



## **TAFE Community Alliance Submission**

**to the National Inquiry into the role of the technical  
and further education (TAFE) system and its operation**

**March 7 2014**

*“The ever-increasing intoxication of the State with market-oriented policies coincides with a decline in the application of policies that focus on outcomes of inclusion and greater equality. Instead, we are witnessing the wielding of policies that are blunt tools as far as the achievement of their purported ends, but sharp weapons when plunged into the hearts of the households of the marginalised.”*

John Falzon: EVERY BREATH IS A NEW BEGINNING 2013

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## Introduction

The TAFE Community Alliance welcomes the opportunity to provide a submission to the inquiry into the role of technical and further education (TAFE) system and its operation, and to strongly support the TAFE system for its quality, equity, accessibility, caring professional teachers and importance to the well-being and economic prosperity of individuals and communities.

The TAFE Community Alliance is an advocacy and strategy group that recognises the central role of the strong comprehensive public VET provider in the building of social, cultural and economic capacity of communities across NSW. Our website [www.tafecommunityalliance.org](http://www.tafecommunityalliance.org) tells the TAFE story and provides extensive information about our advocacy work, events and has links to relevant research papers. Politicians, well-known citizens and students speak of the value of TAFE. Students detail how useful a TAFE education has been for them, often times life-changing.

On 22 February 2013, the TAFE Community Alliance was launched at Parramatta in Greater Western Sydney. Powerful speeches were delivered at the launch. A quote from one of the speeches highlighted one particular, but enormously important aspect of the work of TAFE. The quote is: "TAFE is well known as the major provider of second chance education opportunities for those who may not have enjoyed successful educational experiences previously. It is the biggest provider of affordable, accessible training in key skills for our communities, especially for people on income support or low incomes and poor transport options. Many communities across Greater Western Sydney will be adversely impacted upon by cuts to TAFE."

If we are to ask the question around what is the role of TAFE, this is how those who attended the launch, and subsequent community forums, saw it:

- TAFE is highly respected and valued by the community
- TAFE is part of the community, providing affordable and accessible training in skills needed by the community and employers
- Community services need TAFE because you can't rely on the non TAFE VET providers. TAFE teachers don't let students fall through the net
- TAFE provides pathways to higher level qualifications
- TAFE is part of the cultural, social and economic fabric of society.
- TAFE is the social justice hub for social mobility and employability in communities throughout NSW and plays a critical role in economic and social development in rural and regional areas

TAFENSW is a quality large and comprehensive public provider in the Vocational Education and Training (VET) sector, meeting the education and training needs of individuals as well as communities. In addition to its role of meeting the **training** needs of industry, TAFENSW has played a primary role in the provision of '**education**' value adding appropriate and timely support services including career counselling and psychological support from the counselling service, disability support in the provision of specialist disability services, effective library

and research facilities, place based VET for marginalised communities through TAFE Outreach, foundation employability skills, multicultural support , second chance education and structured pathways for youth and adults, enabling the broader community the **education and training** needed to live, work and contribute in communities.

Over the last two decades, the focus of the VET sector has steadily shifted from the provision of 'education' to 'training'. This has come at a high price for many people in our communities: unemployed/disengaged youth, socially and economically disadvantaged adults, women, people with disabilities, those from non-English speaking backgrounds/migrants, remote and regional communities, adults and youth involved in the justice system and people who missed schooling/education at the appropriate age (for many and varied reasons). For these members of our community who are locked out of the employment market, training and a punitive employment services system does not facilitate their entry.

The implications resulting from the loss of 'education' from the 'Vocational Education & Training' sector, coupled with increasing competition, impacts on each and every term of reference of this Senate inquiry into TAFE. The results of the failure to recognise and fund 'education' in the VET environment are already appearing in TAFE systems across Australia:

- appalling retention rates of apprentices
- the increasing misuse and reliance on-line delivery to reduce costs
- the decline of face-to-face delivery
- assumption that all users have access to and can use technology
- decline of statement of attainment and lower level courses that build foundations and create pathways for people to more advanced courses/qualifications – these programs and pathways increasingly relegated to a poorly resourced and fragmented not for profit sector
- increasing tendency to link literacy and numeracy to specific industry based training programs (Certificate IV Language Literacy & Numeracy to be the required qualification to teach literacy and numeracy and the preference given to 'up skilling' vocational trainers to become Language Literacy and Numeracy specialists<sup>1</sup>)
- lowering qualification standards of those delivering in the VET sector; the push for VET employees to be 'trainers' not 'teachers'

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<sup>1</sup> Currently LLN is taught in TAFE by specialist educators who understand the underlying basis of LLN problems, whether they be foundation skills based, &/or based on disability. There is no scope in this paper for a discussion of the difference between the teaching of literacy (reading) and numeracy versus the training in vocational literacy. A lack of understanding of this difference has monumental implications for those young people and adults who do not have reading skills at a level that would enable them to participate in the modern world of work.

- reduced recognition of, and funding for, support services such as counselling and disability support required for successful completions for those with life and health barriers (neither of which are available in private training organisations)
- reduced emphasis on research and the need for libraries
- assessment of competent/not competent based primarily on skills assessment without addressing underpinning knowledge and/or capacity to transfer knowledge and skills (i.e. training versus educating);
- reduced offering of Higher School Certificate (HSC) and Tertiary Preparation Certificate (TPC) for those youth and adults seeking access to general education as a precursor to further education;
- focus on industry training and deletion of courses that are not seen as industry based;

## Points of Reference

### a) The role played by TAFEs in:

#### *i. Educational linkages with secondary and higher education*

TAFE NSW has critical linkages with **secondary education**. TAFE NSW provides recognition of vocational training undertaken at school, as well as providing essential networks to assist young people make the transition from school to post school pathways:

- TAFE Colleges are inextricably linked with local secondary schools. TAFE colleges and schools work together to build the social, economic and cultural capacities of local communities. This allows the development of lifelong career and vocational education planning for school students and their families. There are more than 1500 VET courses. Deciding between them can be overwhelming and confusing. Many people are unclear about their career direction and are therefore unclear about what TAFE / VET course would suit them. Many school students have had educational difficulties or disadvantage, and need specialist help to plan and continue with their education and training.
- Staff in TAFE Colleges plan and liaise with careers advisers, TVET Co-ordinators, Careers Advisers and teachers to assist students exiting the school system. TAFE representatives actively participate in careers markets, career planning sessions such as subject selection information sessions with parents and students. TAFE Colleges provide Open Days and career events for school students, the broader community and industry. These connections and events are co-ordinated within TAFE Institutes and are an important component in the early career development of young people. It is critical to have a VET system with a strong brand identity such as TAFE, so that young people have an awareness of the comprehensive range of possibilities and lifelong education pathways into VET and further education.
- TAFE Colleges work together with Careers Advisers, School Counsellors, Home School Liaison Officers and School Principals for collective impact (collective impact is a coordinated approach that brings organisation together from across government, community and the business sector to solve difficult social issues and achieve important social change) in assisting disadvantaged young people, young people at risk – those disengaged or disengaging from education- as well as young people with a Disability. TAFE's specialist staff (Counsellors, Outreach Co-ordinators and Disability Consultants) liaise with these school staff to assist disadvantaged young people in making the transition from school to training to work:
  - TAFE Counselling and Career Development services work with future and enrolled students who are having difficulty with course and career decision making and learning. TAFE Counsellors are required to have detailed knowledge of secondary and post-secondary training systems. These post-secondary systems might include VET training, adult basic education, access educational programs and Higher Education systems. TAFE Counselling and Career Development Units provide an integrated service enabling assessment of educational and learning capabilities and difficulties, career decision

making capacity and psychological preparedness for study, as well as providing integrated, targeted support with these issues through all phases of learning. TAFE Counsellors also assist students to overcome the barriers created by the full range of psychological, psychosocial and interpersonal difficulties.

