

# National Centre for Vocational Education Research

## Unique Student Identifier Project

### Report on Stakeholder Consultations

July 2011



THINKING

DOING

LEADING



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## 1 Executive Summary

The National Centre for Vocational Education Research (NCVER) commissioned The Nous Group ('Nous') to undertake stakeholder consultation, to inform a detailed business case for a Unique Student Identifier (USI) for the Vocational Education and Training (VET) sector. Nous interviewed 30 key stakeholders in several jurisdictions to obtain a cross-section of views, and received 850 responses to a survey of VET students in New South Wales. This summary report provides an overview of feedback received through this consultation.

The primary finding is that there is strong support for the concept of a USI among VET students, peak bodies and policy-makers, with more mixed views from Registered Training Organisation (RTOs) and regulators.

**The USI will support ongoing reforms to the VET sector** – the majority of stakeholders saw that the USI would be a very useful tool in supporting reforms in the VET sector, including a more evidenced-based approach to policy and planning and the ability to create new student-centric innovations.

**The USI is seen as important but not essential** - providing longitudinal data and enabling other initiatives whilst at the same time potentially reducing administrative burden were seen as important for the future of the sector. Few stakeholders considered the USI essential, primarily because there could be other ways to improve data and there are other initiatives that are potentially more important.

Several key concerns surfaced in the course of the project. These include:

- Purpose and Scope – relatively few stakeholders had a clear understanding of the purpose and scope of the USI. Other stakeholders had some understanding but deeply doubted the ability of the government to deliver and implement the project. The project clearly has an opportunity to clarify the purpose, refine its scope and communicate this widely through its stakeholders.
- Privacy concerns – the protection of an individual's privacy was of moderate concern to some and critical concern to a few stakeholder groups.
- Governance – effective and transparent governance, which likely incorporates a new entity to “own” the system and its associated policies and processes, is considered crucial to the creation and maintenance of high quality, secure data.
- Cost of compliance – for many RTOs the cost of the system is a strong concern and they are nervous about further additional costs. Some peak bodies indicated they would be prepared to lobby for government assistance to RTOs to ease the cost burden of implementation.
- Students, RTOs and ownership of data – there is a tension between students desiring ownership and management of training information and RTOs requirement to submit fully compliant data in support of student-centred based training models.

Nous considers these issues will require further consideration and, ideally, more comprehensive consultation with those most directly impacted.

## 2 This project in context

In February 2011, the Council of Australian Governments (COAG) endorsed a preparatory business case for a USI in Australia's VET system. The business case examined the merits of a USI before recommending further consideration of implementation issues and risks through a more detailed business case. COAG tasked the Data and Performance Measurement Committee with developing this more detailed business case to guide and inform implementation of the USI.

This required the establishment of three sub-projects to inform its work.

- technological scoping
- an investigation into the legal, governance and privacy requirements
- public consultation.

Nous was engaged to conduct the public consultation process. This took the form primarily of one-on-one interviews, 30 in total (see Appendix A). We also conducted a survey of current VET students in New South Wales that attracted around 850 responses (see Appendix B).

In an ideal world, a fully informed stakeholder consultation process would have taken place after both the technical design work and the privacy, legislative and governance work was complete, and after those to be consulted had had an opportunity to consider a discussion paper on the USI. However, this was not possible in the timeframe as COAG is expecting to be able to consider the detailed business case at its next meeting.

Nous encountered highly variable degrees of understanding of the USI, which is not surprising given that some stakeholders have been closer to the development of the USI concept than others. Accordingly, whilst our focus was on implementation issues and risks, conversations with

stakeholders ranged in focus from a first-principles understanding of the drivers for a USI to more specific implementation questions.

