The Senate

Education and Employment References Committee

Technical and further education in Australia

May 2014

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CHAPTER 1

Reference

1.1 On 11 December 2013, the Senate referred the inquiry into technical and further education in Australia to the Education and Employment References Committee for inquiry and report by 13 May 2014.

(1) Technical and further education (TAFE) in Australia, including:

(a) the role played by TAFEs in:

i. educational linkages with secondary and higher education,

ii. the development of skills in the Australian economy,

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

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;

(b) the effects of a competitive training market on TAFE;

(c) what public funding is adequate to ensure TAFEs remain in a strong and sustainable position to carry out their aims;

(d) what factors affect the affordability and accessibility of TAFE to students and business;

(e) different mechanisms used by state governments to allocate funding; and

(f) the application and effect of additional charges to TAFE students.

(2) That, in conducting its inquiry, the committee must:

(a) consider any public information provided to the 2013 House of Representatives inquiry by the Standing Committee on Education and Employment on the role of the technical and further education system and its operation; and

(b) hold public hearings in all capital cities, with a minimum of Melbourne, Sydney, Perth and Brisbane, as well as a major regional centre in either New South Wales or Victoria.

Conduct of inquiry

1.2 Details of the inquiry were made available on the committee's website. The committee also contacted a number of organisations inviting submissions to the inquiry. Submissions were received from 195 individuals and organisations, as detailed in Appendix 1. Public hearings were held in Sydney, Perth, Melbourne and Wollongong. The witness list for the hearings is available in Appendix 2.

1.3 The Terms of Reference stipulated that hearings be held in number of cities, including Brisbane. Following receipt of submissions, it became evident that there were very few substantial submissions received from Brisbane, or even from Queensland as a whole, whereas there were many submissions from other states. In considering hearing locations, it is usual practice to – amongst other things - look at where substantial submissions have originated from as this tends to indicate a level of interest in a community.

1.4 At a private committee meeting held on 31 March 2014, the committee carefully considered whether to proceed with a hearing in Brisbane. It took into account the time and expense involved in transporting committee members and the necessary support staff to Brisbane from other cities, and ultimately decided that it would not be a good use of committee resources to proceed on this basis. This being the case, the committee unanimously decided not to hold a hearing in Brisbane.

Parliamentary Privilege issue

1.5 During the course of this inquiry, several witnesses contacted the committee with serious concerns about appearing at hearings because their employers had advised them against either appearing at the hearing, or against providing any evidence that could be construed as critical of the employer.

1.6 On one occasion, the committee was made aware that an employer had attempted to prevent employees from providing evidence to the committee that had been obtained during their employment, and had also threatened disciplinary action if the employees provided advice to the committee that the employer considered critical of, or detrimental to the employer.

1.7 Witnesses appearing at a senate committee hearing do so at the invitation of the committee and they are protected by Parliamentary Privilege. Any attempt to curtail the ability of these individuals to provide evidence to the committee during a hearing is serious and potentially amounts to a contempt of the Senate.

1.8 During this inquiry, the committee responded swiftly to the issues when raised, including writing to employers and assuring employees during hearings that they are protected in giving evidence during a hearing by Parliamentary Privilege.

Background

1.9 The TAFE sector is the largest education and training sector in Australia. Australia's TAFE network comprises more than 1000 campuses located across urban, regional and remote locations, with many institutes offering further services throughout the Asia-Pacific and other offshore regions.

House of Representative's Inquiries

1.10 The House of Representative's Education and Employment Committee commenced an inquiry into the role of the Technical and Further Education system and its operation in March 2013. The Inquiry lapsed on the dissolution of the 43rd Parliament. When the committee was established in the 44th Parliament it decided to take up the inquiry again.

1.11 As part of the inquiry they an extensive number of hearings are planned across the country in both urban and regional areas. The Terms of Reference for the inquiry are:

> The Committee will inquire into and report on the role played by TAFEs in:
>
> - the development of skills in the Australian economy

- the provision of pathways for Australians to access employment
- the provision of pathways for Australians to access University education; and
- the operation of a competitive training market

1.12 The hearing venues and dates for the inquiry are:

- Canberra – 19 March 2014
- Sydney - 8 April 2014
- Melbourne – 15 April 2014
- Hobart – 29 April 2014
- Launceston – 30 April 2014
- Townsville – 7 May 2014
- Adelaide – 12 June 2014
- Perth – 13 June 2014

Policy background

COAG and the National Partnership Agreement

1.13 In 2012 the Council of Australian Governments (COAG) agreed a National Partnership Agreement for Skills Reform which will:

> [C]ontribute to the reform of the Vocational Education and Training system to deliver a productive and highly skilled workforce which contributes to Australia's economic future and … enables all working age Australians to develop skills and qualifications needed to participate effectively in the labour market.

1.14 The Agreement identified a number of reform directions, including:

- introduction of a national training entitlement and increased availability of income contingent loans
- improving participation and qualifications completions at higher levels
- encouraging responsiveness in training arrangements by facilitating the operation of a more open competitive market
- recognising the "important function of public providers " in servicing the training needs of industries, regions and local communities" and their "role that spans high level training and workforce development"
- assuring the quality of training delivery and outcomes

1.15 At the heart of these reforms is the adoption of the Commonwealth proposal for a national training entitlement and a more open and competitive training market.

National Agreement for Skills and Workforce Development

1.16 At the same time COAG also agreed the **National Agreement for Skills and Workforce Development**. The Agreement identifies the long-term objectives of the Commonwealth and State and Territory Governments in the areas of skills and

workforce development, and recognises the interest of all Governments in ensuring the skills of the Australian people are developed and utilised in the economy.

1.17 As part of the Agreement COAG allocated certain roles and responsibilities to the Commonwealth and the State and Territories. Some of these responsibilities will be shared between the two levels of government.

Commonwealth responsibilities

The Commonwealth will:

(1) provide funding contributions to States and Territories to support their training systems;
(2) provide specific interventions and assistance to support:
    (a) industry investment in training;
    (b) Australian Apprenticeships;
    (c) literacy and numeracy; and
    (d) those seeking to enter the workforce.
(3) coordinate the development and publication of the Annual National Report as legislated under the *Skilling Australia's Workforce Act* 2005; and
(4) ensure data is provided as required.

State and Territory responsibilities

States and territories will:

(1) determine resource allocation within their State/Territory;
(2) oversee the expenditure of public funds for, and delivery of, training within states and territories; and
(3) ensure the effective operation of the training market.

Shared responsibilities

Develop and maintain the national training system including:

(1) developing and maintaining a system of national regulation of RTOs and of qualification standards;
(2) ensuring high quality training delivery;
(3) supporting and implementing the reform directions;
(4) establishing priorities and developing strategic policy initiatives to deliver the objectives and outcomes of this Agreement, including through the Standing Council on Tertiary Education, Skills and Employment (SCOTESE) and supporting groups;
(5) ensuring RTO compliance with data requirements as specified through regulation and contractual arrangements for public funds, with improved access to data by students and others, including the release of data on a national website such as MySkills and on RTOs' own websites;
(6) supporting industry to engage directly with RTOs; and
(7) commitment by both levels of government to the sharing of an agreed set of data on the training system and the labour market.

The Kemp Inquiry

1.18 In November 2013 the Minister for Education, the Hon Christopher Pyne announced a review of the demand driven funding system for further education.[1] In 2012, the demand driven funding system was introduced for public universities. This has resulted in the number of Commonwealth supported places expanding from around 469,000 places in 2009 to an estimated 577,000 places in 2013.

1.19 The review examined the following aspects of the demand driven system:

(a) the effectiveness of its implementation, including policies regarding the allocation of sub-bachelor and postgraduate places;

(b) early evidence on the extent to which it is:

(i) increasing participation;

(ii) improving access for students from low socio-economic status backgrounds and rural and regional communities;

(iii) meeting the skill needs in the economy;

(c) extent to which the reforms have encouraged innovation, competition, diversity and greater responsiveness to student demand including development of new modes of delivery such as online learning;

(d) whether there is evidence of any potential adverse impacts on the quality of teaching and of future graduates;

(e) measures being taken by universities to ensure quality teaching is maintained and enhanced in the demand-driven system; and

(f) whether less academically prepared students are receiving the support they need to complete the course of study to which they have been admitted.

1.20 While the Review is focussed primarily on the University Sector it is of interest to the TAFE sector because of the increasing number of TAFEs offering degree courses. TAFE Directors Australia's (TDA) submission to the review highlighted what they see as inequities in the way the system deals with TAFEs in the delivery of higher education courses compared to universities. The TDA are particularly concerned with the lack of access to Commonwealth Supported Places (CSP) for TAFE. TDA argue for the following:

> [T]he review of demand driven funding is an opportunity for the Commonwealth to work toward a new industry-connected approach to CSPs which exhibits stronger market application and greater

1 The Report of the Review of the Demand Driven Funding System was published on 13 April 2014. Available at: http://www.education.gov.au/report-review-demand-driven-funding-system.

transparency. Therefore our recommendations are based on four principles for consideration by the review:

i. Relevance to industry trends for technological and specialist skilled higher education qualifications;

ii. Accelerated workforce participation and productivity with greater enrolments in pathway programs into higher education;

iii. Recognition of the role under a reformed demand driven system, that students in non-university higher education should receive equity in receipt of CSP subsidies vis-à-vis universities;

iv. Greater alignment under a reformed demand driven regime with the 'entitlement' training models for VET being phased in under the National Partnerships Agreement in Skills and Workforce Development.[2]

Acknowledgement

1.21 The committee thanks those individuals and organisations who contributed to the inquiry by preparing written submissions and giving evidence at the hearings.

Notes on references

1.22 References in this report to the Hansard for the public hearing are to the Proof Hansard. Please note that page numbers may vary between the proof and the official transcripts.

2 TAFE Directors Australia, Submission to the Review of demand driven funding system, 16 December 2013, p. 2. Available at: https://submissions.deewr.gov.au/Forms/demand-driven-funding-system/pages/item?SubmissionID=DFS1400048 (accessed 28 March 2013).

CHAPTER 2

The role of TAFE

Development of Skills

2.1 Technical and Further Education institutions are state based colleges providing predominantly vocational tertiary education and training courses across the country. Qualifications achieved through the through the Vocational Education and Training (VET) system are governed by the Australian Qualifications Framework (AQF) and the system is regulated by the Australian Skills Quality Authority (ASQA). A number of TAFE institutions also deliver higher education qualifications to degree level and above.

2.2 The provision of skills training and development makes TAFE a key contributor to overall economic performance. However NSW and South Australia are the only two states that have a state-wide mission statement, or a clear statement of what TAFE's role should be. The NSW government's 'Statement of Owner Expectations' outlines what services TAFE should provide, and how it will fit into the new 'Smart and Skilled' policy reforms that will be implemented in the state from July 2014.[1]

2.3 The NSW Statement places TAFE at the centre of the training system in NSW, but emphasises that it will be placed in a more competitive funding environment where it will be expected to perform to a high standard while becoming 'more local responsive, flexible and autonomous'.[2]

2.4 The South Australian vision for TAFE is contained in the TAFE SA Strategic Plan 2012-2014. The plan sets out a comprehensive approach to how TAFE will deliver services in a new contestable funding environment. This includes a new structure that will amalgamate the current three TAFE institutions into a single statutory authority, and the provision of 100 000 additional funding places.[3]

2.5 The Australian Workforce and Productivity Agency (AWPA) recommended that all government in Australia should set out the role of TAFEs, and cited South Australia's plan as an exemplar:

> We propose that in an environment of increasing contestability, governments should clearly articulate the role of TAFEs. A potential model exists in the position paper on TAFE released by the South Australian Government in 2011 in the lead up to the Skills for All reforms.[4]

2.6 TAFE Directors Australia discussed a study, supported by the Commonwealth government, into the econometric contribution that TAFE makes to the economy as a

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1 NSW Government, *TAFE NSW Statement of Owner Expectations,* August 2013, p. 1.

2 NSW Government, *TAFE NSW Statement of Owner Expectations,* August 2013, p. 1.

3 TAFE SA, *Strategic Plan 2012-2014,* p. 3.

4 Australian Workforce and Productivity Agency, *Submission 124,* p. 6.

whole. The study looked at the return on investment in vocational education and training and concluded that:

> [W]ith some increase in funding to vocational education and training, it would yield a very large dollar amount. The percentage in the report I think is 18 per cent. One of the things that was argued in the report is that government-funding bodies ought to take a wider view of how they fund, so instead of just requiring full qualifications they look to recognise that many of the people who study at TAFE are working—they are in TAFE to get new skills—and what they sometimes want are skill sets. That is a prominent part of that study. The study is certainly a good ion, in econometric terms, revealing the importance of vocational education and training to the economy.[5]

2.7 In terms of providing the skills required into the future, TAFE is considered vital. AWPA gave evidence that the demand for skills will continue to increase in the coming years. Their modelling showing that the 'total demand for qualifications [is] expected to increase by between three and 3.9 per cent on average each year.'[6] They agency also warned of the negative impact on the economy as a whole if these needs are not met.

