

TAFE Teachers Association of the NSW Teachers Federation

Submission

**Senate Employment, Workplace Relations and Education Legislation
Committee**

Skilling Australia's Workforce Bill 2005

**Skilling Australia's Workforce (Repeal and Transitional Provisions) Bill
2005**

July 2005

Submission from the TAFE Teachers Association of the NSW Teachers Federation on Skilling Australia's Workforce Bill 2005

20 July 2005

1.0 TAFE Teachers Association

- 1.1 The TAFE Teachers Association is part of the NSW Teachers Federation, and represents around 6500 TAFE teachers and educationalists in NSW. TAFE NSW delivers courses to over 500,000 students each year, and is by far the largest provider of vocational education and training in Australia.
- 1.2 This submission also supports the submissions from the Australian Education Union and the ACTU.

2.0 Position on the Bill

- 2.1 The TAFE Teachers Association asks that the Senate reject the Bill in its current form. The name of the Bill itself indicates the confused roles that this Bill attempts to address. Whilst called Skilling Australia's Workforce, the Bill has in fact little to do with increasing the skillsbase of workers in Australia, but is rather about making continued funding for the VET sector dependent on the workplace Industrial Relations changes currently being pursued by the Federal Government. The TAFE Teachers Association asks that the Senate not support a Bill that seeks to hold state and territory governments to ransom, and to create industrial disputation in TAFE colleges.
- 2.2 The TAFE Teachers Association calls for a VET Funding Bill that will support TAFE as the public provider of vocational education and training, and will restore funding to TAFE to enable it to meet the requirements of industry, community and individual students. Given the policies of the Federal Government since coming to office, the freeze on funding, 'growth through efficiencies', and lack of any real funding increases in recent years, Commonwealth real expenditure per student hour has fallen by 26.3% at least. At this time of critical skills shortages, continued under funding of the TAFE system as proposed through this Bill, will have both immediate and continuing serious consequences for the Australian economy. The Senate has the opportunity to ensure that there is such a Bill, by defeating the current Skilling Australia's Workforce Bill 2005 and the Skilling Australia's Workforce (Repeal and Transition Provisions) Bill 2005.
- 2.3 The Senate may, on the other hand, decide that it is possible to amend the Bill to increase funding for VET and to remove the workplace changes that TAFE teachers believe will work against a continued quality vocational education and training system in this country.

3.0 VET Funding

- 3.1 The Government has asserted that the Bill offers a record amount of funding for VET. The figures show a different story with the Commonwealth contribution to VET funding in 2003 prices being 6.5% lower than in 1997. At the same time there has been enormous growth in the number of students undertaking VET courses. Since 1997, enrolments have increased by 18.8% and annual hours increased by 26.8%. The Federal Government has continued to reject additional new growth funding to the states and territories.
- 3.2 The TAFE Teachers Association asks that the Senate ensure that there is a VET funding Bill that includes new additional growth funding to address these previous shortfalls and to cater for new growth in VET, both to address the current skills crisis in traditional trades and paraprofessional areas, and also to provide funding for new and emerging skills areas. At

the same time, the Federal Government has a responsibility to ensure that all young people and current workers have the opportunity to gain the education and skills they need for new and continuing careers in the workforce. Therefore funding must be provided to allow these opportunities and to ensure that the particular educational needs of Indigenous Australians, people with disabilities, people from rural areas and from culturally and linguistically diverse backgrounds, are met. The vital role that TAFE plays in providing vocational education and training for all Australians must be recognised by the Federal Government.