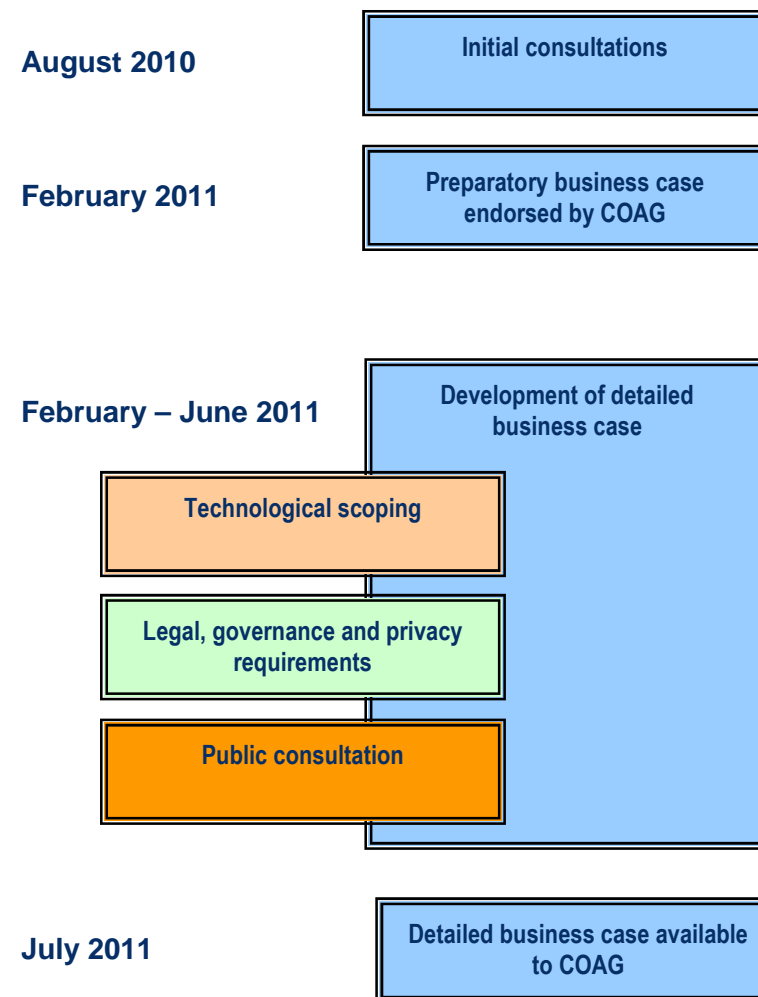


Figure 1 - High level timeline of USI business case development



## 3 There is conditional support for a USI but stakeholders require more detail and a clearer statement of purpose and scope for the USI.

### 3.1 The USI is seen as important but not essential.

Stakeholders were asked to rate the importance of a USI to a) the VET system and b) their own organisation. The majority considered the USI at least “important” to the VET system. With the exception of privacy advocates, the collective view was that the USI supported many reforms in the VET sector, including a more evidenced-based approach to policy and planning, the ability to create new student-centric innovations (i.e. e-portfolios) and potentially reduce the administrative burden for all stakeholder groups.

Policy planners, data users and students were broadly positive about the potential of the USI to improve the operations and support reform of the national VET sector. Privacy advocates and smaller RTOs, however, were more cautious about the concept. In some cases this reflected different degrees of engagement already with the USI proposal, and a desire for more detailed specification about the USI system, processes and governance.

Overall, stakeholders saw the USI as important and potentially valuable but not crucial. It was seen as important to:

- improve longitudinal data, data coverage (e.g. capturing enterprise RTO data) and data quality within the VET system, which in turn can inform policy development and planning
- reduce the administrative burden for some RTOs over time should data flows be two-way
- enable other initiatives in a demand-oriented VET environment, notably the development of electronic records of learner attainment.

It was not seen as crucial because there appeared to be:

- other mechanisms to improve data quality, (e.g. through data matching)
- other VET reforms that were important and possibly of higher priority<sup>1</sup>
- doubts about the short-term benefits to be realised from a USI
- doubts about the ability of government to effectively implement a large-scale national identifier project through to completion.

Several stakeholders were unwilling to discuss potential implementation issues without first addressing the assumptions underlying the value of a USI and expressed the view that alternative solutions to achieving similar outcomes had not been fully and publicly explored.

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<sup>1</sup> For example, for several stakeholders, the ‘bedding down’ and consistent application of the Australian Vocational Education and Training Management Information Statistical Standard (AVETMISS) was a much more important investment and data reform issue at present.