2.8 Manufacturing Skills Australia (MSA) submitted evidence they had gathered from around their industry that suggested the skills required in the future will be 'far less labour intensive and based more around technology and the higher-end skills and knowledge'.[7]

2.9 MSA were concerned that the provision of these high end skills in the manufacturing industry often requires training facilities that are only available in TAFEs rather than through private providers. They argued that there is a danger that these services may not be available in the future if TAFEs are expected to compete with private providers on a purely cost basis:

> The other fact we are finding is that in some of the high-cost programs, which are fairly capital intensive and require high-cost resourcing, TAFE directors are making decisions based along those same lines. The reasoning is that for the provision of a particular program, whatever the cost might be, they could provide three others for less cost and still get more student activity and operation within the institute itself. That is a concern. Around engineering in particular, which is the strong focus of manufacturing, a lot of the units of competency that are called up in training package qualifications are not commonly used but form part of the fabric of skills that are used across the industry. If an enterprise seeks training in a particular unit of competency that may represent a very high cost for a TAFE institute, they will maybe not even bother to offer it. So it is not so much about demand of driving the market; often the demand is there, but, if

5 TAFE Directors Australia, *Proof Committee Hansard,* 16 April 2014, p. 47.

6 Australian Workforce and Productivity Agency, *Proof Committee Hansard,* 9 April 2014, p. 41.

7 Manufacturing Skills Australia, *Proof Committee Hansard,* 9 April 2014, p. 1.

> the providers do not wish or are not willing to provide that service, then industry will suffer because of that.[8]

2.10 AWPA highlighted the expertise that TAFE has in areas where the training requires access to specialist facilities and staff with industry networks and experience:

> TAFE's role is especially important where off-the-job training requires ongoing commitment to specialist facilities and to staff with extensive industry experience and strong industry networks. TAFE is central to the vocational education and training system in Australia and provides a wide range of qualifications, a geographic reach and a critical mass of expertise, facilities and resources that could not readily be replicated.[9]

2.11 The fact that TAFE is a publicly owned, operated and funded service also has an impact on the role it plays in support the economy as a whole. Its capacity to provide services a private provider may not see as profitable, either due to geographical location, or the nature of the course, is often cited as one of the key distinctions of TAFE institutions. AWPA were of the view that this is due to TAFE having a dual role of being a skills provider, and a further education provider. In many cases the educative role provides the foundation skills required for an individual to embark on skills training to industry standard:

> In all the TAFE systems that I am aware of, TAFE is a provider of skills but also sees itself as a further educational institution. So it is grounded in an educational response. If you look at the Australian VET system, by international standards it is an amalgam of two things. It is an industry skilling system. We are providing training in specific occupations for particular groups. But it is also a further education system which is providing second-chance and initial training in foundation skills and core skills. Having that educational background is something that TAFE has developed over a period of time.[10]

2.12 According to AWPA, a sole focus on unit costs for the delivery of a course puts the capacity to deliver both skills training and further education in jeopardy:

> My board is concerned about whether the unit costs which all VET providers are currently working to and have consistently gone down are an indicator of increased efficiency or an indicator that maybe people are potentially jeopardising the range of services they have traditionally offered.[11]

2.13 The types of skills TAFE provided through this dual focus span a broad spectrum. At one end many submitters highlighted the literacy and numeracy skills

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8 Manufacturing Skills Australia, *Proof Committee Hansard,* 9 April 2014, p. 2.

9 Australian Workforce and Productivity Agency, *Proof Committee Hansard,* 9 April 2014, p. 41.

10 Australian Workforce and Productivity Agency, *Proof Committee Hansard,* 9 April 2014, p. 42.

11 Australian Workforce and Productivity Agency, *Proof Committee Hansard,* 9 April 2014, p. 42.

that TAFE provides to many people who do not have English as a first language, or require extra assistance in order to embark on other areas of study. The Community and Public Sector Union/Civil Service Association in Perth discussed the Course in Applied Vocational Study Skills (CAVSS) program in Western Australia that provides literacy and numeracy assistance at no cost for a certain number of hours:

> There are […] what they call CAVSS, which helps with literacy and numeracy in the classroom for some students. I believe that is free for a certain number of hours, at least for apprentices. Also, for our brand new migrants, their fee is very low.[12]

2.14 Unions WA also stressed that literacy and numeracy skills provided by TAFE for people from a non-English speaking background can feasibly only be provided by TAFE and not private training providers:

> Many workers—for example, those from a non-English-speaking background—need pathways to improve literacy and numeracy skills. TAFE is the institution in which such improvements have been able to take place. A privatised system dominated by narrow definitions of industry needs will not necessarily serve these broad needs of working Western Australians.[13]

2.15 At the other end of the spectrum a number of TAFEs offer educational qualifications to degree level, and highly specialised vocational skills developed for industry.

Committee View

2.16 The absence of a clear set of objectives for TAFE in other jurisdictions makes it difficult to assess what role each government sees for TAFE, and consequently how the TAFE institutions can plan and prepare for the inevitable changing nature of the training environment.

2.17 The committee was struck by how different the management of the TAFE system is across the country, which, while having advantages in terms of local decision making to meet local needs, creates issues in terms of ensuring consistency in the quality of skills delivered. These issues are likely to be exacerbated by the opening up of the system to a huge number of private training providers.

Recommendation 1

2.18 The committee recommends that the Commonwealth work with its COAG partners on the National Partnership Agreement on Skills Reform to ensure that all States and Territories provide clear statements of policy direction on the role of TAFE in consultation with vulnerable industries.

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12 Public Sector Union/Civil Service Association, *Proof Committee Hansard,* 10 April 2014, p. 21.

13 Unions WA, *Proof Committee Hansard,* 10 April 2014, p. 26.

Meeting the needs of a changing workforce

2.19 Engagement with industry, and the ability for the TAFE sector to be agile enough to react quickly to changing workforce demands is one of the key challenges for the sector. As submitters in the previous section described, the workforce is moving from a labour intensive model to a high skills model. As the preeminent national training provider there are constant demands on TAFE to meet these challenges.

2.20 The Community Services and Health Industry Skills Council provided stark evidence of the needs of their sector in the coming years. Over the next five years an additional 125 000 workers will be required in the disability sector, and an astonishing 800 000 additional workers will be required in the aged care sector over the next 20 years. Currently the Council trains around 15 000 people in the disability sector each year, and 20 000 in aged care, but estimate that that will have to be almost doubled each year to meet the need.[14]

2.21 According to the Council, TAFE is the only institution that has the capacity to meet that demand. This is due to their expertise in the sector, and their geographical reach and ability to work in areas that private providers would not find commercially viable:

> Our interest in providing the submission is to talk about the support for a very strong VET system and the support for the TAFE network in particular to provide the bulk of the qualifications that the health and care sector needs and provide them in areas where a lot of commercial operations will not go: markets such as rural and regional areas and qualifications that, while not highly used, are essential to maintaining our health and care system. For us, we believe TAFE is probably the only group in Australia that currently has the capacity to double the national throughput of publicly funded training to help us meet the essential workforce number targets that I am talking about.[15]

2.22 The health and community care sector is a good example of a policy area that is evolving at a rapid pace. The introduction of the National Disability Insurance Scheme (NDIS) will place demands not only on the numbers of employees required in the disability sector, but will also vary the types of skills required. The Council described the changing nature of qualifications that employees will need to work in the new scheme:

> For those jobs, at the moment, the generally accepted industry standard for a beginning worker is a certificate III or certificate IV; but, if you look at some of the trends in where you think the growth in the role is required—growth in consumer directed care, the high level of cost of some of our infrastructure and the need to look at greater productivity—we think the

14 Community Services and Health Industry Skills Council, *Proof Committee Hansard*, 15 April 2014, p. 1.

15 Community Services and Health Industry Skills Council, *Proof Committee Hansard*, 15 April 2014, p. 1.

> individual aged-care worker, disability worker or home and community care worker is going to need a broader range of skills and expertise. I think that over time the base qualifications will move from a cert. III or a cert. IV up to a cert. IV and diploma or maybe even an advanced diploma.[16]

Committee View

2.23 The committee heard extensive evidence on the value of TAFE in relation to skills provision, and the vital role in plays in skilling people for entry, or re-entry into the workforce. The committee applauds TAFEs for the overwhelmingly positive and unique contribution in makes to the economy. However it was concerned to hear the evidence from the Victorian Automotive Chamber of Commerce concerning the apparent breakdown in communication. The committee urges TAFEs to ensure that they focus on providing the skills required by industry, and ensure that concerns expressed by all stakeholders are taken on board to continually improve the service provided.

16 Community Services and Health Industry Skills Council, *Proof Committee Hansard*, 15 April 2014, p. 1.

CHAPTER 3

The delivery of services and programs to support regions, communities and disadvantaged individuals and groups

Support for students with particular needs

3.1 Support for students with specific needs is one example of the service TAFE provides beyond its core function of skills training. Many submitters provided evidence of the extent of support it provides to assist students to attend TAFE. There were also questions raised over whether that level of support could be provided by private providers.

3.2 Deaf Australia NSW described some of the supports required for a deaf person to fully participate in training and further education:

> [T]he deaf people require interpreters, but often it is two interpreters because the interpreters cannot work on their own all day, so they work alternately throughout the day. But, if a deaf person has not had adequate education and they do not have the English skills to enable them to do the course, they often require extra tutoring or support. They might need one-on-one support twice a week or tutoring. Some deaf people have captions and they may need assistance to work through the captions. Also, if the person is in a remote location or has a remote interpreter, that makes it more difficult to access interacting with students in the classroom. There are other support needs that are required depending on the level of education of the deaf person.[1]

3.3 Deaf Australia NSW also provided figures detailing the cost of providing these supports. Mr Hill from Deaf Australia NSW gave evidence that it costs $50 000 to provide an interpreter for the duration of a full time TAFE course,[2] and illustrated how prohibitive this figure is in the context of how much support an individual receives:

> I will give you one example. One smart skills course, for example, a certificate III, for a general course, will be about $6 800, for example, for one course, for the full course—the entire duration. So the 10 per cent loading fee will be $680. That is for interpreters, note takers and mentors. If that person is deaf, they will need an interpreter and a note taker for each individual class. But, suppose one class is one hour; the interpreter's fee is generally $66 per hour. So can you imagine—$680 for a full three-year course is just not going to go far enough.[3]

3.4 TAFE Community Alliance was of the view that only TAFE as a public provider could come close to meeting these requirements costs, and this is only possible through the economies of scale and cross subsidisation:

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1 Deaf Australia NSW, *Proof Committee Hansard*, 9 April 2014, p. 11.

2 Deaf Australia NSW, *Proof Committee Hansard*, 9 April 2014, p. 11.

3 Deaf Australia NSW, *Proof Committee Hansard*, 9 April 2014, p. 11.

> I believe the value of a system is that it offers economies of scale. You have a collaborative framework and you have specialists who are available, who are on tap, who are already employed. Economies of scale, from my understanding of the terminology, enable you, for something that might cost a single provider $50 000, to lower those costs considerably, because you are spreading those costs across an entire system. That is the value of the public system. It has many other values, but that is one value of that system.[4]

3.5 Witnesses in Wollongong provided accounts of students with disabilities being unable to access the supports required through private providers. Ms Ljubic discussed one of her students who is from a non-English speaking background and has multiple disabilities:

> We had our intellectual, physical and vision impairment person working with me because she was from a non-English-speaking background, and we also had to work with the disability service in the area. She had used up her 510 hours of English and then, because the government allocated the 800 hours of English to a private provider, she was referred to that service as part of the contract. The private provider refused service because she was too complex. They did not have the facilities, the staff to support or the help to be able to work with this student, so she was sent back to TAFE and she received reasonable adjustment from the various consultants.[5]

3.6 The Australian Federation of Graduate Women (AFGW) argued that cutting money for support services for people with disabilities will reduce participation and consequently increase costs in other areas of the economy:

> [I]t is a false economy because, if we hypothetically cut funding for students with disabilities of any sort in the TAFE sector, we make it harder for them to succeed and participate. We say, 'Look at all the money we saved in education.'[6]

Committee View

3.7 The committee is deeply concerned that services to people with disabilities may become a casualty of opening up the training market. The assistance provided to people with hearing impairments for example is manifestly inadequate to provide the level of assistance that is required for some students. The alternatives to students with disabilities attending TAFE and potentially entering the workforce in whatever capacity they are able, is that they are isolated and deprived of the opportunity to participate in society. This not only has personal and social implications for the person and their families, but also a potentially huge life-long economic impact for the country.

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4 TAFE Community Alliance, *Proof Committee Hansard*, 9 April 2014, p. 21.

5 Ms Angela Ljubic, *Proof Committee Hansard*, 2 May 2014, p. 11.

6 Australian Federation of Graduate Women, *Proof Committee Hansard*, 10 April 2014, p. 5.

Recommendation 2

3.8 The committee recommends the Commonwealth government work with its COAG partners to develop a partnership agreement establishing a minimum and adequate level of support for people with disabilities.