- Specialist Disability services bring expertise to understand the impact of particular disabilities on learning and provide targeted educational support to students as appropriate (consider the needs of a student with cognitive problems as a result of drug dependency, compared to the needs of a student with a severe learning disability, or the needs of a student with epilepsy, or a student who is blind). They work with specialist support staff in Transition to Work Programs for students with a disability who are transitioning from High School, as well as with TVET students.
- TAFE Outreach Coordinators teachers engage the most disadvantaged students in a professionally supportive environment using adult education strategies and customized programs. These programs are designed for specific groups are disproportionately drawn from disadvantaged Australians including the indigenous community, people with disabilities, early school leavers, culturally and linguistically diverse communities, low skilled older people without qualifications, individuals from socio-economically disadvantaged families and those experiencing significant life disruption (Davies, Lamb & Doecke, 2011)
- Course information officers who have guidelines for referring confused or uncertain prospective students to the relevant TAFE support service

This comprehensive educational framework enables the identification and assessment of students or future students who will most likely have problems with choosing appropriate courses and/or engaging in and completing their studies. TAFE can then implement high quality targeted support for student to achieve industry standard course completions and effective citizenship. By being embedded within TAFE Colleges, these support services are able to build a depth of knowledge about vocational training as well as linkages with teachers in various industry areas and vice versa. This informs the service and VET provision for future and current students, particularly those with complex needs.

TAFE Institutes also have comprehensive systems for ensuring early school leavers are appropriately placed and supported in TAFE courses, for example, early school leavers are required to have permission from their school principal and parents and are required to demonstrate sufficient literacy and numeracy skills to study at TAFE. All staff are trained to identify early school leavers and to provide them with appropriate support.

TVET (TAFE delivered Vocational Education & Training) programs are an important ingredient in the vocational training of young people, contributing to a broader range of training options for young people less suited to a highly academic program and more suited to practical 'hands on' training while still at school. Attending TAFE Colleges exposes school students to the adult learning environment and the broad range of vocational choices available.

TAFE is well known in the community as a place of second chance education. For young students where the school system has failed it is widely known there are educational opportunities at TAFE. Until recently, young people could study either an alternative Year 10 program or an AQF qualification at Certificate II level which provides the equivalent of a Year 10 qualification. TAFE has also, until recently, provided a network of colleges delivering the Higher School Certificate or the highly valued alternative Year 12 program, the TAFE Tertiary Preparation Certificate. These educational programs have successfully provided opportunities for young people who missed out on a satisfactory mark in their HSC due to problems related to health or social disadvantage. An example is a young woman with drug and alcohol problems, who performed significantly under par in her HSC, did not obtain entry to university but repeated her HSC at TAFE (having been excluded from school), and, with professional education support, successfully obtained a place in University. TAFE delivered HSC or TPC programs also provide an excellent opportunity for young people (among others) to gain essential higher-level foundation education skills while identifying strengths and interests to assist with realistic career planning.

TAFE provides a sense of hope and possibility for young people for whom school has been difficult. In an unpublished study of students in Year 11 in an inner city High School, those who had difficulty with engagement and had less clarity about their future direction were aware that “all I know is that if I go to TAFE there must be an option from TAFE to university...I really wanna work myself up to that’ and another student noted ‘I want to study and get a job... I think TAFE might be easier first, to get used to it’. In this study, many young people had difficulty identifying their plans for future work and study but knew where to go for assistance with engagement and career planning.

TAFE provides effective customised programs for youth at risk of leaving school in collaboration with schools and other community partners. Successful outcomes of these programs include higher school attendance, identifying work, study, career options and appropriate support services and motivation to finish school.

The delivery of ‘education’ in TAFENSW is one of the key priorities if TAFE is to have a continued role linking to schools and higher education. For those adults seeking ‘second chance education’ TAFE has played a pivotal role in providing pathways in general education that have had direct links to continued studies, either further VET qualifications or higher education. Tertiary Preparation Certificate IV provides the access to higher education and/or further VET qualifications.

TAFE NSW and TAFE Institutes have an established system of pathways for entry to University as well as for advanced standing at University where students’ grades meet eligibility requirements. TAFE keeps abreast of requirements for entry to Higher Education, and consults and develops agreements with universities about recognition of Diploma and Advanced Diploma level courses for admission purposes and for advanced standing and to ensure quality of TAFE courses both for entry and recognition for Higher Education as well as quality for the workplace. These services also arrange recognition of the TAFE Tertiary Preparation Certificate, a highly effective matriculation level qualification for entry to university.

As noted in the quote from the young person above, it is known within the community that TAFE not only provides training and qualifications for work but also provides a pathway to higher education. Studying TAFE Diplomas and Advanced Diplomas enables the majority of students to gain the practical skills and confidence to then progress to University. Feedback from Universities has noted that TAFE graduates are frequently excellent students as they have a prior understanding of the industry, which informs their learning. This is an important pathway as Australia seeks to increase the numbers of people completing Higher Education. It ensures that a level of training is successfully completed before progressing to Higher Education. Recent anecdotal evidence, however, reinforces the need for quality delivery of training at Diploma level. There has been some question that universities will not accept training delivered in too short a time frame as academic rigor cannot be guaranteed. The current competitive pressure to reduce the cost of training by shortening the lengths of Diplomas or reducing the amount of training hours delivered may have unintended consequences on the flexibility of pathways through the training and education system to Higher Education.

TAFE Institutes also work collaboratively with Universities to ensure students are achieving adequate entry skills to successfully complete their courses. A recent collaboration with a Sydney based University involves a metropolitan Institute in NSW focusing on developing the Mathematics skills of its Diploma students and students doing the Tertiary Preparation Certificate to ensure readiness for relevant university courses such as Engineering.

TAFE staff, with a public commitment to education for the community, also assists students in planning and applying for Higher Education. Relevant staff (TAFE Counsellors and Disability Consultants) are able to track the progress of students experiencing disadvantage and/ or disability, assist these students to successfully complete their courses and apply for Educational Access Schemes to University. TAFE Counsellors provide annual workshops to assist TAFE students apply for university courses.