### 3.2 The USI is seen by most as an important enabler of the student entitlement model.

Many of those consulted acknowledged the role a USI could play in enabling delivery of a student centred training model that puts the student at the centre of a marketplace for VET.

Most state training authorities, larger RTOs (i.e. TAFEs), peak education bodies and VET regulators welcomed the alignment between the proposed USI and emerging funding arrangements. Privacy advocates, however, expressed strong concerns about using the USI data to underpin and determine individual training entitlements.

### 3.3 There is an opportunity to clarify the USI's purpose.

The Ministerial Council for Tertiary Education and Employment (MCTEE) agreed in November 2010 to the following purpose statement for the USI project:

*'to record all accredited education and training undertaken and qualifications achieved for each individual who accesses Vocational Education and Training (VET) over his or her lifetime'.*

When the purpose of the USI was discussed in consultations, it became clear that the overarching statement above was deficient in providing a comprehensive picture of the drivers for and expected benefits from a USI. In other words, the statement was more useful in describing what the USI would do than in explaining its intent and value.

The absence of a consistent and clear understanding of the USI's purpose among many of the stakeholders was surprising given the history of the USI's evolution and previous rounds of consultation.

In some cases, this lack of clarity led stakeholders to:

- express concern about the apparent inevitability of the USI's implementation (notwithstanding the development of a more detailed business case)
- develop their own interpretation of what purpose the USI could serve – for example as an authentication system to support new pedagogical methods crossing jurisdictional boundaries.

### 3.4 The scope of the USI could be more clearly articulated.

**The scope of the USI was at times misunderstood.**

Stakeholders expressed a wide range of misunderstandings regarding the scope of the USI's use. Following are some examples of the comments received in interviews:

- *Why are we attempting another central number? Each of the states has systems; why can't they just talk to each other?*
- *As an RTO I cannot trust my students so I need to manage this out[side] of my student management system.*
- *Would students have the ability to access consolidated attainment records?*
- *When will the e-portfolio be available because we need it now and can't wait another 12 months – and it needs to include video capabilities and concurrent editing by more than one user at a time?*

There was also concern that the USI would be confined to the VET sector only:

- *We thought this was a national student number for all sectors (numerous times).*
- *Why is this just for VET? We need a proper education identifier. If you roll the USI through the whole education system sooner rather than later you will deliver maximum benefits and spread the costs.*

Some of these comments came from people who had been previously consulted, and who expressed concern that their input had not been taken into account to date.

### Project phasing.

Nous explained the proposed staged approach to implementing the system in each interview (see Table 1). Most stakeholders were keen to know the timeframes involved in this process and many foresaw a risk of not realising system benefits should the system stall in the early phases.

Interestingly, several RTO and RTO representative bodies indicated that it would be better if any system changes would be made once – in a single swoop - to minimise disruption and cost. There are two possible implications on implementation from this:

- a. the staged approach is not pursued and the system is implemented in full from day one; or
- b. thought is given to designing the underlying technical specifications for the full system so changes can be made once and then successive features of the USI architecture is turned on progressively.

<b>Stage 1: Establishment of the USI register and allocation of a USI.</b>	<ul style="list-style-type: none"> <li>• The establishment of an independent agency to establish and manage a USI register.</li> <li>• Issuing of a USI number to students.</li> <li>• Access to the USI register is limited to USI register staff.</li> </ul>
<b>Stage 2: Retrieval of VET activity and achievement information.</b>	<ul style="list-style-type: none"> <li>• Access to the USI register is extended to staff and training providers through a secure web-interface.</li> <li>• The ability to link student information and achievement data, and potentially provide electronic transcripts.</li> <li>• The facilitation of e-portfolios.</li> </ul>

**Table 1: Two-staged implementation plan.**

### Broader project / system scope creep.

Stakeholders advocating privacy and protection of the individual were greatly concerned that the scope appeared open-ended. At several points during interviews, such stakeholders came back to express “Australia-card by stealth” concerns.