Disadvantaged groups

3.9 The pedagogy administered in TAFE is a feature that allows better access for disadvantaged groups. The AFGW contrasted the teaching methods in TAFE to those in University and concluded that TAFE is more accessible to those who require assistance to meet their potential:

> University is not necessarily the best environment for people who need twice as long to read a piece of text, who struggle to understand it or who have difficulty remembering the beginning of a passage when they have got to the end of it. This is why I alluded to the actual teaching practices and the modular structure which mean that tasks in a TAFE program are more easily broken into small discrete segments that people can do. Tasks can be scaffolded. I am not suggesting standards are higher or lower. They are, however, different. The things that people are expected to be able to do and do on their own are different at TAFE and university.[7]

3.10 Many submitters argued that TAFE provides a service beyond that of a training provider. TAFE Directors Australia (TDA) informed the committee that there was a long standing tradition in legislation across most of the States and Territories (excluding Victoria) that TAFE's meet community service obligations.[8] These obligations are encapsulated in the following objectives that TDA argue are central to the contribution of TAFEs:

- Building local skills and capability for improved productivity and efficiency in key sectors of the economy;
- Increasing workforce participation where completing a VET qualification assists around 98% of students who want a job after training (and 99.9% of students who want to go on to further study)10;
- Providing a 'second chance education opportunity' for people and contributing to community welfare through the social impact of education attainments and through training workers in areas of skill shortage and growing need, such as health care and aged care; and
- Participating in local planning and development activities as valued members of the community.[9]

3.11 According to TDA these activities lead to the recognition in communities of the value of TAFE and the contribution it makes to both local and national

7 Australian Federation of Graduate Women, *Proof Committee Hansard*, 10 April 2014, p. 5.

8 TAFE Directors Australia, *Submission 176*, p. 12.

9 TAFE Directors Australia, *Submission 176*, p. 13.

economies. TDA carried out a survey in Queensland which found that 85% who responded regard TAFE 'as an extremely important and valuable community asset'.[10]

3.12 The TAFE Community Alliance also emphasised the community role that TAFE has and saw this role as being integral to the service that it provides. The Alliance argue that the role of a public VET provider is to work with those in the community who need assistance, as well as contributing to the economy overall:

> We view public education and training as focused on building a productive and skilled workforce and also an inclusive and fair society. Our submission has comprehensibly focused on those issues to do with social inclusion, affordability; the needs of disadvantaged and vulnerable people in our community, the needs of retrenched workers and so on.[11]

3.13 The Australian Education Union (AEU) provided an example of a partnership between TAFE, the private sector and a number of Non-Government Organisations (NGOs) that is working to provide VET opportunities for disadvantaged people in Inner Sydney:

> We have a professional partnership with St Vincent de Paul down in Woolloomooloo, a level 4 learning, we call it, and Sydney Institute runs courses down there with Matthew Talbot and clients in the Woolloomooloo public housing community as well. Once we have worked down there, we bring them onto campus and then they are on their way, on their journey. At the same time, we are creating communities around the classes. We are creating networks. We are creating really good, strong community and social networks for people to spring from, I suppose, into other life opportunities.[12]

3.14 According to the AEU, TAFE in this sense is very much a part of a broader social policy framework that works in tandem with governments and the NGO sector to create the educational opportunities for those disadvantaged in the community:

> TAFE [is] that very important pathway for people who are very disadvantaged to take that step into something that may well get them off the streets if they are at risk of homelessness and get them into temporary accommodation. They can work their way through the whole spectrum of TAFE courses, up to diploma level, and come out the other end being, in effect, taxpayers—rather than being on income support—and living in appropriate circumstances.
>
> [W]e take a very holistic view of what we do. […] Basically, I can go out and do this sort of work in the community because I know I have a very strong TAFE system behind me.[13]

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10 TAFE Directors Australia, *Submission 176,* p. 14.

11 TAFE Community Alliance, *Proof Committee Hansard*, 9 April 2014, p. 20.

12 Australian Education Union, *Proof Committee Hansard*, 9 April 2014, p. 56.

13 Australian Education Union, *Proof Committee Hansard*, 9 April 2014, p. 56.

3.15 The Australian Industry Group stated that they were also of the view that TAFE's role as a community provider was important and was distinct from other training providers in this respect:

> It is in some senses quite a distinct role from other providers, particularly in regional communities and also for providing programs that are not necessarily cost efficient or are less cost efficient such as disadvantage programs for young people.[14]

3.16 The Australian Workforce and Productivity Agency also acknowledged that TAFE played a significant role in providing training opportunities to disadvantaged groups and individuals:

> TAFE makes a considerable contribution to the provision of vocational training opportunities to disadvantaged Australians, as do some other providers, and has a critical role in providing second chance education, including in language, literacy and numeracy. Studies have shown that people with poor language, literacy and other core skills are less likely to find a job or benefit from training that depends on those skills. In this way TAFE provides an important part of the nation's institutional framework, by offering a training safety net for those without the means to engage within the job market.[15]

Second chance education

3.17 The Agency also gave evidence demonstrating that close to 30% of students accessing TAFE were 'second-chance' students, defined as 'early school leavers aged 24 years and below, and adults aged 25 years and over who have not completed a non-school qualification'.[16] The importance of providing adequate and appropriate opportunities for these learners was supported across the evidence given.

3.18 The Australian Federation of Graduate Women saw this opportunity for a second-chance as one of TAFE's key principles:

> One of the key principles of TAFE that is mirrored in the policies of AFGW is equity in education and the development of disadvantaged students. TAFE provides second-chance education for many Australians wishing to enter or re-enter the labour force, retrain for new jobs or upskill from an existing job to something more sustainable. Many of its students have not previously completed secondary education.[17]

3.19 The Australian Education Union also thought that providing this pathway for those who did not succeed at school was one of the main roles of TAFE:

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14 Australian Industry Group, *Proof Committee Hansard,* 15 April 2014, p. 31.

15 Australian Workforce and Productivity Agency, *Proof Committee Hansard,* 9 April 2014, p. 41.

16 Australian Workforce and Productivity Agency , answer to question on notice, 9 April 2014.

17 Australian Federation of Graduate Women, *Proof Committee Hansard,* 10 April 2014, p. 1.

> The Australian TAFE system plays a crucial role in initial vocational education for young people entering the workforce for the first time, in providing retraining and career change opportunities for workers made redundant, in providing second-chance learning for those who did not succeed at school and in providing pathways for many young people and mature age students into further education and university.[18]

3.20 This was a view shared by the Australian Workforce and Productivity Agency:

> If you look at the Australian VET system, by international standards it is an amalgam of two things. It is an industry skilling system. We are providing training in specific occupations for particular groups. But it is also a further education system which is providing second-chance and initial training in foundation skills and core skills.[19]

3.21 This issue of whether private providers could provide such support services is one that came up frequently throughout the inquiry. The provision of these services requires extensive resources and specialist staff to be able to provide the kinds of support required for people from disadvantaged groups to be able to participate in vocational and technical education. Mr Rorris from the South Coast Labour Council agreed with the TAFE Community Alliance with regard to the economies of scale, and highlighted the impact that having a reduced TAFE sector could have on the provision of these services:

> You no longer have the one provider—whether it is in a regional area or not—which has the ability to fund, on an equity basis, a certain portion of services. As administrators I am sure you would have that work—you take a bit from each area and put it together so that you have the critical mass again to justify that position. Whether these are multicultural services officers, language and literacy officers, or those dealing with disabled and others, if you have one provider you have the ability to provide this. How are you going to do this if you have 10 providers? We know the answer to that question, too. As I am sure you will hear in further evidence, TAFEs have begun cutting these services or have begun to question the need for them to continue. It is cutting our noses to spite our faces. TAFE exists for students like that, to give them those opportunities.[20]

3.22 The role that TAFE plays in supporting people from disadvantaged groups is beyond doubt. The Australian Federation of Graduate Women quoted from National Centre for Vocational Education Research (NCVER) data that breaks down those participating in the TAFE system by a variety of socio-economic and other factors:

> We note that, of the effective full-time students in TAFE, more than half are drawn from the lower three quintiles as measured in the index of

18 Australian Education Union, *Proof Committee Hansard,* 16 April 2014, p. 30.

19 Australian Workforce and Productivity Agency, *Proof Committee Hansard,* 9 April 2014, p. 42.

20 South Coast Labour Council, *Proof Committee Hansard,* 9 April 2014, p. 29.

> relative socioeconomic disadvantage. Almost 21 per cent of domestic TAFE students come from a home where a language other than English is spoken as a matter of course. Seven per cent of students at TAFE have a disability. Data sourced from NCVER shows also that the Indigenous population of VET is double that in the general population. If we look at regional and rural Australia, in many places like regional centres and remote locations TAFE is the only provider of post-secondary education. NCVER data from 2009 shows that 42 per cent of students enrolled in TAFE come from remote or rural locations.[21]

3.23 Women in Adult and Vocational Education (WAVE) pointed to the contribution that TAFE makes by providing educational pathways to women and girls who may be returning to the workforce, or have missed out on vocational education earlier on in their lives and TAFE provides that second chance:

> It is important in this country that we have a strong public vocational education and training provider, and that it has a role in providing low-level access courses and second-chance education courses for those who have missed out on earlier opportunities. This is critical for many women. TAFE has a proud tradition in running outreach courses in the community that provide opportunities for many women to learn new skills and/or gain confidence to re-enter the workforce.[22]

3.24 WAVE also gave the example of TAFE offering tailored learning for different groups to assist them in their return or entry into the workforce:

> In some of the outreach courses there are women only classes. Some of the women are from migrant groups who feel the need for that. There are also women coming in to re-start their lives and careers who have been victims of domestic abuse. They need that sort of support as well.[23]

TAFE as a regional provider

3.25 The ability of TAFE to deliver courses in regional areas that would not be commercially viable to private training providers is a further distinguishing feature of the sector. The Community Services and Health Industry Skills Council informed the committee that almost half of participants in their training courses come from rural and remote areas:

> We know that about 44 per cent of people who do our training packages come from rural and remote areas, which obviously have higher numbers of people from a lower socioeconomic background. In particular, we have got a high uptake of Aboriginal people who are doing our training packages and come from regional and remote areas.[24]

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21 Australian Federation of Graduate Women, *Proof Committee Hansard*, 10 April 2014, p. 1.

22 Women in Adult and Vocational Education, *Proof Committee Hansard*, 9 April 2014, p. 49.

23 Women in Adult and Vocational Education, *Proof Committee Hansard*, 9 April 2014, p. 52.

24 Community Services and Health Industry Skills Council, *Proof Committee Hansard*, 15 April 2014, p. 1.

3.26 The Council emphasised that if TAFE did not put on courses in regional areas then essential skills and qualifications would be lost from those areas:

> [T]he bulk of the qualifications that the health and care sector needs and provide them in areas where a lot of commercial operations will not go: markets such as rural and regional areas and qualifications that, while not highly used, are essential to maintaining our health and care system.[25]

3.27 TAFE is often the only training provider in regional areas. In Western Australia for example '36 per cent of students come from non-metropolitan areas'.[26] This is particularly important in some states because of the high level of youth unemployment. The Youth Affairs Council of Western Australia (YACWA) discussed a Brotherhood of St Laurence report which shows youth unemployment nationally as above 15 per cent in 2013.[27] Some areas across the country have far higher rates as the table below shows:

Region [For a full list of locations in each Region, see Appendix]	State	Youth Unemployment Rate (%)
West and North West Tasmania (including Burnie, Devonport)	TAS	**21.0**
Cairns	QLD	**20.5**
Northern Adelaide (including Elizabeth, Gawler)	SA	**19.7**
Outback Northern Territory	NT	**18.5**
Hume (including Goulburn Valley, Wodonga, Wangaratta)	VIC	**17.5**
Mandurah (including Dawesville, Falcon)	WA	**17.3**
Parramatta	NSW	**16.8**
ACT	ACT	**11.3**

Table 3: Worst Youth Unemployment Hotspots in each state, year-to-January 2014
(Source: ABS. 6291.0.55.001 - Labour Force, Australia, Detailed - Electronic Delivery, Jan. 2014)

3.28 YACWA argued that a lack of access to learning is the key factor in areas of high youth unemployment, and it is here that TAFE can make an impact:

> [T]here is a huge number of young people in that area who are unemployed, to potentially the extent of systemic unemployment. A lot of that has to do with the fact that they do not have access to flexible learning. They do not have the option to be engaged in education that is designed for their experience or what they are interested in. You

25 Community Services and Health Industry Skills Council, *Proof Committee Hansard*, 15 April 2014, p. 1.

26 Youth Affairs Council of Western Australia, *Proof Committee Hansard*, 10 April 2014, p. 9.

27 Brotherhood of St Laurence, *Australian Unemployment 2014: Snapshot.* 2014. Available at: http://www.bsl.org.au/pdfs/MyChanceOurFuture_Youth_unemployment_snapshot_Feb2014.pdf (accessed 2 May 2014).