## Case Studies

**CASE STUDY:** The high achievement of TPC students from TAFENSW, Sydney TAFE, clearly demonstrates the success of this program in linking to higher education (more so than any other TAFE program).

See: [Tracy](http://tcastories.blogspot.com.au/Jude) <http://tcastories.blogspot.com.au/2012/12/remarkable-achievements-through-tafe-nsw.html>

**CASE STUDY:** An indigenous student with disability (Asperger's Syndrome and ADHD) had basically not attended high school for behavioural reasons. She had very poor reading skills and only basic number concepts. She approached TAFE about doing Photography but was encouraged to do further general education prior to Photography (because of the literacy and numeracy demands of the course). She enrolled in TPC and completed her course over a two (2) year period with disability support. She is currently studying Engineering at UNSW having gained entry on her own merits.

**CASE STUDY:** A Year 12 student was involved in a motor vehicle accident early in the year. He sustained an acquired brain injury and did not succeed in his HSC. He came

to TAFE and enrolled in TPC. He received support from both the Disabilities Unit and the Counselling Unit. He successfully completed TPC and on the strength of his results gained entry to Sydney University School of Physiotherapy.

**CASE STUDY:** A young woman with ADHD and severe anxiety completed 3 units of her HSC in 2013 at the Ultimo campus of Sydney TAFE. She has been forced to transfer to Bradfield this year, as Sydney TAFE did not offer an HSC program at the Ultimo campus, even though it is the biggest campus in the Institute. The deletion of this course offering was part of a business reform agenda that resulted from the imminent implementation of Smart and Skilled in NSW.

HSC offered through TAFENSW provided an opportunity for many students who had not completed their general education for reasons including:

- students who did not achieve the university entrance rank they needed to qualify for the higher education program of their choice
- students who, for many reasons, did not succeed in school based programs
- students who had missed much of their high school education
- students who wanted to do VET courses in addition to an academic study program

Industry now has a major voice in VET in terms of curriculum and delivery. As already discussed, this has come at the cost of education and with significant implications for the continuation of TAFE's capacity to maintain educational links with secondary and higher education. This is exacerbated by government funding being increasingly directed towards industry based training and not second chance and/or general education. The TAFE Community Alliance calls on the Inquiry to ensure that funding is restored to TAFE in order that it can continue to carry out these important functions that support students and ensure effective pathways between TAFE and schools and universities.

## *ii. The development of skills in the Australian economy*

TAFE has played a critical role in developing skills for Australians of all ages in an increasingly fragmented education and workplace environment. TAFE has been accessible, with the ability to provide a wide range of courses at a range of levels and skills development required by students, community and industry. TAFE delivers nationally recognised Training Packages, customising courses for community and industry. Alongside college based VET TAFE takes VET delivery to the workplace or the community.

Industry is increasingly calling for workers with transferable skill sets. **Training** focuses on developing a skill/set of skills to use in a specific set of circumstances. **Education** focuses on understanding and knowledge that underpin a skill/set of skills and thus enables a learner to adapt the skills in a variety of vocational contexts. Educating implies deeper knowledge, innovative thinking and problem solving capabilities.

TAFE Community Alliance supports TAFE teachers in ensuring that courses include theory and underpinning skills and knowledge that students will need not just for their immediate careers but also for future careers. We support education and training for broad occupational capabilities as well as required the necessary technical skills rather than narrow workplace based competencies.

TAFE Community Alliance supports a VET system with highly qualified educators providing Australia with the skills and knowledge they needed to compete economically with other countries. Overseas experiences have shown that most successful economies have adopted this position. For VET to maintain its value as an export there needs to be ongoing recognition of the integrity of our qualifications.

The Alliance's concerns are shared by Professor Terri Seddon from Monash University. In an interview with John Mitchell for Campus Review, she states her belief that the VET sector has a public responsibility to meet not only the policies of governments, but also the learning needs of different groups within society. "There is a tension," she says, "between contestability and the business end of VET, and the educational work that needs to go on." She, like the TAFE Community Alliance, challenges governments to reposition education work as the most important aspect of VET.

*iii. the development of opportunities for Australians to improve themselves and increase their life, education and employment prospects*

THE TAFE Community Alliance strongly supports the role of vocational education and training in facilitating Australians in a holistic way to improve themselves and to increase their life, education and employment prospects through lifelong learning. TAFE has been a valued provider for all. TAFE provides hundreds of thousands of Australians with the dignity, security and self-worth that flow from successful participation in education and successful engagement with the workforce and society generally.

The VET sector attracts disproportionately more disadvantaged learners than any other educational sector. From Skills Australia 2011, this table compares the proportion of disadvantaged students in VET and higher education:

	<b>VET sector (%)</b>	<b>Higher education sector (%)</b>
Indigenous	4.3	0.8
Non-English speaking home	12.1	3.8
People with disability	5.9	4.1
Low socio-economic background	29.2	15.0

TAFE is the key provider of quality effective education and training. TAFE strategically achieves collective impact (collective impact is a coordinated approach that brings organisations together from across government, community and the business sector to solve difficult social issues and achieve important social change). TAFE is committed to collective impact and engages a diverse group of students across the lifespan, all of whom require ongoing funding. These include:

- equity groups referred to above, mature aged students needing to upgrade their skills due to changing workforce demands, young people such as the youth at risk who are sent to TAFE because a school education has failed them, people with complex needs requiring expert support to achieve potential which can lead to greater financial independence and other public benefits
- apprentices and trainees, some 25% of TAFE students, enormously important in providing the skills and trades this country needs into the future
- those seeking second chance education which can provide pathways to university education, having previously missed out
- TAFE itself offers higher education degrees generally in niche areas not catered for by universities, or in partnership with universities capitalising on the expertise of the individual educational sectors

Communities have invested enormously in TAFE over the years. Current policies put the future of TAFE in jeopardy, in particular those promulgated in the National Partnership Agreement. The TAFE Community Alliance hopes that this Inquiry will redress these problems and restore the value of TAFE as the public provider and dominant provider of

VET. Having a coherent and accessible TAFE system makes it easier for the community to engage in VET.

TAFE NSW takes a multifaceted approach to addressing skills growth, personal development and social learning while providing appropriate learning environments with clear pathways in an accessible manner. 'The Complete Package – the value of TAFE NSW' (Allen Consulting Group 2006) found this to be responsive to industry, community and students, achieving outcomes key to 'remaining competitive and maintaining and enhancing community prosperity' beyond the capacity of other RTOs. Such an educational sector should be properly supported and funded by all governments.

- TAFEs have provided training and education in communities, classrooms and workplaces for many decades. In many rural and remote communities the TAFE College has provided a central hub for post school learners
- TAFE NSW Outreach plays a significant role in working with local communities to engage people who might not otherwise see further education and training. It has over 23,000 enrolments per year
- Whilst a competitive training market may increase employment prospects for Australians in that it enables training in specific skills that are currently demanded by industry, it fails to provide opportunities for self-improvement and 'education'. Once again this point of reference refers directly to the training versus education debate. How does this focus leave Australians in a globally competitive economy compared to other nations' focus on education?

