Submission Number: 68 Date Received: 1/5/2013

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### TAFE Community Alliance submission to the National Inquiry into the role of the technical and further education (TAFE) system and its operation

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 public VET provider in the building of social, cultural and economic capacity of communities across NSW. Our website <u>www.tafecommunityalliance.org</u> tells a TAFE story of itself. The website has quotes from politicians and well-known citizens speaking about the value of TAFE, it has letters from students about how useful a TAFE education has been for them, at times life-changing, it details events we will be holding, and provides links to relevant research papers.

On 22 February this year, the TAFE Community Alliance was launched out at Parramatta in Greater Western Sydney, and amazing speeches were given which can be accessed from the website. 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:

- Most people have been touched by TAFE
- TAFE is part of the community, providing affordable and accessible training in skills needed by the community and valued by employers.
- Social services need TAFE because you can't always rely on private 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. The essence of social justice relies on a public provider, and TAFE is the lynch pin for rural and regional areas and thin markets

- The reforms of the State Government threaten TAFE's capacity to address skills shortages and to continue its important role in the creative and cultural life of the regions
- TAFE is not a business, it is a public institution. TAFE is not about super profit, it's about putting back into the community
- TAFE is responsive in times of crisis (war, economic upheaval and natural disasters)
- In a strong economy you need national investment for a skilled and mobile workforce, for those returning to work, for the most vulnerable and to address skill gaps
- To mobilise education and training in this country you need a system which can respond with a coordinated plan, ensure quality and ensure that your teaching service is ready and trained that's a system. A system cannot survive with staff losses, course cuts and funding uncertainty
- There's a place for competition but not in TAFE
- "TAFE saved me and if it doesn't have the funding to do what it does best like help people like me then I feel sorry for the young people who are looking for something meaningful to do with their lives." (Abdul Sharif, Auburn)

Our submission provides further arguments and examples highlighting many of these points.

#### The development of skills in the Australian economy

TAFE has played a critical role in developing skills for both young and mature Australians. TAFE has been accessible, with the ability to provide courses and skills development at most times required by students and clients. TAFE will deliver nationally recognised Training Packages or customise courses for particular clients, and will deliver in classrooms, workplaces or the community. Whilst TAFE Community Alliance believes that a lot of the 'hype' about TAFE needing to reform and be more flexible, is unsubstantiated, if there have been problems experienced it is generally due to funding issues. If TAFE is funded to deliver courses to large groups of students, then this makes for some inflexibility, unless teachers reduce the quality of their provision. TAFE Community Alliance supports TAFE teachers in maintaining quality and ensuring that courses that are delivered include theory and underpinning skills and knowledge that students will need not just for their immediate careers but also for further careers. We do not support vocational education and training based on narrow workplace based competencies, but rather broad occupational capabilities.

The TAFE Community Alliance believes that whilst this is an Inquiry into TAFE, it should really be looking at the VET sector, and attempting to clarify what governments want in a VET sector. Do they want a sector that just delivers narrow competency based training with trainers and assessors possessing only a Certificate IV in Training and Education, or do they want an education sector that provides Australians with the skills and knowledge they need to take Australia to a high skilled country, able to compete economically with other countries? The Alliance challenges the Federal Government to move away from their current 'tunnel vision' and to clearly state that they want Australians to be educated, not just trained. Overseas experiences have shown that most successful economies have adopted this position.

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.

At the recent TAFE Community Alliance Forum in Auburn Jozefa Sobski, former South Western Sydney Institute Director and former Deputy Director-General Development and Support, NSW Department of Education and Training, spoke of the effects of reduced funding to TAFE and the further impact of the NSW government's *Smart and Skilled* reform:

"This year the state government is seeking to set new fees for its Smart and Skilled initiative. It has asked the Independent Pricing and Regulatory Tribunal to provide it with advice on price and fee arrangements. Already most Diploma courses are unaffordable for many potential TAFE students. There are [currently] fee exemptions for Aboriginal students and students who receive a disability support pension. There are also concession fees and some access courses. Many of these courses will not be run by Institutes because they cannot afford to offer them. They need paying customers.

"Why is this happening? Why are we aiming to price TAFE out of certain fields of study? Why are we underwriting a private training market when we have underutilized TAFE facilities? Superficially, the government will say we are getting more for our dollar? More of what is the question? Competition, theoretically should lead to lower prices for students. All it really does is create more cheap-to-deliver courses. The government can argue there is more choice, but its effect is to price the public provider out of the training market."

# The development of opportunities for Australians to improve themselves and increase their life and employment prospects

The VET sector attracts disproportionately more disadvantaged learners than any other educational sector. VET provides tens of thousands of Australians with the dignity, security and self worth that flows from successful participation in education and successful engagement with the workforce and society generally.

From Skills Australia 2011, this table compares the proportion of disadvantaged students in VET and higher education:

	VET sector (%)	Higher education sector(%)
Indigenous	4.3	0.8
Non-English speaking home	12.1	3.8
People with disability	5.9	4.1
Low socio-economic backgrou	und 29.2	15

It is critical that this role that TAFE plays in catering to the needs of the disadvantaged and ensuring successful training outcomes is recognised. Governments talk of community

service obligations meeting these needs, but this is just one part of the story. TAFE caters for an enormously diverse group of students, all of whom should have government funding and priority. There are the equity groups referred to above, there are the mature aged students needing to upgrade their skills due to changing workforce demands, and there are the young people such as the youth at risk students who are sent to TAFE because a school education has failed them. These are just some of the groups – there are also the apprentices and trainees, some 25% of TAFE students, but enormously important in terms of providing the skills and trades this country needs into the future. TAFE provides a second chance for those who need a university education but missed out. TAFE has many articulation agreements with universities that recognise that a TAFE qualification gives students a starting point to gain a higher education qualification. 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.