> suggested that they would be left on the scrap heap. I think we have already started to do that.[28]

3.29 The Gippsland Education Precinct gave evidence to the committee describing the partnerships between industry, further and higher education, and how in their view, this approach can serve regional areas effectively:

> It was about making sure that the key providers were working closer together to provide a seamless pathway and to increase opportunities for, in particular, low- socioeconomic students that surround the campus. The idea was that you could have the high school, you would have a TAFE, you would have an apprenticeship group, you would have a university and the local shire as well. All of those partners have been working very closely together and as a result of working closely together we have managed to put in for a couple of [Regional Partnerships Facilitation Fund] RPFF[29] projects and been granted some money.[30]

3.30 This type of partnership facilitation is where the Gippsland Education Precinct would like to see the Commonwealth adding value to the process by acting as a nexus between industry and education at a national level.[31]

3.31 The Holmesglen Institute was another example of innovative partnership development in the TAFE sector. The Institute was keen to inform the committee that TAFE does not only deliver technical skills training, but is a community asset that delivers training over a broad spectrum of courses and education levels. As a consequence of substantial funding cuts the Institute has entered into a number of partnerships to reduce costs and attract investment and income. One of these partnerships has been with Healthscope, a private healthcare provider, who intend to build a private hospital on the one of the Institute's campuses. This will provide both rental income and training opportunities for those students undertaking health related qualifications. Through innovations such as this Holmesglen hope to consistently meet their target of 50 per cent of government funding and 50 per cent on funding from other sources.[32]

3.32 The impact that TAFE has on people's lives is often profound. The committee heard numerous accounts from witnesses who regard TAFE as being the thing that altered their course in life dramatically, providing not only educational achievements, but also self-confidence and assurance that has allowed them to prosper.

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28 Youth Affairs Council of Western Australia, *Proof Committee Hansard,* 10 April 2014, p. 12.

29 The Regional Partnerships Facilitation Fund (RPFF) is a $20 million competitive grant fund established by the Victorian Government to support increased alliances between higher education institutions (universities and private higher education providers) and VET organisations (TAFE institutes, private training organisations and Learn Local organisations). http://www.education.vic.gov.au/training/providers/pages/regpartnershipsfund.aspx.

30 Gippsland Education Precinct, *Proof Committee Hansard,* 15 April 2014, p. 24.

31 Gippsland Education Precinct, *Proof Committee Hansard,* 15 April 2014, p. 28.

32 Holmesglen Institute, *Proof Committee Hansard,* 16 April 2014, pp 60-63.

3.33 One such account was from the West Coast Institute of Training's 2013 Student of the Year, Ms Aliesje Kolovis, who is now a youth worker:

> I was lucky to have had someone push me into TAFE. My first experience with TAFE was when I was 15 at West Coast Institute of Training, and I completed a course in gaining access to training and education. That was the start of a change in my life. I was not able to hang out with the people that I had been hanging out with, so I was slowly distancing myself from that negative, destructive behaviour because I was at TAFE five days a week, full time. From there I decided—because I was getting some perspective on my friends—that I wanted to be able to help other people, because they were not in education and they did not have jobs. They had nothing, pretty much. So I started a cert III in community service work. I went on to do my cert IV and, in 2012, I completed my diploma. From that, I am now West Coast Institute of Training's 2013 Student of the Year…If it was not for TAFE being available and being so affordable, I would be either in jail or dead because of the behaviour that I was engaging in.[33]

3.34 Ms Kristine Highet, who gave evidence as a representative from the Australian Education Union, discussed the importance of TAFE in providing formative education and life skills at different stages in her family's lives:

> My parents and grandparents were skilled workers, but they came through the system where it was mostly on the job or self-educated. They left school at 15… My uncle did retraining at what was the arts college that belonged to TAFE postwar; he was one of the ex-servicemen who did the retraining through TAFE in that way…I went to teachers college— it was CAE then—but later on I went to Ultimo TAFE and did Indonesian. That gave me a whole new perspective in my life and also put me on a pathway to upgrading my skills so that I could also teach Indonesian as well as being an entrance primary teacher. My mother went to Ultimo TAFE after she retired and did a welfare course, and that gave her a whole new perspective in her life and a way of being that was quite different for her and kept her really active. She is still going at 90. My younger sister left school before she completed her HSC. She went to Ultimo TAFE and did her HSC there after a little time out. She then went on to do pathology at Ultimo TAFE and then went on to university, did a science degree and kept travelling until she started to do a PhD, so she had a successful pathway in that way as well. That is just one family's connection with TAFE.[34]

Committee View

3.35 The committee, and all of the contributors to the inquiry were in no doubt as to the value of TAFE. This value and uniqueness is especially evident in its provision of services for people with disabilities, people from disadvantaged groups, and people in rural and regional areas. There is no alternative to the services TAFE provides to

33 Ms Aliesje Kolovis, *Proof Committee Hansard*, 10 April 2014, p. 36.

34 Ms Kristine Highet, *Proof Committee Hansard*, 9 April 2014, p. 55.

these groups and all governments should consider closely the social and economic impact of these services being diluted and removed from some groups or some areas.

3.36 The committee urges COAG to work together to ensure that this asset to the country is not weakened to the point where it cannot provide skills training and further education to those most in need of it.

CHAPTER 4

The effects of a competitive training market on TAFE

4.1 One of the central themes in the various changes to the delivery of technical and further education across the country is the introduction of an open market for the delivery of training. The exact market model being introduced differs across the States and Territories, but all jurisdictions have, or are in the process of introducing far-reaching changes to the TAFE system.

4.2 In New South Wales the 'Statement of Ownership' emphasises that TAFE will be placed in a more competitive funding environment, where it will be expected to 'compete for student entitlement places with private and community providers'.[1]

4.3 In May 2012 the Victorian Government launched its 'Refocusing Vocational Training in Victoria' reforms that altered the way vocational training was delivered in Victoria. In March 2013 the Victorian Minister for Higher Education and Skills released the 'Next Steps for Refocusing Vocational Training in Victoria – Supporting a Modern Workforce'. The Next Steps publication strongly advocates a move to a more commercial footing and autonomous operation for individual TAFEs, and introduces competition in the workforce by giving each institution the power to negotiate enterprise bargaining agreements.[2]

Costs as the only factor

4.4 The evidence base for introducing a competitive market system was questioned by the TAFE Community Alliance amongst others. The Alliance argued that the reason for the changes to the delivery of VET services was purely cost and not a failure of the TAFE system to deliver high quality services:

> It is not a failure to deliver that has led TAFE to the situation that it now finds itself in—in some states in quite dire circumstances. It is not failure to deliver at all; it is cost of delivery and the government's intention—successive governments of both political persuasions—to transfer the costs of training from the government purse, which is after all the public purse, to the individual and the business. That is what is driving this entire market agenda. It is not failure to deliver.[3]

4.5 The Alliance also contend that their argument is supported by there being little research or evidence that would suggest the RTOs can deliver a better service than TAFEs:

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1 NSW Government, *TAFE NSW Statement of Owner Expectations, FAQs*, August 2013, p. 1. Available at: https://www.tafensw.edu.au/about/assets/pdf/soe-faq.pdf (accessed 5 May 2014).

2 Victorian Government, *Next Steps for Refocusing Vocational Training in Victoria – Supporting a Modern Workforce*, March 2013. Available at: http://www.education.vic.gov.au/Documents/about/department/modernworkforce.pdf (accessed 5 May 2014).

3 TAFE Community Alliance, *Proof Committee Hansard*, 9 April 2014, p. 22.

> Unfortunately, at the moment, there is no research or evidence of this. There are plenty of concerns about providers, but there is no research or evidence to say that this market is producing a more skilled, productive and efficient workforce.[4]

4.6 According to Australian Vocational and Education Training Research Association (AVETRA) the situation whereby decisions about where to study are solely based on cost do not take into account the overheads that a TAFE may have when compared to those of a RTO. AVTRA also contend that RTOs 'cherry picking' low cost courses:

> The question is: why hasn't TAFE been to be able provide courses at $2.50 an hour per contact arrangement or $3 or $7 an hour? There is the quality of the educational provision. TAFE has been an established provider. It has an industrial structure whereby people are paid certain wages. It also has a way of delivering standard and guaranteeing standard, and a way of providing a program within a number of hours. If we look at the literature that is around, there are some really good private providers and there are some excellent registered training organisations in-house and also as enterprises in their own right. They do contribute to the overall effort and they are increasingly doing online courses. There is a cherry- picking arrangement that tends to happen.[5]

4.7 Many submitters argued that considering costs as the determining factor in a decision are only a valid comparison if all other factors are equal. The Victorian TAFE Association highlighted many of the other factors that a public provide such as TAFE has to consider when setting costs for courses:

> [I]t costs more to operate as a public sector entity when you do provide and you want to provide a holistic learning experience for your students with libraries, counselling services, cafeterias and the like. But also there are the compliance costs of being a public entity, and they are quite significant. You have a governing board that is appointed by the government that is remunerated by the institute.[6]

4.8 The Australian Workforce and Productivity Agency (AWPA) argued that for there to be a level playing field, standards and regulation have to be equally applied:

> I would say that the majority of our board believes that some competition raises standards. They take that as a viewpoint. However, they would also say that you should only have competition where you have quality and regulation sorted out first. For example, my board was very clear that

4 TAFE Community Alliance, *Proof Committee Hansard*, 9 April 2014, p. 24.

5 Australian Vocational and Education Training Research Association, *Proof Committee Hansard*, 9 April 2014, p. 39.

6 Victorian TAFE Association, *Proof Committee Hansard*, Tuesday 15 April, p. 18.

> we should not move to a demand based funding system until quality had been was established.[7]

4.9 The committee heard from witnesses who suggested that public and private training providers competing did not always produce the best training outcomes for the students and employers. Women in Adult and Vocational Education (WAVE) brought up the example of beauty therapy courses being advertised and not delivered,[8] while witnesses in Melbourne referred to a high profile case in Victoria that saw 10 000 fitness instructors being trained with none were needed.[9]

4.10 The Victorian TAFE Association used the case of the over subscription of fitness instructors as an example of why there needs to be more sophisticated management of funding training providers beyond price alone:

> [I]n that industry, everybody knew that that was going to happen. We said, 'There's going to be an explosion this year.' We actually encouraged people to enrol in those areas, because it was a profit-making area. And that is the environment you are in. You are in a market to make a profit, whether you are a public provider or a private provider. That is the perfect example of needing to have different market levers other than price or, if it is price, to have it so that it is moderate rather than up here and then down there, where the provider just about goes bankrupt because there is not enough support. The alternative is that you have caps, and you have a combination of a price cap and a places cap. If you are going to do it all by price, then it becomes a much more complex area with the diversity of qualifications involved.[10]

Regulation and Standards

4.11 The committee heard of the impact the changes to the delivery of VET services have had. The Australian Human Rights Commission (AHRC) spoke of their concerns about the consistent quality of training across the public and private sectors. The Age Discrimination Commissioner, the Hon. Susan Ryan discussed findings from a recent Australian Skills Qualification Authority (ASQA) report into the aged and community care training. According to AHRC the report found the standard of training delivered through the Registered Training Organisations (RTOs) and private training providers was substandard with 80 per cent failing to comply with existing national standards.[11]

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7 Australian Workforce and Productivity Agency, *Proof Committee Hansard,* 9 April 2014, p. 43.

8 Women in Adult and Vocational Education, *Proof Committee Hansard*, Wednesday 9 April, p. 54.

9 Community Services and Health Industry Skills Council, *Proof Committee Hansard*, Tuesday 15 April, p. 5.

10 Victorian TAFE Association, *Proof Committee Hansard*, Tuesday 15 April, p. 23.

11 Australian Human Rights Commission, *Proof Committee Hansard*, 9 April 2014, p. 17.

4.12 The ASQA report states that the implications of poorly delivered training are significant and this not just a problem in the aged and community care sector:

> From ASQA's experience, this is not just a problem with training in the aged and community care sector. It has much wider application across the whole VET sector…
>
> There are two key implications. First is that trainees and employees are not really being properly skilled. Second is that those RTOs that are trying to provide high-quality programs that are capable of delivering the skills and competencies required in a meaningful way are being faced with unfair competition (in terms of costs and prices) from those RTOs that are providing 'cheap' and unrealistically short training programs.
>
> This creates an environment in the competitive training market where there is a 'race to the bottom' in terms of continually reducing course fees to attract students, reducing course times to attract students and reducing training and delivery effort to cut costs. Quality and sufficient time to enable adequate instruction, learning and assessment are the 'casualties' in this environment.[12]

4.13 The consistency of training delivered through the TAFE system was cited as one of the key points of difference between the TAFE and RTOs. The TAFE Community Alliance (the Alliance) argued strongly that the implications of the VET sector in general would be profound if consistent standards were not applied across the country:

> [W]e will see the entire VET system flounder. The TAFE system offers the codification of training. It offers a quality standard. There is consistency across the country. If you see that disappear, you will see fragmentation and fracturing. I wonder about the quality and the sustainability of that market.[13]

4.14 When asked about tools to ensure that TAFE delivers high quality, agile and responsive training, the Alliance also cited regulation and standards as the key to ensuring that the delivery of training, be it by TAFE or RTOs, is consistent and of a high quality:

> You create performance and outcome standards against which they need to report for the use of the money that they are allocated. It was done in the past. It is a proven method. If you are failing to deliver, that failure becomes apparent, because there are outcries from industry, commerce or business leaders or people out there in the community. If you are failing to deliver, you simply cannot continue.[14]

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12 Australian Skills Qualification Authority, *Training for aged and community care in Australia,* September 2013, p. xi.