**CASE STUDY:** The intersection of circumstances can have devastating outcomes. Jude was a 53-year-old Koori woman who had escaped 28 years of domestic violence, recovered from cancer and was a single parent on the brink of homelessness. Jude's life changed when she was able to develop opportunities through TAFE. She completed her Tertiary Preparation Certificate at Blue Mountains TAFE, achieving a result of 94.7, which got her entry into the Sydney University Teacher training. "My daughter has epilepsy. It makes life difficult sometimes. When I broke my ankle working at Jenolan Caves, I couldn't pay my mortgage and lost our house. If you want to break the cycle of poverty, you have to give people proper access to education. TAFE is wonderful because it makes allowances for people including those with mental health problems".

(<http://tcastories.blogspot.com.au/2012/12/remarkable-achievements-through-tafe-nsw.html>)

*iv. The delivery of services and programs to support regions, communities and disadvantaged individuals to access education, training and skills and, through them, a pathway to further education and employment;*

From the mid 1970's TAFE quickly developed a key civic responsibility to ameliorate social and economic disadvantage in the broader community. TAFE has a strong and proud history of interpreting and implementing government legislation, policies and strategies that assist the disadvantaged to actively participate in the community and access employment, vocational education and training pathways. This process of social inclusion (collective impact) is a complex, multi-faceted process.

**How does social inclusion work?**

Social inclusion aims to address the situation where individuals and groups are excluded from participating in the social, economic and political activity of society as a whole due to poverty, lack of education and other circumstances (Vinson, 2009). Social exclusion is a lack of access to civil, political and social rights and opportunities. The process of social inclusion for the most disengaged learner is a complex and often an immeasurable process. The interplay of inclusive/ exclusive factors work along a social trajectory, so much so that education levels, work skills and participation in employment, level of income, the rates of disability, indicators of child care and observance of the law, among other measurable attributes, tend to operate like a constraining web in unfavourable circumstances, or like a trampoline thrusting people upwards in more favourable circumstances (Vinson, 2013).

Vinson (2013) identifies learning as an extremely effective way of engaging with adults who have been isolated from both the labour market and other aspects of wider society, and further education has a crucial role to play here. He recommends that it would make economic sense as well as social sense if premium funding were provided for the recruitment and retention of learners from disadvantaged communities. But first it needs to be recognised that even those who engage with learning but do not go into active employment, or are learning in areas not straightforwardly related to their employment, contribute to their communities in other important ways – such as improved civic political engagement, including volunteering, and better health (including mental health) and reduced crime. The value of learning and working in social and community enterprises is often the most effective way of engaging individuals. The value of the men's shed movement is an example of the importance of this learning to work engagement pathway.

Burke and Veenker (2012) from their report on the Victorian VET market identify that more work and research is needed into the funding implications of high needs learners with complex issues. They found that disengaged learners and students needing support have difficulty maintaining commitment to VET without considerable support in and outside the classroom. Careful consideration is needed of the levels and forms of support needed.

TAFE NSW has extensive systems and highly specialised staff who work specifically to develop programs/provide support to learners from a wide variety of cultural backgrounds, educational levels, work skills/employment experience and income levels. TAFE has programs that allow the most disadvantaged in the community access to VET, including but not limited to:

- people with disabilities;
- multicultural communities;
- women;
- ex-offenders/post release programs;
- prisoners in corrective services facilities;
- indigenous programs;
- disengaged youth/early school leavers;
- socio-economically disadvantaged

Davies, Lamb & Doecke (2011) find that low-skill and disengaged learners are disproportionately drawn from key groups of disadvantaged Australians including the indigenous community, people with disabilities, early school leavers, culturally and linguistically diverse communities, low skilled older people without qualifications and individuals from socio-economically disadvantaged families. These learners can have a range of backgrounds and experiences that exclude them from education, training and work including a lack of knowledge of education and training options, low confidence or interest in learning, lack of transport and money, low foundation skills and educational attainment and learning anxiety. Other barriers include family commitments, low income, disabilities, health issues, refugee status, age and childcare.

Community and vocational networks are generally limited compounding low aspiration and an inability to negotiate career pathways. Insecure housing, homelessness and the prospect of low skilled insecure employment are the lived realities of these communities.

Disengagement with education and training erodes opportunities and drivers for people to improve themselves and increase their life and employment prospects. The Victorian Strategic Review of Effective Re-Engagement Models for Disengaged Learners report “profiles the characteristics” of those who have disengaged in education and training and presents a range of effective practices and programs to re-engage them. The report finds contributing factors of disengagement relate to four main areas: access, achievement, application and aspiration. Effective re-engagement models were found to encompass a combination of strategies related to: outreach, wellbeing, pedagogy and pathways.

While the report does not directly address the most marginalised, those with multiple dimensions of exclusion (Frierler, 2001) including people who are experiencing homelessness, people who live with intergenerational disadvantage and people living in social isolation, its findings are congruent with other reports such as:

- **Place-based VET:** (a social inclusion strategy for people who are homeless and at risk of homelessness)
- Fruitful Learning Ecologies: Building Effective Partnerships (productive learning partnerships)
- Embedding Participatory and Transformative Learning in Curricula – from social exclusion to social inclusion

Intergenerational approaches often in collaboration with key community partners and taking advantage of TAFE as the complete package, are achieving outstanding outcomes with a number of groups. TAFE NSW runs effective programs in some of the most

disadvantaged LGAs in New South Wales - at Brewarrina, Walgett, Bowraville, Kempsey and Fairfield. In Sydney's most disadvantaged areas (SEIFA 2011) Ashcroft-Busby-Miller, Bidwill-Hebersham-Emerton, Lethbridge Park-Tregear, Cabramatta-Lansvale and Fairfield, TAFE NSW institutes work effectively developing innovative programs using wraparound solutions and intergenerational strategies to develop opportunities by engaging students in further VET to improve themselves while increasing their life and employment prospects through viable appropriately supported pathways.

TAFE NSW Outreach plays a significant role in working with local communities to engage people who might not otherwise see further education and training. It has over 23,000 enrolments per year. Many of these students are enrolled in engagement or access courses, some are completing one or more level two or three AQF training package units as part of their study in fields as broad as construction, child care, computing, bookkeeping, floristry, media, event management, permaculture, aged care, hospitality, community services and maritime. These adult education programs provide a supported pathway into higher-level qualifications contributed to higher completions for students that pathway into higher level qualifications. In recent times as TAFE has been under pressure to deliver higher level AQF qualifications, the gap has widened for marginalised learners as the leap from access programs into a Certificate III or IV becomes more insurmountable, those who make the leap without adequate support and pathways have a high risk of failing course completion.

