a combination of units of competency from a training package which link to a licensing or regulatory requirement, or a defined industry need.*

**NCVER**

*In the Australian VET space, skill sets is the terminology usually applied to single units or combinations of units of competency from a nationally endorsed Training Package which link to a licence or regulatory requirement, or a defined industry need.*

**New Zealand**

*A micro-credential certifies achievement of a coherent set of skills and knowledge; and is specified by a statement of purpose, learning outcomes, and strong evidence of need by industry, employers, and/or the community. They are smaller than a qualification and focus on skill development opportunities not currently catered for in the regulated tertiary education system.*

**Nous**

Nous, in its briefing paper on micro-credentials for the Victorian Department of Education and Training in June 2019, used the following definition: 

*A means of certifying attainment of a discrete module of learning undertaken, in a short time frame, to support a learner’s employment or education goals.*

**Business Council of Australia (2018)**

*A micro-credential can take many forms. At its smallest, it is a single module, subject, skill or competency, but it can also be a suite of skills or knowledge, or a skill set. Some micro-credentials may have a form, such as skill sets defined within a TP, while others could be specific to an individual company or an individual learner.*
Key points on how short forms of training currently operate in the national VET system

**Context**
- Nationally recognised full qualifications are the primary means of providing tertiary education. Full qualifications are designed to provide students with a rich educational experience, supporting both strong outcomes for the student and labour market mobility.
- Micro-credentials play a role in a range of settings including work readiness, upskilling and reskilling, transitioning workers and additional skills outside the qualification.
- Both accredited (where the credential could be counted toward a nationally recognised qualification) and non-accredited (digital badges, vendor/professional credentials) training play a role in skill development.
- Any funding by governments is targeted to social or economic needs that generally are not sufficiently serviced by fee for service markets.

**Development**
- Individual units of competency used to develop accredited short form training exist on the National Training Register.
- There must be strong evidence of need from employers, industry and/or community for new units to be developed.

**Assessment**
- All accredited training is assessed.
- Recognition of prior learning process apply for any non-accredited training to be counted towards a qualification.

**Recognition**
- All nationally recognised training is reflected on a student’s statement of attainment linked to the unique student identifier (USI).

**Questions for consideration**
- Should the definition encompass both VET and higher education or be specific to VET?
- Are there any other examples locally or internationally that should be considered in forming the definition?
- What else should be considered in developing the definition?
- What needs to change to support the operation of the definition in all settings?

Please provide your input to tertiary.education.national.reform@edumail.vic.gov.au by 20 March 2020.