## 4 There were strong views about privacy and governance.

We received very broad responses when asking interviewees about privacy issues and protection of individual information. Some stakeholders within government agencies considered it was “not an issue, we have dealt with this before”. Other stakeholders within government agencies had the opposing view, as did privacy advocates, who presented extreme concerns.

Those stakeholders who expressed concern (as opposed to extreme concerns) about privacy believe issues can be addressed through proper and secure database management, and with good governance arrangements that include clear protocols for the acceptable usage of the USI number and associated information.

Other stakeholders are looking for stronger protections, however. Several argued for legislation to underpin the system, setting out the intent and allowable uses for the USI. This, in addition to a statement of commitment from MCTEE sooner rather than later, would go some way to allaying fears of scope creep.

### 4.1 Access to the USI information is contentious for some, but their issues are considered manageable.

Unsurprisingly, there was a divergent view between stakeholders, including students, on who should have access to the data. For a number of RTOs and VET system regulators the ability to access personal information for their own records was seen as one of the key benefits to them:

- For RTOs the benefits come from an opportunity to reduce administrative burden by linking the USI register to their own student management systems.
- For regulators, there is a perceived benefit in spotting, in virtual real-time, any uptick in enrolments at an RTO which might imply

fraudulent practices. This functionality will not be part of the USI proposal however.

Employer groups also saw the ability to have a trusted and complete source on a prospective employees VET records as a significant plus, as it would enhance their ability to assess a candidate’s suitability for a role.

On the other hand there was significant concern among students that they would lose control of their information and would not be able to select (or restrict) the information viewed by others. This was especially important for students that may have had educational difficulties when they were younger and were now trying to improve their circumstances.

#### **There were differing assumptions about who gets to access to what.**

These reactions are all important because they signify different assumptions and preferences about who will be accessing and ‘controlling’ the data.

Some RTOs are assuming they can achieve a reduction in administrative burden over time but we understand that there will be a shorter-term impost on them unless they can shift responsibility for requesting a USI solely onto the student applying. (Our understanding is that this would be an option rather than a requirement.) Again this is a consideration worth bearing in mind in designing the system in detail.

#### **And who gets to ‘own’ attainment records.**

Finally, students clearly want to have the opportunity to ‘edit out’ their incomplete courses or more historical data. This does not appear to be possible on the basis of current design assumptions, and from an employer perspective, this is not necessarily desirable. In designing the



implementation path, it will therefore be important to strike a balance between maintaining data integrity and also, where justifiable, have some records expunged.

With students as the strongest advocates for the USI, addressing this latter point will be important, but not easy. It suggests the need for a separate process and governance arrangement to deal with ‘exceptions to the rule’ about maintaining complete and unadulterated transcripts.

## 4.2 Good governance of the USI system will be essential.

While a parallel consultancy was exploring issues of governance separately, as with privacy issues, stakeholder interviewees were happy to express a view on this issue in the context of considering USI implementation risks and opportunities.

### A new organisation maybe required to oversee the system.

Stakeholders provided a mix response to the question of who should be responsible for maintaining the USI data and infrastructure. There were those who argued that the role fitted with NCVER’s current mandate. Others thought that the Department of Education, Employment and Workplace Relations (DEEWR) should ‘own’ the system, especially if the goal is to expand the USI to schools and higher education. There were also one or two suggestions for the Australian Curriculum Assessment and Reporting Authority (ACARA) to have oversight, and several ‘don’t care’ responses.

Option	% of Responses
A new agency specially established to manage the USI system	30%
NCVER	22%
Department of Education, Employment and Workplace Relations	22%
Other	26%

Table 2: USI organisation options.

Several stakeholders suggested existing data collection agencies, such as Centrelink, the Health Insurance Commission or the Australian Tax Office as potential managers of the system given their expertise with large and complex databases and their experience with privacy issues and protections.

Just under a third of respondents though thought a new independent authority should be established to implement and manage the USI system and ensure proper oversight. For these stakeholders a dedicated agency, properly resourced, offers the best governance option.

Students weren’t specifically asked about who they thought should ‘own’ the USI system but many of their privacy concerns related to the potential for the Government to look at their information for other purposes. A statutorily independent body might assuage these concerns.