The deletion of TAFE Multicultural Coordinators in many Institutes across NSW has resulted in the deletion of courses that once performed this articulation function of delivering vocational courses at Certificate II or III levels providing specialist English and cross-cultural support to ensure high levels of CALD student satisfaction and course completion.

TAFE NSW, like other TAFE Institutes across the country, has a proven history of achieving outstanding outcomes as it has responded to changing demands and needs. An example of such provision is the Pathways to Employment, Education and Training (PEET) initiated in 1999 as a TAFE, Department of Corrective Services and Drug Court collaboration. It is an example of a program developed to meet a need and continuously adapt to changing needs. The program has adapted to broaden its target base. It is designed to be flexible and responsive in order to tailor programs to suit specific groups.

Most people doing this program have not completed studies previously. The program is run across the state in remote, rural, regional and metropolitan areas. The PEET program is linked to appropriate standard TAFE courses or to short term training courses directly related to government agency and local industry needs. The course aims to assist participants identify realistic education and/or employment options; develop a core of basic skills and a sense of self-confidence and self-esteem. It also aims to empower targeted groups by providing equitable access to vocational education and training. TAFE NSW's capacity as a 'complete package' is key to the effectiveness of this program as students gain awareness of services and opportunities they can access to support them in achieving goals. Students are frequently surprised at the possibilities in terms of further study and employment opportunities.

## **b) The effects of a competitive training market on TAFE;**

In the submission from the TAFE Community Alliance to the House of Representatives Inquiry into TAFE's role and operation, we quoted Dr Phil Toner in his interview with John Mitchell from Campus Review in 2012, who in speaking about the problems occurring with the training market in Victoria said: "It's not actually a market, it's a created market, it's a false market, because it's all to do with the use of public funds; they've created a market by basically allocating public funds."

The Alliance wishes to emphasise this point in presenting our views on TAFE and a competitive training market. That Dr Toner's comments are correct can be seen in the significant increase in the number of private providers operating in the vocational education and training market, whilst TAFE's delivery has dropped, in Victoria to below 50% of VET courses.

As of 30 June 2013 there were

- 1,135 RTOs with head offices listed in NSW and
- a further 1,539 RTOs registered to deliver training in NSW. (BVET Annual Report 2012-1013)

As of June 2011 there were:

- 582 RTOs registered to deliver in NSW. (BVET Annual Report 2010-2011).

In other words the number of RTOs has almost doubled, and of these ten are TAFE Institutes in NSW. According to the 2012-2013 BVET Annual Report, 700 RTOs were approved by the NSW Department of Education and Communities, to deliver funded training in NSW. Many of these could expect to receive government funding. VET funding in NSW has been transferred from public to private providers, and as a consequence TAFE NSW has offered redundancies to hundreds of teaching staff with industry areas such as fine arts almost disappearing, the loss of most of its second chance education courses such as the Higher School Certificate (HSC) (75% of provision in some Institutes), reduced offering of the Tertiary Preparation Certificate (TPC), and other areas such as business and accounting seriously diminished.

In attempting to manage its loss of funding TAFE NSW appears to have applied a lens to their course delivery around:

- is the course on the Skills List (and therefore receiving government funding),
- is there a private market with significant numbers of RTOs operating in the area,
- is it vocational and leading to immediate employment,
- is there a Training Package qualification, and is it cheap to run.

In other words the educational and further education part of TAFE is suffering. The impact of an industry led system centred around occupations rather than vocations, and competencies rather than capabilities, along with the creation of a competitive training market, is having a serious impact on TAFE. Not just TAFE NSW, but TAFE Institutes across the country.

Is there a benefit to vocational education and training of operating in a competitive training system? Most of the academics and experts in the field will tell you 'no'. The experiences

overseas do not support a competitive training market. What has been seen in countries such as Britain is that quality of VET qualifications suffer, the costs to students become prohibitive and the outcomes still do not meet industry demands.

Further in his interview with John Mitchell, Dr Toner said, when speaking of the competitive training market:

*“This is the neo-liberal policy trajectory. They deregulate a field, the public sector provider gets screwed up, quality goes out the window and there are consumer rip-offs all over the place. Then there is a push back from the electorate and the neo-liberals are forced to introduce extensive and expensive interventions and intrusive regulations.”*

This has certainly occurred to-date, and yet the Industry Minister Ian Macfarlane has already indicated that he is looking at ways to cut into ASQA, the VET regulatory body, tasked with ensuring standards and quality. It is of considerable concern that the Minister has said, without apparent evidence to back up his views: “The reality is we’ve inherited a system in the skills and training area which is so close to broken that we have regular meetings now with people who say just fix this.” (Australian Financial Review, 12 February 2014). In a 7.30 Report in the same week, he added that: “it is so complicated, it is so heavily regulated, it is so over-audited we’re not getting the results that we need to get’.” Such regulation is necessary where quality educational infrastructure has been abolished, infrastructure such as strong central support curriculum centres with education experts.

Other media reports indicate that the Minister is talking to some peak industry bodies, but very few others. He has established a VET Reform Taskforce, and at its first major consultation did not invite the Unions or the community groups such as ours. The Alliance has considerable concerns as to where such a skewed process will take us. Do we want a VET system that is wholly industry driven? Surely they are only one of the stakeholders for what is after all an education system!

In his address to the 2013 Australian Vocational Education and Training Research Association (AVETRA) Conference, Professor Stephen Billett questioned whether industry understood the business of education. The Alliance is concerned that educationalists who do understand the business of education are being excluded from significant discussions about VET and its future. Would planning for roads’ infrastructure exclude relevant engineers? As a group that represents community members and educationalists, we are in an important position to provide relevant advice. VET is not just about meeting the needs of industry, but also community and individuals.

Professor Billett went on to state that “a worthwhile national VET provision:

- focuses on securing students’ vocations
- engages with and gives discretion to those participating and enacting it (eg. students and teachers)
- has curriculum models and processes accommodating local needs and requirements within a set of national goals, regulations and content

- elevates the standing of vocational education and the occupations it serves, and
- promotes the excellence individuals want, not just the competence somebody else pre-specifies for them.”

The NCVER annual statistics on Student Outcomes (below), based largely on TAFE students, gives a picture of students generally satisfied with their vocational education and training, and certainly not the Skills system in crisis described by the Federal Minister for Industry. Students, unfortunately, are rarely included in consultation around any changes that should be occurring in the VET sector. The students who attend our events and contact the Alliance speak highly of their TAFE qualifications and teachers, and are concerned with the impact of the competitive training market, the loss of local colleges and courses, and the great increases in TAFE fees.

### **NCVER Student Outcomes - Satisfaction and training relevance**

#### **Graduates**

- 87.3% of graduates were satisfied with the overall quality of their training, down 1.8 percentage points compared with 2012
- 90.1% of graduates were satisfied with teaching, 89.0% with assessment and 77.0% with generic skills and learning experiences, down 1.4, 1.2 and 1.4 percentage points respectively from 2012.
- 83.5% of graduates reported they had fully or partly achieved their main reason for training, down 1.3 percentage points from 2012.
- 80.7% of graduates employed after training found the training was relevant to their current job, similar to 2012.