On the one hand governments have invested enormously in TAFE over the years, and on the other they appear to be unaware of putting the future of TAFE in jeopardy by short-sighted funding changes, including those promulgated by the Federal Government through the National Partnership Agreement. The TAFE Community Alliance hopes that this Inquiry will have the ability to redress some of these problems and to turn VET around before it is too late for the public provider.

For example, 'The Complete Package – the value of TAFE NSW' (Allen Consulting Group 2006) found TAFE NSW's multifaceted approach which addresses skills growth, personal development and social learning while providing appropriate learning environments with clear pathways in an accessible manner that is responsive to industry, community and students achieves outcomes key to 'remaining competitive and maintaining and enhancing community prosperity' beyond the capacity of other RTOs. Surely such an educational sector should be properly supported by all governments and not undermined and used to develop an artificial competitive training market.

# The delivery of services and programs to support regions, communities and disadvantaged individuals to access training and skills and through them a pathway to employment

TAFE has a strong and proud history of interpreting and implementing government legislation, and policies and strategies that assist the disadvantaged to actively participate in the community and access employment and vocational education and training pathways.

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 (Frieler, 2001) who include those 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 and *Fruitful Learning Ecologies: Building Effective Partnerships*.

Intergenerational approaches as applied in *Embedding Participatory and Transformative Learning in Curricula – from social exclusion to social inclusion,* 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 institutes work effectively developing innovative programs using wraparound solutions and intergenerational strategies to develop opportunities by engaging students in further education and training to improve themselves and increase their life and employment prospects through viable and 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. In recent times as TAFE has been under pressure to deliver higher level AQF qualifications, this gap has widened for marginalised learners as the leap from access programs into a Certificate III or IV becomes more insurmountable.

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 programs developed to meet a need and continuously adapting to changing needs. The program has adapted to broaden its target base and 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.

#### The operation of a competitive training market

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%.

Has this improved the delivery of vocational education and training or 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, in an interview with John Mitchell from Campus Review in 2012, reflected on the problems occurring with the training market in Victoria, and made the point that what has been created is an artificial market:

"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."

Toner goes on to look at six ways in which economists were wrong in assumptions they made about the operation of a training market. He notes 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. Dr Toner says in his interview with John Mitchell:

"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."

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). 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 ensure completions (often a funding requirement) without referring the unsuccessful applicants to appropriate education options such as TAFE Literacy and Numeracy programs (Foundation Studies).

Head Teachers have reported students finally attending TAFE after one or two years of telling their JSA client managers that they wanted to complete a certificate in office administration. In cases such as these the local TAFE college has been delivering up to five of these courses per semester. In NSW where the *Smart and Skilled* reform will offer once only entitlements, and people choose their providers (so called 'student centred'), JSAs will undoubtedly ramp up their practice of veering clients to their own training arm, and not providing information about alternative provision across the community.

A teacher at Liverpool 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. In many of our community workers and TAFE teachers' experience this is not congruent to individuals achieving their potential for 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).

Again we emphasise the need for the Federal Government to take a strong stand now to stop this advancement of marketising vocational education and training with little or no justification for doing so.

# Those jurisdictions in which State Governments have announced funding decisions that may impact on their operation and viability

The TAFE Community Alliance strongly opposes the current actions of the O'Farrell Government in NSW. Having already announced in 2012 that it would cut \$1.7 billion from education, which would include frontline services in TAFE, it has recently announced that it

will cut further into TAFE and VET to fund the Gonski reforms in schools. The TAFE Community Alliance is most concerned that the NSW state government feels that it can continue to fund one education sector at the expense of another. The Federal Government needs to take a stronger stand on ensuring that state governments maintain their VET funding in order to receive federal funding. It would not appear that this has been the case in NSW or Victoria.

Having announced a supposedly independent review by IPART into 'Pricing VET under Smart and Skilled', the NSW Government has announced that there will be increased fees for TAFE students due to the Gonski reforms, even before the review has closed. This surely brings the review into question and also undermines the state government's commitment to a quality VET system in NSW. Obviously the 'Smart and Skilled' reforms are about cutting costs not maintaining quality, and passing costs on to students. The proposed NSW State Government fee increase of 9.5% will prevent many students from attending TAFE, and further fee increases across VET will undermine skills development in Australia.

#### Conclusion

Jozefa Sobski, former TAFE NSW Institute Director, said at a recent TAFE Community Alliance forum in the western Sydney area of Auburn:

"TAFE has a unique value to the community and its businesses. It is there. It is reliable. It is government supported. It is quality assured. It is not a fly by night no names or new names *private* provider. It offers opportunities for lifelong learning. It is the key to maintaining and enhancing economic prosperity and preparing industry for new challenges with climate change and environmental degradation. It has public value because it builds workforce skills, not just for the here and now, but for the future. It assists individuals to achieve self-fulfilment and re-build esteem so that they may function as contributing members of society. It contributes to our social capital and community capacity to identify and solve our own problems or prevent them from occurring. It is a public education institution, but all governments are treating it as a business operation in a manufactured contestable training market. A public good, a public asset has value beyond its costs or the money it saves or makes. It is there as a beacon of inspiration. It can afford to care for all in the community. It should not be about profit."

We urge the Federal Government to use this Inquiry to make a difference, and to ensure that the application of policies and procedures in the VET sector support TAFE financially and politically. There has been much damage already to the TAFE system across the country, and students have suffered. It is not however too late to turn this situation around. We do believe that TAFE is too important to lose.

#### Contact for the TAFE Community Alliance -

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