13 TAFE Community Alliance, *Proof Committee Hansard,* 9 April 2014, p. 20.

14 TAFE Community Alliance, *Proof Committee Hansard,* 9 April 2014, p. 22.

4.15 The Australian Industry Group (AIG) was also supportive of maintaining standards through a strong regulatory body to ensure quality of provision, particularly for those organisations seeking to enter the training sector:

> We have also certainly been concerned about the quality of provision by training providers and we believe that there is a case for increased regulation with regard to entry into the field of training provision and also with regard to more regular audits of providers once they are installed.[15]

4.16 AIG were unequivocal in asserting that further regulation is required of the private RTOs rather than TAFEs. When discussing whether increased regulation would increase the regulatory burden on industry, AIG's view was that protection is required to ensure quality is delivered through private RTOs:

> **Mr Taylor:** I see it as protection. What we had was a period of what I would characterise as 'light touch' regulation, which got us into a lot of problems in terms of the quality of registered training organisations.
>
> **Senator URQUHART:** Okay. Are you talking more about private providers as opposed to the TAFE sector?
>
> **Mr Taylor:** Oh yes.
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> **Senator URQUHART:** I just wanted that clarification, because I was not sure which group you were talking about.
>
> **Mr Taylor:** There is nothing wrong with competition and having private RTOs competing against TAFE, but you need to weed out the problem areas. You need to raise the bar in terms of entry. It should be more difficult than it is to get registered, and then there should be regular audits—particularly in areas where it is known that there are problems. Certainly ASQA has been doing that. Of course, that provides protections and it provides confidence to employers. There is nothing worse than people turning up for employment with a qualification that was obtained on a weekend.[16]

Committee View

4.17 The committee is not opposed to the introduction of private training providers in the sector in theory, but acknowledges that TAFE provides an integral service to the community, and therefore should not be required to compete with private providers in some areas.

4.18 Further, the committee was very concerned to hear accounts of where private providers were flooding the system at the expense of quality and consistency. These accounts were supported by all stakeholders, including employers and students.

4.19 The impact of reduced quality of skills provision is felt by everyone. Employers reported graduates of some courses as being not work ready, while students told of losing their one chance of supported learning to a substandard

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15 Australian Industry Group, *Proof Committee Hansard,* 15 April 2014, p. 31.

16 Australian Industry Group, *Proof Committee Hansard,* 15 April 2014, p. 34.

provider who did not provide them with either high quality skills, or appropriate skills and consequent employment opportunities.

4.20 The committee supports the view that the way to address inconstancies in terms of quality of skills provided, is by having a rigorous quality assurance regime. The Australian Skills Qualification Authority is the appropriate body to manage this regime, but it needs to be properly resourced and funding to develop, audit and enforce standards.

Recommendation 3

4.21 The committee recommends that resources and funding for the Australian Skills Qualification Authority be proportionally increased relative to the number of private providers entering the training market.

Recommendation 4

4.22 The Committee recommends the development of improved government standards for registration of training organisations, as the current regulatory environment provides no guarantee of quality for students.

The effects of the introduction of public funding contestability

4.23 AVETRA discussed the concept of a 'managed market' that could take into account the differences in delivery costs and procedures, while still having capacity for the RTOs to compete and challenge TAFEs for taxpayers' money:

> [I]t still does really need to have in the managed market situation, to my way of thinking, a commitment of taxpayer's money so that what we have got is a strong, robust and capable public provider. It is a bit like somebody looking after the ports, looking after the railways, looking after transport or looking after health, that you have got a strong, confident, robust public provider but you also have that supplemented by and also challenged by and also collaborated with from a number of commercial providers as well. So my managed market situation is to have standards but also scale and also responsibilities allocated but also spaces for the private providers and business providers to work with that.[17]

4.24 AIG concurred with AVETRA in their position that a market has to be managed to ensure that the training provision meets the needs of employers, and to take account of the requirement for a holistic learning pathway for students:

> If you are going to have it, it needs to be managed and monitored. Even here in Victoria, which led the way in terms of introducing this model, now has a monitoring unit within the Victorian department to keep an eye on the patterns of provision. You need that, at least. The model is based on the assumption of an informed choice. I think the system has struggled to provide that to the consumers of training. The training market is imperfect to begin with. There are thin market and fat markets. It is a difficult area in which to apply the market principle, we think. It does not

17 Australian Vocational and Education Training Research Association, *Proof Committee Hansard,* 9 April 2014, p. 39.

> cover some things like, for example, foundation skills. You would wonder whether you need a competitive market around something like foundation skills. That should be more an entitlement or a right rather than the basis for competition between RTOs.[18]

4.25 AIG suggested that there should be a split funding model where public funding contestability was not applied across the board:

> One of the ideas we had was that you could have a split funding model, where you had a base of provision, which could protect TAFE in thin markets, such as in regional areas, and then on top of that have a contestable model. In other words, there would not be contestability across the board, but a more managed approach to contestability.[19]

4.26 A group of retired TAFE educators, Concerned Vocational Educators, with a vast amount of experience between them, also opposed contestable funding being applied across the board. Their position is that contestable funding should only be applied under the auspices of national guidelines premised on quality and consistency:

> We think that a national framework should be developed under which TAFE can be funded not only for the costs of training delivery but also for the other services that colleges provide to students and the community as a whole, chiefly in the regional areas. States should continue to make detailed funding decisions within that framework. Contestable funding must be carefully considered and managed according to agreed COAG national guidelines to ensure quality and consistency of standards.[20]

4.27 Mr Rorris from the South Coast Labour Council highlighted what he said is the critical flaw in a contestability funding model. His argument is that contestability for the same funds, in an effort to drive competition and efficiency, can only work when there is a critical mass of students and capital assets to provide the services required:

> In essence, this gets to the flaw in contestable models. Critical mass is critical to service provision. It is critical to efficiency and to the cost savings that governments hope to make by cutting those corners and by cutting costs. Quite simply, it would be ridiculous and totally ineffective to try and cover with two or three providers what one is covering in Batemans Bay, Bega or the Southern Highlands. Why? Because the simple maths and economics tell us so. You cannot do it. You would have to give it to one provider. This gives rise to chief flaw in the contestability model: how do you capitalise for the machinery and for the workshops?[21]

4.28 TAFE Directors Australia (TDA) described in their submission the financial impact that contestability is having in some States:

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18 Australian Industry Group, *Proof Committee Hansard,* 15 April 2014, pp 32-33.

19 Australian Industry Group, *Proof Committee Hansard,* 15 April 2014, p. 33.

20 Concerned Vocational Educators, *Proof Committee Hansard,* 16 April 2014, p. 53.

21 Mr Arthur Rorris, South Coast Labour Council, *Proof Committee Hansard,* 9 April 2014, p. 28

> As jurisdictions move towards contestability, pressure has intensified on TAFE through funding cuts and changed pricing for VET across jurisdictions. $80 million was cut from TAFE budgets in NSW, $79 million in Queensland and an estimated $83 million in South Australia and eight different funding models currently exist as each jurisdiction has implemented its own approach to contestability.
>
> For those most advanced in implementation (Victoria and South Australia), severe financial difficulties have impacted on TAFE, especially those institutes delivering core skills courses in regional areas (thin markets).[22]

4.29 As a proportion of total funding the Australian Education Union (AEU) gave the example of South Australia that has seen the amount of contestable VET funding rise from 26 per cent in 2011 to 74 per cent in 2012.[23]

4.30 TDA also quoted a number of industry groups it said have been critical of the speed of the changes to TAFE funding, and the impact it will potentially have on the long term skills base that industry requires:

> Contestability models of VET reform under the NPA have dramatically reshaped the VET sector in Australia with Government spend on vocational education spread increasingly thinly. Various industry peak groups have expressed concern about the speed and seeming ad hoc nature of the roll out of national entitlement in some jurisdictions, and the lack of appropriate checks and balances with implementation. Innes Willox, Chief Executive, AIG in an address to the National Press Club in August 2012, noting the closures of dozens of courses at regional TAFE in Victoria, said:
>
> *It is of significant concern to industry that we won't be able to then drive the skills pool in the future and kids in regional Australia will miss out on opportunities to gain skills and then get into the workforce.*
>
> Jenny Lambert, Director of Employment, Education and Training at the Australian Chamber of Commerce and Industry, in an interview for *Campus Review* in 2012, commented that that in economic terms, this form of 'public funding' distorted the market and serves as an incentive for providers to follow the money trail.[24]

Committee View

4.31 The committee heard from a great many stakeholders across the country who described the impact of public funding contestability on TAFE and skills provision as a whole. The committee heard no compelling evidence that opening TAFE up to full contestability benefits anyone but the private providers. If TAFE has to compete on a cost basis only it will not survive and will be diluted to the point that its assets, in terms of expertise and capital infrastructure, will be lost. Proponents of a managed

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22 TAFE Directors Australia, *Submission 176*, p. 25.

23 Australian Education Union, *Proof Committee Hansard*, 16 April 2014, p. 30.

24 TAFE Directors Australia, *Submission 176*, p. 25.

market suggest weighting any comparison between TAFE and an RTO to take fully into account the added value that TAFE brings, and the costs that will be realised if TAFE cannot provide those services. The committee fully supports this approach.

Recommendation 5

4.32 The committee recommends that COAG work towards establishing a formula for use in contestable funding decisions that reflects the true costs of TAFE delivering those services, and establishing a 'managed market'.

Recommendation 6

4.33 The Committee recommends that COAG work collaboratively to develop a national workforce strategy for TAFE that addresses the level and quality of teaching qualifications in the sector, the unacceptably high rates of casual employment, and the allocation of adequate resources to enable TAFE teachers and institutions to develop and maintain close liaison with industry and local communities to assist them to meet their vocational and technical education needs.

The application and impact of the increase of fees

4.34 The committee heard accounts from many witnesses and submitters concerned by the rapid and substantial increase in fees for some courses across the country. A National Partnership Agreement (NPA) on Skills was agreed by COAG in April 2012 committed all States and Territories to a 'National Entitlement Scheme which would be partly funded by $1.75 billion of Commonwealth funds over four years. However the Agreement didn't stipulate fees or define courses.[25]

4.35 Witnesses at the committee's hearing in Perth described the impact that substantial increases in fees have had on students. Ms Ward from the Edmund Rice Centre in Perth described the situations where two of her clients could not embark or complete courses due to fee increases:

> The effect increases in costs have made and will continue to make to our students, clients and their families is more than significant […]I have some examples and short case studies such as the two Sudanese women, widows, who are very excited about completing their cert III in English and are applying to TAFE to do their cert III in aged care […] They returned in tears because there was no way they could pay the fees. We knew there had been some rumblings about fee increases but we had not actually been informed of the level these increases were going to be. Like many of our clients, they have large families and are paying more than 50 per cent of their income on rent. If they paid the fees, they could not afford to feed the kids or to pay the rent.[26]

4.36 Ms Ward also spoke of her discussions with the vocational education and training staff at a secondary school that had a VET program up to Certificate II. The

25 TAFE Directors Australia, *Submission 176*, p. 4.

26 Edmund Rice Centre, *Proof Committee Hansard*, 10 April 2014, p. 33.

staff reported that students that had completed their courses at high school were unable to continue their course due to the fee increases:

> I also spoke at length to the vocational education and training staff at Mirrabooka High School. They are very upset about the effect the increases are having on students who completed cert IIs last year with them. The teacher told me that many have returned to speak to her about the situation and their disappointment in not being able to continue their studies because their parents just could not afford it. They have had that start and they cannot continue with it.[27]

4.37 Unions WA provided examples of the scale of some of the increases that have occurred in Western Australian TAFE institutions, and the impact this has had on students and their families:

> I did also want to speak about the increase in course fees, which is causing anger and distress to those people but also to those families who have young adults going to TAFE. In WA we have seen some very sharp increases in STP fees arising from the policies of the Barnett government. For example, in semester 1 this year, fees increased for a diploma of nursing from $1,862 in 2013 to $9,131 in 2004. That is a 390 per cent increase. Similarly, for a certificate III in aged care, there has been an increase from $621 in 2003 to $1,585 in 2014. That is a 155 per cent increase. These are significant increases and clearly many of the people who access TAFE come from lower socioeconomic areas and those fees are a considerable impost on the individuals who are studying or, from what we are hearing anecdotally, on the families.[28]

4.38 Mr Bill Dudley, a parent of a TAFE student, provided a detailed account and series of figures to the committee that show the level of increase of a particular course run by the Canberra Institute of Technology (CIT). The total fee for the Advanced Diploma of Graphic Design course attended by Mr Dudley's son is $22,440. According to Mr Dudley, his daughter completed the same course a few years earlier and the fees were just over $1100. The CIT website recently stated that 'the average fees for full-time study for an Advanced Diploma are $785-$1 350 per semester.' Mr Dudley also quoted fees from the University of Canberra for a Bachelor of Graphic Design three year course that costs $18 132.[29]

4.39 One of the reasons reportedly given by CIT for the increase of fees was that in order for students to be able to access the VET FEE-HELP scheme it would have to be run as a 'full fee' course. The VET FEE-HELP scheme attracts a loan fee of 20 per cent.