#### **Module completers**

- 85.6% of module completers were satisfied with the overall quality of their training, similar to 2012.
- 89.8% of module completers were satisfied with teaching, 86.1% with assessment and 66.1% with generic skills and learning experiences, similar to 2012.
- 82.3% of module completers reported they had fully or partly achieved their main reason for training, similar to 2012.
- 72.2% of module completers employed after training found the training was relevant to their current job, up 3.7 percentage points from 2012.

The impacts of the introduction of competition have been wide and varied; some resulting in improvements in VET provision but many resulting in worsening opportunities for individuals and communities in NSW:

- To continue to deliver courses, TAFEs have increasingly had to modify delivery modes:
  - reduced face-to-face delivery and indiscriminate increase in on-line delivery
  - shortened hours of delivery risking student’s level of competence and potential success

- the deletion of pathways (less Statement of Attainment lower level certificate programs which provide pathways for school leavers and second chance education); this has occurred despite employers stating the value of these pathways
- increasing focus on higher level programs at the expense of stepped pathways to higher level programs
- less access programs for people with disabilities
- Any improvement in industry based courses has been at the cost of second chance education and entry level pathways.
- Central education support units which provided cost effective, consistent, coordinated, researched and informed consultation and advice to TAFE institutes on quality curricula, the needs of industry, and linkages between schools, VET and Higher Education have been abolished. This places at risk the quality of TAFE provision.
- Increased costs for students through the growth of commercial courses replacing what were once mainstream offerings (eg beauty therapy, green card, responsible service of alcohol); often these programs were entry points to low/semi-skilled work for people with poor educational outcomes and/or those needing casual employment.
- Private providers ‘cherry picking’ those courses that can be delivered to large numbers at low costs and leaving TAFENSW to deliver more expensive programs and/or programs in low demand areas.
- Private providers, driven by maximising profit margins, may offer less quality programs over shorter periods of time and with less scrutiny.

In a recent piece of research for the Centre for Policy Development ‘False economies – Decoding Efficiency’, Christopher Stone makes the following points about privatisation and outsourcing. *“Outsourcing and privatisation schemes are frequently undertaken with the stated intent of increasing efficiency... And at other times it is done simply on the basis of the mistaken belief that the private sector is always more efficient than the public sector”* (Stone, 2013). This mistaken belief appears to have been applied to the VET sector, where the creation of an artificial training market and the diversion of millions of dollars of public funding away from TAFE to the private sector, has been well publicised. The AEU Victoria cites TAFE cuts of \$300m. Where TAFE in Victoria once had 90% of the market, it now has less than 50%, effectively destroying a co-ordinated, integrated system of education, training and delivery.

Has this improved the delivery of vocational education and training and delivered increased skills required by Australian workplaces? The publicity given to the poor private providers in Victoria has demonstrated that this is not the case.

Stone concludes his paper by saying:

*“Our public services do a lot for us. They need to be efficient, effective and fair. But we won’t achieve that by endless cuts or blind faith in market solutions. We*

*need to consider results as much as resources, we need to think long-term, we need to carefully consider the benefits and disadvantages of outsourcing and privatisation, and we need to be aware of society-wide costs, not just direct costs to government budgets.”*

To teachers and community members who care passionately about a strong public TAFE system, Stone’s words sound out many warnings. The cuts to TAFE are occurring in NSW, Victoria, Queensland and South Australia, all of the states adopting a competitive training market, and syphoning off public funds to build it. If this is allowed to continue then the society-wide costs of the loss of TAFE will be enormous and possibly irredeemable.

Dr Phillip Toner, cited earlier, reflected in an interview with John Mitchell from Campus Review in 2012, on the problems occurring with the training market in Victoria, and identified six ways in which economists were wrong in assumptions they made about the operation of a training market. He noted that some VET courses are cheap to run, and the market created the perfect opportunity to foster get-rich-quick providers. In doing so they have not only let down students in the short-term but seek to carry out long-term damage to the public TAFE provider.

*“They’re damaging the TAFE system at a time when the demand for higher level and high quality VET skills is increasing, so it will be written up in the future as another one of those public policy disasters.”* (Mitchell, J 2012 interviewing Dr Phil Toner)

Dr Toner also questions what it is that is driving these market reforms. The TAFE Community Alliance shares his concerns. The VET reforms seem to have very little to do with good education but rather a neo-liberal policy position. The market reforms of VET in Victoria appear to be following this trail.

The operation of a competitive training market is not a level playing field but not for the reasons offered by private training organisation associations. Many of these organisations go to great lengths to lure people to train with them by providing courses of less than a third of the duration of the TAFE equivalent (e.g. the Certificate IV in Training and Assessment or Certificate II in Business Administration). Students report being offered VET FEE Help and informed they will never have to pay for courses qualifications, there being an assumption they will never earn enough. The dangers associated with debt burdens and the barriers they cause for people are, however, not explained. Other students are lured by the gift of an ipad or laptop. Provision of specialist literacy support is definitely not the norm, nor support for people with disabilities or English language skills. Some of these organisations may screen applicants to maximise completions (often a funding requirement) without referring the unsuccessful applicants to appropriate education options such as TAFE Literacy and Numeracy programs (Foundation Studies) or other more suitable vocational training options, which the provider does not offer.

As a result of the entry of hundreds of providers to the market under the competitive training model the VET market has become increasingly complex and confusing. Students find it increasingly difficult to navigate the marketplace; poor choices and inappropriate decisions result in financial burden for students and no improvement in job capacity. Unscrupulous or unaware VET providers are taking advantage of the competitive market by luring students into programs that they cannot and will not complete and will leave them with a debt burden, a sense of failure and no job prospects.

### **Are we replacing a highly functioning, integrated public TAFE system with a fragmented publicly funded system of VET private providers?**

#### **CASE Scenarios and Studies**

**CASE SCENARIO:** A student applied for a Diploma in Community Welfare in TAFE NSW having completed a Certificate IV through a private provider in 6 weeks with no workplace training. This student had multiple disabilities and was unlikely to gain employment in this sector. TAFE NSW delivers a Certificate IV in Community Services across a year with a compulsory work placement component. This student was completely ill prepared to articulate to a Diploma course despite having 'completed' a Certificate IV.

**CASE SCENARIO:** Head Teachers have reported students attending TAFE after one or two years of informing their JSA client managers that they wanted to complete a certificate in office administration (an area with good job prospects). The local TAFE college had been delivering up to five of these courses per semester. In NSW where the Smart and Skilled reform will offer once only full entitlements, and people choose their providers (so called 'student centred'), JSAs will undoubtedly ramp up their practice of referring clients to their own training arm, while not providing information about alternative provision across the community.