## 4.3 Maintaining data accuracy is seen as crucial.

Data accuracy was a significant concern to the stakeholders interviewed. The ability to maintain data quality within a USI system is seen as critical to ensure that the benefits of having the system are maximised. A feature of the current VET planning system is that it is done on at best incomplete and at worst inaccurate information. If the USI was extended to allow



assessment of student-centred funding models within the sector then, according to stakeholders, nothing but 100% accuracy would be required.

#### **4.4 Explanation of the back-loaded cost-benefit will help with general acceptance.**

Several stakeholders queried how long it would take to obtain the return on investment in the USI given that the infrastructure costs would all be up-

front. There was a risk that the longer term benefits would not be realised at all.

Many noted that if the USI were to be expanded to all education sectors, the benefits would be more evident to more people more immediately. This will clearly add to up-front costs and create greater complexity, but the sooner there was a clear statement of intent about the extension of the USI to other sectors, the easier it would be to make the argument for the initial investment.



## **5 Students strongly support the USI, subject to privacy issues being addressed. RTOs' views were more mixed. These need to be reconciled.**

The RTOs' gain is, in some respects the students' loss. RTOs see benefits from the USI flowing if they are able to access student records and therefore avoid 'double-entry' of data. However, the system would not provide this benefit to RTOs until Stage 2 when transcripts can be extracted from several sources to compile a comprehensive student record. Additionally students would expect to 'own' that transcript and may not want to relinquish their rights to control access to that data by third parties.

### **5.1 Students think the USI is generally a good idea.**

Nous administered a student survey through the NSW TAFE system, with 850 responses received. Students considered the introduction of a USI as a good idea, with real benefits to them. However, many saw potential problems with the USI and were mixed in their views about the implications on their privacy. The survey also showed a preference by students to control access to their information by third parties (see Appendix B).

### **5.2 RTOs are likely to accept the USI if overheads and administrative costs are minimised.**

There was a mixed response from RTOs ranging from indifference to not supporting the concept and most saw little net benefit from a USI. RTOs could, however, see an efficiency benefit accruing from stage 2 onwards as access to recognition of prior learning and previous attainment information becomes more accessible and authoritative. Several RTOs, however, expressed a serious concern that not only would the USI incur an up-front

cost but the ongoing administration would add unwanted burden and create compliance and potentially funding/cash-flow issues. Generally public sector RTOs were more positive while private and enterprise RTOs were less so.

For many RTOs the cost of the system is a strong concern and they are nervous about further additional costs. Several indicated that they would seek assistance if the USI system was introduced. Some peak bodies indicated they would be prepared to lobby for government assistance to RTOs to ease the cost burden of implementation.

Most stakeholders acknowledge the difficulty that potentially could be faced by the large number of smaller RTOs with 'low-tech' administrative systems. But it was also highlighted that larger institutions would incur some cost if there were changes needed to their student management systems, especially if they didn't own the systems they used (i.e. propriety software).

For public sector RTOs (i.e. TAFEs) the point was made that if the USI were to be introduced then they would need adequate lead in times to ensure that they were able to obtain additional funding to fund system changes and ongoing maintenance for the system. They emphasised that in many regional locations it is difficult to obtain the services of appropriately qualified staff to implement system changes, and this could compound any other risks to the roll-out schedule.

## Appendix A Stakeholders consulted.

Organisations Consulted	
(some consultations were with multiple stakeholders within each organisation)	
Academia International	Directions WA
ACPET	Innovation and Business Industry Skills Council
Australian Chamber of Commerce and Industry	NARA
Australian Flexible Learning Framework	National VET Regulator
Australian Industry Group	Qantas
Australian Privacy Committee	SA Health (Ethics and Privacy Policy)
Australian Privacy Foundation	Service Skills Australia
Department of Education and Training (ACT)	Skills Tasmania
Department of Education and Training (Northern Territory)	Skills Victoria
Department of Education and Training (NSW)	TAFE Queensland
Department of Education and Training (QLD)	TAFE SA (Campus Level)
Department of Education Services (WA)	Tasmanian Qualifications Authority
Department of Further Education, Employment Science and Technology (SA)	TVET
Department of Training and Workforce Development (WA)	VETAB
Enterprise Registered Training Organisation Association (ERTOIA)	Victorian TAFE Association



## Appendix B Student survey.

When you enrol in a Vocational Education or Training (VET) course you might get a student number at that institution or one that works within your state. If you do multiple courses you are often allocated multiple numbers. This can create difficulties for some students to keep a consolidated record of their education and creates difficulties for administrators to assess the performance of the VET system and plan for improved educational outcomes.