4.40 Mr Dudley also provided the committee with figures outlining the fee levels for the same course across different states. These figures show a range of fees

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27 Edmund Rice Centre, *Proof Committee Hansard,* 10 April 2014, p. 34.

28 Unions WA, *Proof Committee Hansard,* 10 April 2014, p. 26.

29 Mr Bill Dudley, *Submission 30,* p. 2.

between $318 under certain circumstances in New South Wales, to the fees charged by CIT of $26 928 including the VET FEE-HELP Loan Fee.[30]

4.41 The manner in which the fees were increased was also subject to criticism from witnesses. One witness in Perth told the committee that there was no notice of the increase in fees until prospective students arrived to enrol:

> I looked online all the time, up until the night before enrolment, to see how much I was to be up for, because I had to take a deposit in to enrol. There was nothing there until we went to enrol on that day.[31]

4.42 The late gazettal of fees in Western Australia was mentioned as one of the factors in the level of fees not being broadly disseminated prior to enrolments. Witnesses in Perth commented that although the institutions anticipated the increases and worked hard on the administration arrangements, the late notice of the level of fees was always to cause issues:

> Much planning was done. Much consideration was given to how the increased fees, which we knew were going to happen, would impact on our delivery, on our students, on our administration and support—everything. I acknowledge that my institute did everything that it could possibly do to anticipate those things. They were certainly hamstrung at the end by the very late gazettal of the fees.[32]

4.43 Employees of TAFE in WA also raised the prospect of fees increasing substantially again in 2015:

> My committee had worked together and we had been working in whatever environments we could to put pressure on with regard to the funding model and how we saw that impacting. We believe that we played a role in having some of the caps instituted on those fees that previously were to be at a high level. The interesting thing about those caps is that they will only last for this year, so we will see massive jumps again in fees for 2015.[33]

Committee View

4.44 The committee was distressed and concerned to hear of the impact substantial increases in fees have had on new and continuing students. The committee is extremely concerned that high costs will deter future students from enrolling. Expecting a young student 18 years of age to sign up to a debt of more than $20 000 is unrealistic, given that many students then take up employment in industries where the initial and indeed continuing pay is comparatively low by market standards.

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30 Mr Bill Dudley, *Proof Committee Hansard,* 2 May 2014, p. 4.

31 Ms Wilkinson, *Proof Committee Hansard,* 10 April 2014, p. 35.

32 Ms Jan Lau, *Proof Committee Hansard,* 10 April 2014, p. 37.

33 Ms Jan Lau, *Proof Committee Hansard,* 10 April 2014, p. 37.

4.45 Ultimately the reasons for these excessive fees are that state governments are failing to properly allocate appropriate funding to TAFE and this is being done from an ideological position rather than an attempt to try and improve the system.

4.46 The committee also has very real concerns that administration costs such as the 20 per cent VET FEE-HELP Loan Fee further inflate the costs for students.

4.47 This loading is far in excess of what the committee considers a reasonable administration cost. The committee was also concerned that accessibility to fee assistance programs was limited to full fee paying courses.

Recommendation 7

4.48 In light of the substantial increases in fees across the board, the committee recommends that COAG investigate these fee increases.

Recommendation 8

4.49 Further the committee recommends that criteria for access to assistance programs for fees be examined to ensure that access to VET training is not inhibited by upfront cost considerations.

Recommendation 9

4.50 The committee recommends that the VET FEE-HELP Loan Fee of 20 per cent be reduced significantly in line with comparable financial industry products.

Recommendation 10

4.51 The Committee recommends full and immediate reinstatement of TAFE funding cuts by State Governments.

Senator Sue Lines

Chair, References

COALITION SENATORS DISSENTING REPORT

Background to the inquiry

1.1 The issues of skills development and vocational education pathways into employment require a strategic, analytical inquiry. Coalition Senators would support the use of Senate committee resources to undertake such an inquiry.

1.2 The issue with this inquiry has been that the terms of reference are highly partisan with a view to only discussing one side of what is a complex argument over how the VET system in Australia is managed most efficiently to produce the skills that this country desperately needs.

1.3 What the Australian Greens and the Australian Labor Party have done in this case is conducted this inquiry by press release,[1] taking every opportunity to publicise their highly partisan perspective on the changes to the VET system undertaken by State and Territory governments from both sides of politics. This is not the role of Senate committees. Senate committees are not political footballs. They have scarce resources that should be employed to produce substantial, high quality reports based on extensive and comprehensive evidence gathering. Senate reports should be reputable, with high quality reference material that everyone in the policy arena can access with confidence.

1.4 The integrity of Senate reports is diminished by these types of inquiries where the terms of reference are not properly framed, no account is taken of other work being done in the policy area, the time to undertake the inquiry is insufficient, and there is little thought given to the impact of both Senate resources and the resources of Senators.

1.5 A case in point is the situation that occurred in Wollongong during this inquiry. The resources of Senators during the period available for public hearings were stretched all over the country with close to 20 public hearings taking place in that week. An alternate date for the hearing could have been scheduled if there was more consultation within the committee itself. Instead what happened was a shameless political response through social and print media to what was an administrative issue. This type of short-term opportunism damages the reputation of the committee and the Senate, and diminishes one of the great benefits of the

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1 See for example, http://lee-rhiannon.greensmps.org.au/content/media-releases/productivity-commission-reports-highlights-stealth-privatisation-tafe; *TAFE jobs moving to private sector: Greens,* Adelaide Advertiser, Tuesday 25 February 2014; *TAFE 'reforms' push system to brink,* The Age, 24 March 2014; *Politicians blame each other as Senate hearing into TAFE scheduled for Wollongong is cancelled,* ABC News, 8 April 2014, http://www.abc.net.au/news/2014-04-08/tafe-inquiry/5375130.

committee system, which is to work in a collegiate, responsible manner to contribute substantially to the policy debate.

TAFE is a state responsibility

1.6 The TAFE system is owned, operated and managed by State and Territory governments, at a local level. There are many advantages of this for individual institutions, students and local industry. One of the primary advantages is that State and Territory governments are held politically and electorally accountable for the decisions they make with regard to TAFE. This is how it should be.

1.7 The ability for TAFE to tailor their services to the local community they are based in, and to react to emerging issues in that community such as re-training workers from particular industries or addressing specific shortages, is another advantage of the system being owned and operated at state level. If the federal government had any direct responsibility for service provision in the VET sector, this local knowledge and agility would be lost.

The purpose of vocational education – The role of industry

1.8 Vocational education is education with the purpose of equipping a person with the necessary skills to do a job. Coalition Senators support a strong, vibrant, dynamic and financially sustainable vocational education system. A system that provides meaningful and authentic skills development is of equally benefit to industry and students, as well as providing long term benefits for the economy as a whole. Many of the changes that are currently being implemented across the political divide in States and Territories are intended the achieve this.

1.9 Industry is the group that will provide career opportunities for VET students on completion of their training. Coalition Senators were therefore surprised to find that it is not automatically assumed that it will be them who will drive skills development and training. However this was a topic that was discussed by various witnesses during the inquiry. The Australian Industry Group voiced their support for demand driven funding, to address what they call 'off-the-shelf training' decided by the TAFE Institute rather than industry needs:

> [W]e certainly are concerned about it and we do support in general terms the move to demand driven funding in contrast with supply driven funding. Typically an employee goes to a TAFE institute, and they say, 'This is what we provide' rather than, 'What do you want?' You have probably heard about off-the-shelf training and so on. So we certainly support the introduction of demand driven funding as long as it is based on what industry needs and is not driven by what individuals want.[2]

1.10 The Community Services and Health Industry Skills Council were also vocal in their support for skills development to be primarily driven by employers:

> One of the challenges is that we need to clearly think through: whom is this VET system serving? I believe that at the moment the student lobby

2 Australian Industry Group, *Proof Committee Hansard*, 15April 2014, p. 32.

> seems to be holding the whip hand and the RTOs seem to be in a strong position in influencing what is happening. From our perspective, we think it is an industry-led system. Our education system should be preparing people for the world of society and especially the world of work. So employers need to have a lead role in determining what skills they need to equip their new and current workers with—the skills needed for a changing dynamic future.[3]

1.11 The Victorian Automobile Chamber of Commerce (VACC) did not think that the system was driven by the individual, nor industry, but instead by the training providers themselves. This was particularly the case for private providers:

> VET, in simple terms, is not led by industry. Everyone says it should be led by industry. In our view it is not. It is led by training providers after the funding dollar. Costs associated with the delivery of training by public TAFE providers have not been commensurate with change in delivery and assessment. It is our strong submission that the cost of employing apprentices has increased so dramatically for the employer, and it is for this reason that it is essential that delivery and assessment is improved to the standard needed by industry.[4]

1.12 The committee also received evidence that it is not just employers who will potentially reject TAFEs if they are not providing the appropriate level of training, and prospective students will also suffer. The Australian Education Union warned that there is a real danger of the system being degraded under current changes that students will look at alternatives if they are more likely to improve their own prospects:

> The reputation of the sector is being put at risk at the moment. Instead of having a highly regarded system where people have a degree of confidence in being able to make choices about their courses of study, what we risk at the moment is that students will vote with their feet. If they are uncertain about the quality and uncertain about the activity then their response will be to shy away from further education, improving their skills and so on. There is a huge risk in that for us.[5]

Liaison with industry

1.13 In the automotive sector the committee heard evidence from some bodies who expressed concerns that in their experience TAFE providers are not meeting these challenges. The Engine Reconditioners Association of Victoria (ERA) for example raised some issues with the committee that training pathways are breaking down. The ERA accept that difficulties may be caused by a lack of funding, or rapid structural change in the sector, but nevertheless this has caused their industry to lose faith in the providers:

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3 Community Services and Health Industry Skills Council, *Proof Committee Hansard*, 15 April 2014, pp 5-6.

4 Victorian Automobile Chamber of Commerce, *Proof Committee Hansard*, 16 April 2014, pp 21-22.

5 Australian Education Union, *Proof Committee Hansard*, 16 April 2014, p. 34.

> [T]he industry has lost confidence and that has been brought about by many factors. We believe some of those factors are to do with the rapid withdrawal that has occurred of funding to public sector providers, nominally Kangen in this case. Kangen have had to restructure itself very quickly, probably unfairly, to become commercially viable. Doing that unilaterally in a sector that requires a significant capital investment, as engine reconditioning does, has proved very challenging for them.[6]

1.14 They suggested that many of these difficulties could be sorted out through open channels of communication and discussion but were of the view that this wasn't taking place:

> While they have been open to discussion with the industry, genuine engagement has not occurred—genuine engagement that would see, we believe, solutions put on the table and discussed. The industry has a problem here and, as we understand it, the TAFE provider has a problem. With a genuine discussion, you would be able to sit down and talk about some solutions…they need to understand that we are not the enemy; we are all in this. [7]

1.15 The Victorian Automobile Chamber of Commerce (VACC) also provided an account of TAFE's engagement with their industry not being as productive as it could be. This is in spite of their preference to use TAFEs rather than private providers.

> The performance of technical and further education is very vital for our industry, primarily due to the reliance on traditional trade skills. Our industry in Victoria and Tasmania does rely primarily on public providers. They are the largest providers of training in our sectors. The same cannot be said in other states; but, clearly in Victoria and Tasmania, public providers are our major providers. Despite the problems experienced with public providers in terms of funding, demonstrated lack of responsiveness to industry needs, including reduced service levels, the industry still has a preference to work with the public providers in those two states. However, having said that, the industry is growing increasingly frustrated with the quality of training and assessment.[8]

1.16 VACC contend that dissatisfaction with public training providers has impacted the number of apprentices employed in the industry. According to their evidence they tried to engage with TAFEs to discuss the concerns of their members but have not been provided with a forum for discussion, and consequently have had no alternative but to remove apprentices. Even this drastic measure did not stimulate discussion:

> [M]ost alarming is that now half of our industry does not employ apprentices. They have simply walked away from training apprentices in the industry…

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6 Engine Reconditioners Association of Victoria, *Proof Committee Hansard*, 15 April 2014, p. 8.