**CASE SCENARIO:** A teacher from a metropolitan college of TAFE reported that clients have been directed to sit in a room at a JSA for three hours as their training requirement, reading newspapers and then writing letters of application, with no one in the room to assist them. TAFE has been advised by DEEWR that the funds needed to run programs for the most marginalised are now with JSAs who are offered financial incentives to achieve specified outcomes for the most disadvantaged. For many community workers and TAFE teachers, this experience is not congruent with individuals achieving their potential of full participation in society nor is it making good use of their learning time (or entitlement as it will be in the future in NSW).

**CASE STUDY:** A student with an intellectual disability enrolled into a Diploma in Business Administration. She was given an iPad and reported being told that she would not have to pay the (Fee Help) fee as it was highly unlikely she would meet the income threshold at which the repayment started, all she achieved was a debt burden.

Support services in TAFENSW are coming under increasing pressure as the TAFENSW budget shrinks. At a time when vocational counselling is most vital in terms of 'user choice' TAFE counselling services are under extreme funding pressure. Disability Support is also under

threat; see the [Disability Issues Paper](#) for specific concerns relating to the impact of Smart & Skilled on students with Disabilities.

<http://tafecommunityalliance.org/docs/IssuesofConcernPaperassenttoNSWMinisterofEducation.pdf>

Despite the sustained implementation of marketisation policies over at least 20 years, there is little evidence that these policies have succeeded and it is difficult to find any research that demonstrates that fully contestable markets in education have achieved the outcomes sought by government anywhere in the world (Wheelahan 2009). Mitchell (2012) finds that the industry led VET system of the last 20 years is being undermined by an individual entitlement based user choice market mechanism, where the consumer leads the program agenda. He also contends that the idea of informed choice in the VET context has not been fully explored and in the proposed system making wrong course choices will lose students valuable entitlements. The compulsory nature of the entitlements encourages rash and inappropriate decisions resulting in unsuitable pathways to employment and ultimately wastes valuable public money. Complex fee structures, the 'race to the bottom' pricing models and the lack of accessible information on subsidies in states where this market model exists have resulted in calls for better consumer protection and effective regulation of the VET market (Burke and Veenker, 2012).

The TAFE Community Alliance recognises the Federal Government's critical role in taking a strong stand to stop the advancement of marketising vocational education and training as evidence continues to demonstrate a consistency of significant failures to individuals, industry, communities and society.

### **c) What public funding is adequate to ensure TAFE remains in a strong and sustainable position to carry out their aims;**

TAFE requires funding as an educational and training system underpinned by quality educational and training infrastructure.

Funding is needed to ensure

- a broad range of **training** is accessible for people in all geographic regions, including regional, rural and remote
- training is available in areas of high cost and low student numbers (one of the so called 'thin markets') to ensure Australia has locally trained workers
- **second chance course opportunities** in education and training for people who have been marginalised from education and opportunities. This includes funding statements of attainment, lower level certificates, free access programs
- Central Support services are able to **research, develop and maintain currency of existing and emerging areas of educational programs and quality recognition** processes which meet the needs of the community, the workforce, industry and other educational sectors now and into the future
- Central Support services also need funding to assist the **implementation of intergovernmental and interdepartmental strategies in key areas** such as alcohol and drug problems in training and the workplace; violence and bullying in training and the workplace; child protection matters; ensuring adequate selection of students in health and community services courses where future graduates will be working with vulnerable people; suicide prevention strategies; and depression prevention strategies (among others). A system of education and training is needed to integrate these strategies in course delivery and college community life
- professional education support staff such as
  - TAFE Counsellors who provide career and psychological counselling and crisis support services to assist students with decision making around training, and successful engagement and completion of their courses
  - trained disability consultants with specialist skills in mentoring and tutoring students with learning problems (whether that be due to an intellectual disability, autism, other neurological problems, mental health disorders, physical and sensory disabilities)
  - Higher education trained language, literacy and numeracy teachers skilled in identifying the specialised needs of people with LLN problems and in adapting LLN teaching programs to understand and meet their diverse needs (those of local students who have literacy and numeracy problems, recent migrants in need of language skills, long term migrants with 'fossilised' language problems, people with learning disabilities, people with intellectual disabilities with literacy problems – all of whom require a targeted approach)

- Aboriginal educators who engage and assist students experiencing disadvantage from aboriginal backgrounds, as well as engaging with the community to deliver customised programs
- Outreach teacher co-ordinators with specialist skills to engage the most disadvantaged students in a professionally supportive environment using adult education strategies and customized programs<sup>2</sup>.
- Qualified library staff who can teach students research skills and information management
- The above staff need funding to provide access courses, where relevant, as well as tutoring and mentoring support for students to succeed.
- Safe colleges also require skilled security staff to respond to threats or outbreaks of violence and threats from family or community members

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<sup>2</sup> These programs are designed for specific groups are disproportionately drawn from disadvantaged Australians including the indigenous community, people with disabilities, early school leavers, culturally and linguistically diverse communities, low skilled older people without qualifications, individuals from socio-economically disadvantaged families and those experiencing significant life disruption

## **d) What factors affect the affordability and accessibility of TAFE to students and business;**

The TAFE Community Alliance asserts that the primary responsibility of government (state or federal) is to public education not public and private education. It is a government's responsibility to ensure that adequate funding is allocated so that there is a quality sustainable public vocational education and training system in this country. This is not what has been occurring over the last few years where we have seen funding cut to TAFE to the degree that it has now become difficult for TAFE to maintain its quality education offerings. As a result of funding cuts and transfer of funding to the private sector through a contestable market, we have seen loss of courses, loss of TAFE colleges, cuts to course hours and student contact hours, degrading of the professional qualifications of TAFE teachers, loss of student support services including counselling, disabilities and multicultural expertise, and increased costs for students. In this way governments have walked away from their prime responsibility to maintain a quality public VET system, and we believe this should be reversed.

The Alliance does not support public funding/government funding being used to either create or prop up a competitive training market. Private providers of VET operate for profit, and consequently it is inappropriate for their business to be supported by government funding. If there is a market, then they must operate in such a way to make their business viable in the market, not by depending upon government funding which should be allocated only to the public provider, TAFE.

The Allen Consulting Group prepared a report for the National VET Equity Advisory Council in 2011 on 'Competitive tendering and contestable funding in VET: approaches to supporting access and equity', and outlined the risks and implications of contestable funding models. Concerns presented to them included:

- "the risk that in market based systems, those with the most intensive and costly learning needs, and those in geographic areas where provision was not economic, would face reduced access as providers concentrated at the profitable end of the market;
- that competition would focus on price efficiency, volume and easily measurable outcomes, and not on harder to measure outcomes such as initial learner engagement and engagement with local communities. Furthermore, reduced prices from increased competition would compromise intensive learner support and limit providers to flexibly use resources to meet learner needs;
- that learners with major learning needs and with significant and multiple disadvantages would not be in a position to make informed choices; and
- the risk of loss of continuity of provision and expertise as well as local capacity."