A new student identification system is being considered. This system would allocate each student a unique number (called a Unique Student Identifier (USI)) which would remain with them throughout their lives and would be used each time they did a new training course. Ultimately, this number may be extended to other education areas and could be given to students when they first enter the education system.

The expected benefits to students of this new USI are:

- It would be easier for you to keep a complete record of your education.
- A reduction in the cost of moving between education institutions by minimising the amount of information that would need to be collected and stored.
- The Nous Group is an organisation that has been asked to find out what current students think of this idea and this short survey asks some questions about what you think.

**VET Student Number Survey**

**\* For each of the following statements, indicate your opinion about it by rating it from 'strongly agree' to 'strongly disagree'. If you genuinely have no opinion please leave it blank.**

	1 - Strongly disagree	2	3	4	5	6	7 - Strongly agree
Having a unique student number sounds like a good idea	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It would be useful for me to have a number like that	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I can see problems with the idea of one number	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The number would help me get credits for modules I have done if I go to another institution	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It would be good to have the one student number to use from primary school all through my education and training	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It would be easier to get a certificate with the one number	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The government might use the number to check on what I'm doing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am worried that someone might use my number for themselves	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
There might be mistakes that link what other people have done to my number	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
If I don't do well in one course I don't want a number that connects me with that	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I don't want people to be able to check all the courses I have done	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**If you agree it would be useful for you to have a unique student number please provide your reasons why below.**

**If you see problems with the idea of one number please list these problems below.**

	No. of Respondents	Ave Score	1 - Strongly disagree	2	3	4	5	6	7 - Strongly agree
Having a unique student number sounds like a good idea.	848	<b>6.26</b>	4.1%	0.9%	0.8%	4.0%	7.8%	13.7%	<b>68.6%</b>
It would be useful for me to have a number like that.	843	<b>5.92</b>	4.3%	2.4%	2.4%	9.0%	8.9%	16.1%	<b>56.9%</b>
I can see problems with the idea of one number.	826	<b>2.98</b>	<b>35.2%</b>	18.4%	12.3%	9.9%	6.8%	5.4%	11.9%
The number would help me get credits for modules I have done if I go to another institution.	826	<b>5.97</b>	3.4%	2.5%	2.2%	7.7%	9.0%	19.6%	<b>55.6%</b>
It would be good to have the one student number to use from primary school all through my education and training.	829	<b>5.61</b>	8.1%	3.9%	3.0%	9.2%	8.9%	14.0%	<b>53.0%</b>
It would be easier to get a certificate with the one number.	818	<b>5.46</b>	5.9%	4.8%	3.8%	16.5%	7.9%	14.5%	<b>46.6%</b>
The government might use the number to check on what I'm doing.	815	<b>4.79</b>	10.4%	6.3%	5.8%	20.1%	14.6%	14.5%	<b>28.3%</b>
I am worried that someone might use my number for themselves.	830	<b>4.25</b>	13.7%	9.8%	10.7%	<b>20.1%</b>	13.9%	13.1%	18.7%
There might be mistakes that link what other people have done to my number.	827	<b>4.35</b>	10.9%	8.7%	10.0%	<b>21.9%</b>	18.5%	13.4%	16.6%
If I don't do well in one course I don't want a number that connects me with that.	821	<b>3.83</b>	19.4%	12.3%	11.0%	<b>21.3%</b>	11.0%	9.7%	15.3%
I don't want people to be able to check all the courses I have done.	830	<b>3.98</b>	19.8%	12.0%	11.1%	15.9%	10.4%	10.4%	<b>20.5%</b>

**Table 3: Student survey results.**