7 Engine Reconditioners Association of Victoria, *Proof Committee Hansard*, 15 April 2014, p. 8.

8 Victorian Automobile Chamber of Commerce, *Proof Committee Hansard*, 16 April 2014, p. 21.

> The concern we have with the public providers particularly those we have a partnership agreement with, in our view, is that we have mutual benefits in working together: if they succeed we will succeed and vice versa, because we are co-dependent. But unfortunately, it seems to be the case that despite the fact that we may have, for example, 200 apprentices or 100 apprentices or 60 apprentices in one institution, we are perceived as though we are just one employer… we have removed 60 apprentices… And did they care? They did not even care. Did they bat an eyelid? No, they did not.[9]

1.17 VACC submitted that a number of their members had already taken action, at significant cost, to ensure that their apprentices were receiving appropriate training:

> We have a number of dealerships that choose to send their apprentices interstate to be trained by a private RTO. That is not a cost-saving measure. That is, in fact, much more costly. The cost of that training is much higher than what they would have to pay for a public provider here in Victoria and, in addition to that, they cover transport costs, accommodation costs and all sorts of other costs associated with those. So the view, generally, that we are getting from our members is that they would pay for the training if it was quality training. If they lack confidence in the training, they will walk away from it, and they will persist as long as they can. If they cannot persist with it, they will just give up.[10]

1.18 Furthermore, one of VACC's members decided to establish itself as a RTO because of its dissatisfaction with TAFE:

> Just this year, a large employer of apprentices that also hosts a large number of VACC's apprentices withdrew support for the only public TAFE provider for that sector of the industry and set up as an RTO in competition to the TAFE. This employer, a member of VACC did so because of frustration over a long period over poor quality delivery and assessment.[11]

1.19 In response to questions, VACC themselves said that they are under increasing pressure from their membership to do something similar:

> **Senator BACK:** You actually said you are reluctant to go back into it. But you, the VACC, have been a training provider in the past, haven't you?
>
> **Mrs Yilmaz:** Yes, we have. Quite some years ago.
>
> **Senator BACK:** But I bet your members are pushing you to.
>
> **Mrs Yilmaz:** They are definitely pushing us.[12]

Coalition Senators view

1.20 The issue of who drives skills development is crucial to the future role of TAFE as the preeminent provider of VET in Australia. Employers rely on TAFE to

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9 Victorian Automobile Chamber of Commerce, *Proof Committee Hansard*, 16 April 2014, p. 24.

10 Victorian Automobile Chamber of Commerce, *Proof Committee Hansard*, 16 April 2014, p. 23.

11 Victorian Automobile Chamber of Commerce, *Submission 162*, p. 4.

12 Victorian Automobile Chamber of Commerce, *Proof Committee Hansard*, 16 April 2014, p. 26.

provide consistent high quality training and to ensure that trainees enter the workforce 'work-ready'. For this to happen three things must be in place: skills development must be driven by the employers and industries that will employ TAFE graduates at the end of their training; TAFE's must respond and liaise with employers and industry to ensure that the training provided is of the type and standard required by employers; and lastly that TAFE's have to be financially viable and sustainable.

1.21 The situation described by representatives of the automotive industry in Victoria is disturbing and can only endanger and diminish the central role that TAFE has played to date. TAFEs must recognise that in a competitive market the ability to respond to industry needs is key to their future success. A mosaic funding model is also the only way the VET sector as a whole can meet the increasing demands on it.

TAFE and the competitive market

1.22 The vocational education and training sector in Australia over the past 10 to 20 years has implemented governance and funding reforms designed to ensure training providers have maximum agility to respond appropriately to the range of demands of employers, as well as meet the learning needs of individuals and communities. State and territory governments have also applied the same principle to the ownership arrangements of TAFEs, with some jurisdictions affording full operational autonomy while others provide direction and controls from the centre. In recent years, Victoria, for example has vested capital investment decisions with each TAFE board, to the extent that they are able to dispose of facilities and raise capital privately to expand facilities.

1.23 The majority report concentrates on funding being reduced to TAFEs, or making public funding for VET contestable. The Coalition is of the view that the system needs to involve a mix of contributors which includes the government, industry and students. The Victorian Government's Vocational Education and Training Market 2013 Highlights Report summarised the performance of Victoria's demand-driven training market for 2013. The report states that:

> Over the past year, we've seen 10,000 more enrolments in construction, nearly 10,000 more people training in healthcare and 8,000 more in transport – all critical areas to the Victorian economy.[13]

1.24 The overall public spend has also dramatically increased with 'the Victorian Coalition Government […] spending a record $1.2 billion a year on vocational training, 41 per cent more than when Labor was in power.'[14]

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13 Premier of Victoria, Media Release, 02 April 2014, *More Victorians aligned to job skills in demand*, http://www.premier.vic.gov.au/media-centre/media-releases/9534-more-victorians-aligned-to-job-skills-in-demand.html

14 Premier of Victoria, Media Release, 02 April 2014, *More Victorians aligned to job skills in demand*, http://www.premier.vic.gov.au/media-centre/media-releases/9534-more-victorians-aligned-to-job-skills-in-demand.html

Coalition Senators view

1.25 Coalition Senators support the introduction of a competitive market in the VET sector. There is a huge amount of funding invested through TAFE and government has a responsibility to ensure that it gets the best value for every dollar it spends. In many cases TAFE will be the most appropriate provider, but other times a private RTO will be the best option. In the Coalition's view, opening the sector up to the market will provide efficiencies, innovation and dynamism, which will benefit all stakeholders.

1.26 The contribution of industry was also highlighted during the inquiry, but not included in the majority report. The Australian Industry Group argued that industry is provide its share of funding for the sector through a number of different programs:

> Increasingly there are a lot of co-contribution programs, such as the National Workforce Development Fund. That is a co-contribution fund, and so is the WELL program for workplace English, literacy and numeracy, for example. Employers certainly support them where they have been introduced. And, indeed, they contribute significantly to non-accredited training in the workplace as well. So we think employers are doing their share of heavy lifting.[15]

1.27 TAFE Queensland, its submission highlighted reforms being undertaken in Queensland by 'establishing contemporary employment arrangements to improve the productivity and responsiveness of the workforce and address the major cost differential between TAFE and non-TAFE providers'.[16]

1.28 In most jurisdictions, however, responsibility for conditions of employment and remuneration is not under the direct control of TAFEs. The lack of flexibility to contextualise these conditions to the strategic priority of each TAFE and to compete with other post-school providers, including universities, is seen as a major inhibitor to adaptability. As the major network of vocational training organisations and the engine-room of the VET system, TAFEs need the capacity to negotiate their own industrial arrangements. As a result, each TAFE would be able to align their staffing arrangements to respond to industry need and their specific delivery requirements. While some states and territories appear to be devolving industrial agreement making to the level of the TAFE this is not consistent across Australia.

Recommendation 1

1.29 The Coalition Senators recommend that states and territories take steps to ensure each TAFE is given capacity to negotiate industrial agreements to ensure TAFEs operate on an equal footing as other vocational education providers.

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15 Australian Industry Group. *Proof Committee Hansard,* 15 April 2014, p. 33.

16 TAFE Queensland, *Submission 68*, p. 4.

Maintaining high quality and consistency

1.30 Coalition Senators concur with the evidence received by the committee that TAFE provides some unique services in areas that could not be provided through the private sector. The dual role that TAFE has of providing pathways to the workforce through the delivery of both vocational skills, and tertiary education at numerous levels is of unparalleled value in allowing people from all backgrounds and circumstances to participate in education and ultimately the workforce. This has real benefits to the individual and the economy and society more broadly.

1.31 However this doesn't mean that all courses currently delivered by TAFE should not be subject to the competitive market. Coalition Senators were concerned that the inquiry did not provide an opportunity for private training providers to put their views to the committee. The Coalition supports the position put forward by the Australian Council for Private Education and Training in their submission to the House of Representatives committee that 'the VET sector, like other sectors, requires competition to drive the development of flexible and innovative training, supported by prudent investment in technology and infrastructure.'[17]

Australian Skills Qualification Authority

1.32 The key to ensuring standards of training and skills development are of consistent high quality in a competitive market is having an appropriate regulatory environment. Coalition Senators support the continuation of the Australian Qualifications and Standards Authority (ASQA) as the regulator and agree with employer organisations that increased auditing and monitoring of the sector is required. If increased resources are required for monitoring and compliance then these should be provided. Situations where training providers, both public and private, are not consistently providing the skills training that industry demands, need to be addressed.

1.33 Coalition Senators note that currently ASQA has a different role in the regulation of training providers in Victoria and Western Australia. It is a matter for these two states to consider this further, but for a regulator to be as effective as it can be, ideally its purview would be national.

Recommendations in the majority report

1.34 Coalition Senators supports the recommendations in the majority report except those detailed below:

1.35 Amend **Recommendation 1** from the majority report to read:

The committee recommends that the Commonwealth work through its COAG partners on the National Partnership Agreement on Skills Reform to ensure that all States and Territories provide clear statements of policy direction on the role

17 Australian Council for Private Education and Training, *House of Representatives Education and Employment Committee*, Inquiry into the role of Technical and Further Education system and its operation, *Submission 50*, p. 7.

of TAFE in consultation with affected industries to ensure a quality education for students.

1.36 Amend **Recommend 6** from the majority report to read:

The Committee recommends that COAG work collaboratively to develop a national workforce strategy for TAFE that addresses the level and quality of teaching qualifications in the sector.

1.37 Coalition Senators do not support R**ecommendation 10** in its entirety.

1.38 Coalition Senators recommend that for quality vocational education outcomes, a mix of contributors is required that includes government, industry and students.

Senator Chris Back **Senator Bridget McKenzie**

Deputy Chair

AUSTRALIAN GREENS ADDITIONAL COMMENTS

Introduction and summary

1.1 The Australian Greens are deeply committed to a strong, well-funded, public vocational education and training sector.

1.2 It is clear from the evidence presented to the committee the TAFE sector has been under enormous pressure following policy decisions to open up government funding to competition from private providers.

1.3 Clear themes of serious concern have emerged from the evidence provided, which are startlingly consistent across sectors, industries and interests.

1.4 Major and continuing cuts in government funding to the TAFE sector around Australia under both Labor and Coalition governments, coupled with the diversion of substantial public funding from TAFE to private for-profit RTOs under the contestability model, has resulted in a funding crisis for TAFE institutes across the country, with major losses of staff, resources and infrastructure.

1.5 This has diminished and in many cases removed the TAFE sector's capacity to provide supported affordable quality vocational training and further education to individuals, communities and industries across Australia. Given TAFE is the "bedrock" of Australia's VET system, serious concerns were raised across all sectors about the future of accessible pathways into education or quality skills training in this country.

1.6 The increasing of student fees; introduction of limited and completely inadequate learning support funding; and imposition of a limited once-only publically funded 'training entitlement' for each student has rendered VET qualifications out of reach for many students, and especially those students who come from disadvantaged backgrounds.

1.7 The substantial amounts of public funding now available to private providers as contestable funding has resulted in a 'explosion' of private providers delivering cheap-to-run qualifications that are not meeting skills needs of employers or students.

1.8 Evidence presented to the committee described the commercialisation of VET as resulting in a system not led by the broader needs of industry but by private, for-profit education providers, with potential students being ruthlessly marketed cheap-to-run products for the prime purpose of maximising those providers' profits.

1.9 A lack of regulatory oversight has resulted in a substantial proportion of low-quality high-risk private for-profit businesses being registered as RTOs and delivering substandard qualifications that are of no use to either employers or the student. This has resulted in students 'wasting' their once-only training entitlement; the skills needs of employers and industry are not being met; wasting of considerable public funding that is urgently needed in our TAFE systems; and a diminished confidence in the VET system as a whole.

1.10 The unequivocal underlying cause for these urgent and serious problems is the contestability model of funding for VET provision. The treatment of skills training and further education, and more specifically of TAFE, as a cost to be minimised in an open marketplace is antithesis to a thoughtful and meaningful approach to investment in Australia's learning and training.

1.11 While the Committee's majority report notes evidence from the Australian Education Union, TAFE teachers, students and business regarding the negative impact of funding cuts and contestability, the Australian Greens believe its recommendations do not go far enough in addressing these underlying factors. Therefore we have provided the following recommendations:

Recommendation 1

1.12 An end to the current model of competitive tendering of government vocational education and training and a comprehensive public examination and review of the consequences of full competition on TAFE, including the impact on the quality of vocational education, levels of student support and teaching infrastructure, and a reassessment of the case and justification for a competitive training market.

Recommendation 2

1.13 A complete and rigorous examination of the real costs of the provision of high quality vocational and further education, including:

- **(a) technical skills for work,**
- **(b) adult literacy and numeracy,**
- **(c) crucial supporting knowledge and theory,**
- **(d) student support and counselling services,**
- **(e) support for the development of relationships with industry and employers,**
- **(f) support for the development of relationships and partnerships with universities and schools,**
- **(g) support for research and innovation,**
- **(h) support for initial qualifications and ongoing professional development for teachers and staff.**

Recommendation 3

1.14 Guaranteed funding for the public TAFE system based on the actual costs of providing education, and on a funding model that supports a strong and increased base for capital works, maintenance, infrastructure, and equipment, and which properly recognises the important role of TAFE in providing vocational and technical education in areas of high and low demand, in rural and remote areas and improved access and participation for disadvantaged learners.