The TAFE Community Alliance agrees with these concerns and understands that a number of these outcomes are already becoming apparent. We do not see that the very unclear

proposal for 'Community Service Obligations' as part of a funding model in NSW, will address these concerns.

In a competitive training market, the Alliance would support the overarching principles for equity in contestable funding, as outlined by the Allen Consulting Group, for:

- pricing of programs being flexible, transparent and sufficient to reflect additional costs associated with meeting the needs of disadvantaged learners
- equity requirements being explicitly included in all contestable funding approaches and programs
- pricing and guidelines should include the full range of disadvantaged learners (as defined in the NVEAC Equity Blueprint 2011-2016)
- contestable funding approaches and programs should include explicit monitoring of outcomes for equity learners
- there should be continuity in funding support for disadvantaged learners in a contestable funding environment

Overall, the Alliance supports funding which is allocated by government to TAFE for the delivery of a certain number of qualifications at a range of qualification levels and to a diverse range of students across a wide number of TAFE colleges. This must include additional funding to meet the requirements of access and equity for students. TAFE qualifications should not be put at risk of loss of continuity. Sustainability and dependability of vocational education and training are critical for Australia.

The Alliance supports the concept that TAFE qualifications should remain accessible, and that students should not have to pay high fees nor take out student loans. The Alliance believes that as one of VET's prime obligations should be to communities, and that this is often forgotten, that there is a place for 'Place based funding', with funding being available to deliver programs that are designed to meet the needs of communities in specific locations. The contextualisation of offerings in this case is important to meet the economic and cultural needs of local communities. The Alliance does not support TAFE having to compromise its quality delivery or undermine its professional teachers, in order to satisfy budgetary requirements. In general, we do not support the concept of a market being applied to education.

The impact of additional charges will be felt most strongly on those who most need access to TAFE. The result will be that they simply may not engage in VET:

- in NSW students on lower incomes or Centrelink benefits will not be able to afford to attend courses not covered by the entitlement (all Certificate IVs, any course level which has previously been studied, any course not covered by the NSW Skills list) even though the person may be highly suited to this training program. Those on benefits will not be able to afford higher concession fees for higher level courses as is currently planned under Smart and Skilled. Affordability does not change with level of course, but is based on income.

- there is potential for increased enrolments in higher-level courses without the required skills and knowledge to succeed at this level. This may occur as a result of higher individual contributions being required of students who have previously completed a lower level course. It will also occur when students enrol in Diploma level courses because Certificate IV level courses in NSW are not covered by an entitlement or VET FEE Help. This will occur regardless of whether or not they are ready or suitable for Diploma study.
- reduced completions
- students will be incurring debt that will never be repaid because either
  - a) they fail to complete the course; or b) they will not earn income above the repayment level. This ongoing debt will impact on their capacity to borrow in other key areas of their life.
- redundant/retrenched workers may be excluded from re-training due to increased costs or having previously completed training at a particular level (this is the case with the Smart and Skilled policy in NSW).
- Certain courses will only be available for those who can afford them. For example, the NSW government made a decision to withdraw funding to fine arts courses in TAFE. Consequently the only post secondary options for students studying fine arts in NSW students are:
  - Paying for very short, non qualification courses available through community colleges
  - Paying thousands of dollars for qualification courses, eg, \$3500 for a Cert III in Visual Arts Ceramics or \$5500 for a Cert IV Visual Arts Ceramics. VET fee help is not available for either of these courses. The Cert IV skills or equivalent are needed to be eligible for the lowest level Ceramics course for which VET Fee help is available – the Ceramics Diploma – and this Diploma costs \$7700
  - University Bachelor Degrees majoring in Visual Arts, also involving fees of thousands of dollars. Some students may be eligible for HECS Help. Students need to meet academic entry requirements

Many people from a disadvantaged background plan for a career in visual arts.

Unfortunately, frequently none of the above training options suit them for the following reasons:

- they are unable to pay the upfront fees even for short community college courses, let alone the very expensive TAFE qualifications
- a Diploma in Fine Arts course or Bachelor course may financially suit them because of FEE help arrangements, however they do not meet the higher-level course entry requirements.

This is resulting in visual arts training in NSW being only available to those who are relatively wealthy.

In summary, the flexibility of pathways from lower level to higher levels of training, with multiple entry and exit points is seriously in jeopardy. Students will cluster either at lower ends of the training spectrum covered by training entitlements, where eligible, or will cluster at higher ends because of availability of VET Fee Help, regardless of readiness or suitability.

## **e) Different mechanisms used by state governments to allocate funding; and**

The TAFE Community Alliance believes that it is essentially a government responsibility to fund vocational education and training, and that the costs should not be passed on to students through the commercialisation of courses nor large increases to TAFE and VET fees. Universal funding and the basic human right to education (VET) supports better outcomes for industry, individuals and communities contributing to a stronger and more efficient economy and society.

Based on the growing amount of evidence surrounding the market failures in public policy, the TAFE Community Alliance find the pricing mechanisms proposed in the Smart and Skilled reforms in NSW such as disadvantaged cost loadings, entitlements, the public/ private benefit rationale and narrow definition of Community Service Obligations in relation to TAFE particularly concerning. We fail to see how these mechanisms can be sustainable public policy mechanisms for a socially just and cohesive society.

Students need to be at the centre of an easily understood fee system as demonstrated in Toner's research and the Victorian system. The complexity under Smart and Skilled is likely to pose the first barrier. Under the proposed model we have concerns around students being able to make informed choices in a market that is confusing and the student is at the mercy of for profit private providers.

## **f) The application and effect of additional charges to TAFE students.**

The impact of additional charges will be felt most strongly on those who most need access to TAFE. The result will be that they simply may not engage in VET:

- in NSW students on lower incomes or Centrelink benefits will not be able to afford to attend courses not covered by the entitlement (all Certificate IVs, any course level which has previously been studied, any course not covered by the NSW Skills list, even though the person may be highly suited to this training program. Those on benefits will not be able to afford higher concession fees for higher-level courses as is currently planned under Smart and Skilled. Affordability does not change with level of course, but is based on income
- there is potential for increased enrolments in higher-level courses without the required skills and knowledge to succeed at this level. This may occur as a result of higher individual contributions being required of students who have previously completed a lower level course. It will also occur when students enrol in Diploma level courses because Certificate IV level courses in NSW are not covered by an entitlement or VET FEE Help. This will occur regardless of whether or not they are ready or suitable for Diploma study
- students will be incurring debt that will never be repaid because either a) they fail to complete the course; or b) they will not earn income above the repayment level. This ongoing debt will impact on their capacity to borrow in other key areas of their life
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This is resulting in visual arts training in NSW being only available to those who are relatively wealthy.

In summary, the flexibility of pathways from lower level to higher level of training, with multiple entry and exit points is seriously in jeopardy. Students will cluster either at lower ends of the training spectrum covered by training entitlements, where eligible, or will cluster at higher ends because of availability of VET Fee Help, regardless of readiness or suitability.

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