Recommendation 4

1.15 The national entitlement to a guaranteed training place should only be offered at TAFE, it should not be restricted to selected qualifications or industry areas, and it should be available as many times as a student requires.

Recommendation 5

1.16 The development of improved standards for registration of training organisations, and the provision of vocational education. The now defunct National Skills Standards Council made a start on the development of improved standards, but this work was set in the context of a rapid opening up of the market under the National Agreement for Skills and Workforce Development. This work now needs to be revisited and the standards strengthened and improved. The current regulatory environment provides no guarantee of quality for students, nor any mechanism for them to get their money back, or their once only entitlement back if the provider they attended provided no training, or was of poor quality. Every provider seeking registration to deliver vocational education in Australia should have the provision of vocational education as its primary purpose.

Recommendation 6

1.17 As part of the development of improved standards, there must be a mandated minimum funded duration of learning in all vocational education qualifications. It is the lack of a mandated minimum which, for example, allows providers to deliver qualifications over weekends, and then be paid as if they had delivered the full qualification.

Senator Lee Rhiannon

Australian Greens

APPENDIX 1

Submissions received

1	Mr Andrew Gammage
2	Mr Rupert Johns
3	Mr Chris Hayden
4	Name Withheld
5	Australian Federation of Graduate Women Inc.
7	Ms Keeley Morgan
8	Food, Fibre and Timber Industries Training Council
9	Australian Human Rights Commission
10	Mr Ivano Buoro
11	Mr Rod And
12	Dr Ruth Schubert
13	Ms CarolAnn Fletcher
14	Mr Matt Posetti
15	Ms Josephine Yates
16	Concerned Vocational Educators
17	Refugee Council of Australia
18	Ms Sue Feeney
19	Yarra Valley Educational Precinct Committee
20	Ms Sonya Bradford
21	Ms Margaret Bradford
22	Mr Ian Hyman
23	Mr Darren Peel
24	Cairns Alliance of Social Services
25	Ms Amanda Rose
26	Manufacturing Skills Australia

27 Community Services and Health Industry Skills Council

28 Ms Dianne Susan

29 Essential Employment & Training

30 Mr William Dudley

31 Name Withheld

32 Name Withheld

33 Mr David Briggs

34 Mr Tony Peck

35 Ms Margaret O'Riordan

36 Ms Tina Edwards

37 St Vincent de Paul National Council

38 Name Withheld

39 Ms Mary Phillips

40 Mr David Pisani

41 Name Withheld

42 Deaf Australia NSW

43 Ms Mary Neil

44 Mr Michael Callahan

45 Name Withheld

46 Ms Rachel Platte

47 Name Withheld

48 Mr Scott Tibaldi

49 Mr Felix Rauch

50 Mr Andrew Blanckensee

51 Dr Doug Spowart

52 Australian Youth Affairs Coalition

53 Mr Jeremy Blank

54 Specific Learning Difficulties Association NSW

55 Name Withheld

56 Northcott

57 Holmesglen Institute

58 Federation of Ethnic Communities' Councils of Australia

59 Mr Herbert Klein

60 Confidential

61 The Deaf Society of NSW

62 Endeavour Foundation

63 Mr Jonathan Metcalfe

64 Mr Stephen O'Brien

65 Name Withheld

66 Mr Philip Von

67 Name Withheld

68 TAFE Queensland

69 Mr Phil Bradley

70 Ms Karen Cassidy

71 Ms Lorraine Watson

72 Mr John Williams

73 Mr Basil Turner

74 Mr Denzil O'Neil

75 Blue Mountains TAFE teachers Association

76 Youth Affairs Council of Western Australia

77 Ms Rose Rigley

78 Ms Michelle Stone

79 Ms Caren Young

80 Ms Lella Carr

81 Mrs Christine Norris

82 Ms Eva Havas

83 Mr Darren Curl

84 Mr Bob Selinger

85 Mr Peter Morris

86 Ms Karen Henry

87 Forestworks ISC

88 Ms Jane Taylor,

89 Mr Jaswanti Patel

90 Ms Mary Phillips

91 Ms Bronwyn Vaughan

92 Mr Colin Hegarty

93 Queensland Government

94 Ms Belinda Fay

95 Mr Barry Roy

96 Ms Rosemary White

97 Mr Ned Icton

98 Name Withheld

99 Name Withheld

100 Ms Natalie Denmeade

101 Community and Public Sector Union/Civil Service Association

102 Kit O'Meara

103 Mr Paul Gysslink

104 Ms Elizabeth Try

105 Ms Felicity Crombach

106 Ms Janet Farrell

107 Ryde-Macquarie Teachers Association

108 Ms Katrin Gustafson

109 Mr Kieran Smyth

110 Ryde and Meadowbank TAFE Colleges AEU Representative

111 Cairns Potters Club Inc

112 Ms Carrie Mitchell

113 Mr Ashim Datt

114 Ms Meredith Cooper

115 Ms Margaret Quon

116 Ms Linda Norris

117 Mr David Hawkins

118 Mr Carl Pinson

119 Mr Bob Foster

120 Ms Judi Ringger

121 Ms Kylie Rice

122 Dr Shannon Lee

123 Ms Robyne Bamford

124 Australian Workforce and Productivity Agency

125 Mr Michael Norton

126 Mr Peter Atkinson

127 Mr Bob Doyle

128 Ms Elisabeth Mortimer

129 Mr Scott Umbers

130 Ms Leanne Scott

131 Mr Ron Thomas

132 Mr John Rawson

133 Name Withheld

134 Mr Dillan Chives

135 The Australian Industry Group

136 Mr Howard Kirwan

137 Ms Leanne Alder

138 Name Withheld

139 Ms Catherine Scott

140 Mr John Kaye, Greens NSW

141 Mr Kevin Redfern

142 ACTU

143 BPW Australia

144 Name Withheld

145 Northern Melbourne Institute of TAFE - teaching staff

146 Ms Julie Palmer

147 Ms Marika Mago

148 UnionsWA

149 Ethnic Communities' Council of Victoria

150 Good Shepherd Youth & Family Service

151 Ms Lindy McMahon

152 Ms Michelle Purdy

153 Name Withheld

154 Ms Thaïs Turner

155 Ms Katrina Otto

156 Mr Andy De Francis

157 TAFE NSW Outreach

158 Ms Jeniffer Ellem

159 Better Hearing TSH

160 Women in Adult and Vocational Education

161 Fr Paul Pitzen

162 Victorian Automobile Chamber of Commerce

163 Name Withheld

164 Ms Debra Duncan

165 Ms Naomi Wilson

166 Queensland Teachers Union, Cairns TAFE Branch

167 Mr Scott Farrand

168 Ms Lisa Brunt

169 Mr Brian Middleton

170 TAFE Community Alliance

171 Australian Vocational Education & Training Research Association

172 Workforce North

173 Uniting Care Children, Young People and Families

174 Ms Michele Gierk

175 Ms Diana McKay

176 TAFE Directors Australia

177 Australian Education Union

178 Australian Manufacturing Workers Union

179 TAFE NSW - South Western Sydney Institute

180 BusinessSA

181 SEARCH Foundation

182 Name Withheld

183 TAFE NSW

184 Ms Miriam Amery-Gale

185 Gippsland Education Precinct

186 Telethon Speech and Hearing

187 Northern Melbourne Institute of TAFE - teaching staff

188 Vision Australia

189 Blue Mountains TAFE English students

190 NSW Nurses & Midwives' Association

191 Engine Reconditioning Association of Victoria

192 Victorian Government

193 Name Withheld

194 Name Withheld

195 Mental Health Carers ARAFMI NSW Inc.

196 Design Institute of Australia

197 University of Southern Queensland

198 Mr Paul Roberts-Thomson

APPENDIX 2

Witnesses who appeared before the committee

Sydney, Wednesday, 9 April 2014.

COUCH, Dr Camilla, Representative, Australian Education Union

HART, Ms Marilyn, Director Tertiary Education Reform, Australian Workforce and Productivity Agency

HEYS, Mr Kevin, Public Officer and Treasurer, Australian Vocational and Education Training Research Association

HIGHET, Ms Kristine, Representative, Australian Education Union

HILL, Mr Christian James, Vice President, Deaf Australia NSW, through an interpreter

PATON, Mr Robert, Chief Executive Officer, Manufacturing Skills Australia

RORRIS, Mr Arthur, Secretary, South Coast Labour Council

RYAN, The Hon. Susan, Age Discrimination Commissioner, Australian Human Rights Commission

SHREEVE, Mr Robin, CEO, Australian Workforce and Productivity Agency

SIDDLE, Ms Adriana, Senior Policy Officer, Age Discrimination Team, Australian Human Rights Commission

SIMON, Ms Linda Joy, National Convenor, Women in Adult and Vocational Education

SOBSKI, Ms Jozefa, TAFE Community Alliance

Perth, Thursday, 10 April 2014.

COMRIE, Mr Craig, Chief Executive Officer, Youth Affairs Council of Western Australia

DYMOND, Dr Timothy James, Organising and Strategic Research Officer, Unions WA

HAMMAT, Ms Meredith, Secretary, Unions WA

HENDON, Ms Rikki, Assistant Secretary, Community and Public Sector Union/Civil Service Association

KELLY, Ms Denese, Union Delegate, Community and Public Sector Union/Civil Service Association

KOLOVIS, Miss Aliesje Brione, Private capacity

LAMING, Dr Madeleine, President, Australian Federation of Graduate Women

LAU, Ms Jan Marie, Private capacity

STEVENS, Mr Lewis, Union Delegate, Community and Public Sector Union/Civil Service Association

WARD, Ms Christina, Deputy Director, Edmund Rice Centre

WILKINSON, Ms Therese, Private capacity

WYN-JONES, Mr, Policy Officer, Youth Affairs Council of Western Australia

Melbourne, Tuesday, 15 April 2014.

COOKE, Mr Rod, Chief Executive Officer, Community Services and Health Industry Skills Council

GOODGER, Dr Brendan, Policy and Research Manager, Community Services and Health Industry Skills Council

HAMBLY, Ms Loretta, Executive Director, Gippsland Education Precinct

PEARCE, Mr Neil, Chairman, Engine Reconditioners Association of Victoria

SAVAGE, Mr Brian, General Manager, Victorian Automobile Chamber of Commerce, and Engine Reconditioners Association of Victoria

SLADE, Mr Kelvin Glenn, Manager, Regional Skills and Training, Gippsland Education Precinct

TAYLOR, Mr Michael John, Policy and Projects Manager, Education and Training, Australian Industry Group

WILLIAMS, Mr David, Executive Director, Victorian TAFE Association

Melbourne, Wednesday, 16 April 2014.

BARCLAY, Mr Greg, Vice-President, TAFE and Adult Provision Sector, Victorian Branch, Australian Education Union

BYRNE, Mr Paul, Member, Concerned Vocational Educators

CAVEN, Ms Pamela, Director, Policy and Stakeholder Engagement, TAFE Directors Australia

CONWAY, Mr Stephen James, Chair, TAFE Directors Australia

FARAONE, Ms Mary, Chief Executive Officer, Holmesglen Institute

FORWARD, Ms Pat, Federal TAFE Secretary, Australian Education Union

GOULD, Mr Jason, Private capacity

HUNT, Mr Nicholas, Board Member, TAFE Directors Australia

KIRBY, Ms Susan, Private capacity

LANDVOGT, Dr Kathleen Susan, Manager, Social Policy Research, Good Shepherd Youth and Family Service

LEVER, Ms Wendy, Private capacity

MULLER, Mr Nigel Jeffrey, Manager, Auto Apprenticeships, Victorian Automobile Chamber of Commerce

OLLIFF, Ms Louise Mary, International Policy Coordinator, Refugee Council of Australia

PRICE, Ms Jodee, Education and Training Manager, Victorian Automobile Chamber of Commerce

ROBSON, Mr Dave, Member, Concerned Vocational Educators

SHIPSTONE, Mr Tim, Industrial Officer, Australian Council of Trade Unions

WATSON, Ms Amie Louise, Private capacity

WILSON, Ms Rachel, Private capacity

YILMAZ, Mrs Leyla, General Manager Industrial Relations and Training, Victorian Automobile Chamber of Commerce

WILLIAMS, Mr David, Executive Director, Victorian TAFE Association

Wollongong, Friday, 2 May 2014.

AMERY-GALE, Ms Miriam, Private capacity

DUDLEY, Mr William, Private capacity

GYIMAH, Mr Kwabena Osei Tutu, Private capacity

LEOLEOS, Ms Terrie, Private capacity

LJUBIC, Mrs Mary Angela, Private capacity

NAKKEN, Mr Brad, Private capacity

TAIT, Ms Julie, Private capacity

TURNER, Mr Basil, Private capacity WATSON, Ms Lorraine, Private capacity