4.0 A Clever Country?

- 4.1 The ANTA National VET strategy “Shaping our Future”, which sets out the broad direction of skills policy to 2010, and which we assume is still operative, reflected a broadening of thinking that VET was more than just an educational sector, but was ‘an economic and social force that has a role along side other parts of the social and economic infrastructure in building social capital and in shaping economic and social outcomes both regionally and nationally’ (Phillips Curran 2002, p. 7)
- 4.2 Buchanan et al. in their 2001 report to the NSW Board of Vocational Education and Training, stated: “While VET, as an area of government activity, is located within particular bureaucratic or ministerial boundaries, its core business is skills formation, and skills formation is not and can never be a stand-alone issue. By itself, skills formation is not a solution to Australia’s global competitiveness nor to growing inequality. So long as VET is considered this way, VET will fall short of the expectations placed upon it.”
- 4.3 The publicity around skills shortages, particularly in the traditional trades, has been extensive over the last year. The Australian Industry Group has estimated that 175,000 people will leave trades over the next five years, with only 70,000 entering trades. According to reports and the skilled vacancies index, skills growth as a driver of productivity, has dropped 75% over ten years and vacancies for skilled tradespeople have increased by 68% since June 1997.
- 4.4 At the same time there is a growing body of research that refers to the importance of VET in genuine innovation in the workplace, and that supports the development of genuine partnerships between VET providers and industry to allow this to occur.
- 4.5 This surely is the context, and these surely are the issues that the Federal Government should be addressing in their commitment to skilling Australia’s workforce and ensuring economic growth. However, these are not what the current Bill is about, but rather punitive measures taken against public education, TAFE and TAFE teachers. The TAFE Teachers Association notes that the Bill requires that TAFE Institutes offer Australian Workplace Agreements. We call on the Senate to ensure that funding and support for the VET sector is about addressing the issues that will allow Australia to remain a clever country, and not workplace changes that will undermine the professionalism and confidence of the TAFE workforce.

5.0 Workplace changes in the Bill

- 5.1 The TAFE Teachers Association totally rejects the requirement of the Bill that Australian Workplace Agreements or other individual agreements, must be offered in TAFE Institutions. We maintain the right for TAFE teachers and educational staff to collective bargaining through their Union.
- 5.2 This requirement in the Bill is about the ideological attack of the Federal Government on Unions, and certainly not about greater flexibility and capacity to respond to local industry and community needs, as claimed. The current TAFE Award in NSW allows for the conduct of courses 7 days a week, 50 weeks a year, and basically at any hour of the day or night required. TAFE teachers work in a variety of workplaces to meet the needs of

industry and the community. Current funding models imposed by the Federal Government mean that there are constraints on TAFE provision around student: teacher ratios and hours delivered. TAFE teachers, as professionals, are not willing to compromise and lower educational standards. This is not about their personal desires or workload issues, as stated by some members of the Government during the debate on the Bill, but rather about ensuring that educational standards meet industry standards and that students do leave TAFE with educational knowledge and transferable skills, including employability skills, that are so highly valued by industry.

- 5.3 We believe that such individual agreements, as AWAs, are divisive, encourage unhealthy workplace power structures and nepotism, and financially wasteful. This requirement of the Bill, on its own, will lead to industrial disputes in TAFE workplaces. The responsibility for these disputes clearly rests with the Federal Government.
- 5.4 The Government also appears to be unaware of the value that the Teacher Unions bring to not only the salaries and conditions of their members, but also to educational debate and innovation within TAFE. Many state and territory governments have recognised the positive outcomes from working with educational unionists in a variety of consultative structures. In doing so, they ensure the best outcomes are arrived at and that the teaching workforce is involved and committed to success of such changes. Unions also help to resolve workplace disputes and undertake much of the welfare work on behalf of their members. The inclusion of a requirement in the Bill that “TAFE institutions must neither encourage nor discourage trade union membership” is out-dated and destructive of good workplace relations. Positive change and innovation will suffer as a result. This is also effectively an attack on the professional association of TAFE teachers.

6.0 Other workplace changes

- 6.1 The TAFE Teachers Association rejects the requirements of the Bill that would give greater authority to Institute Directors, especially in relation to recruitment and remuneration of employees, and the implementation of a performance management scheme. Such issues are surely the responsibility of the State and Territory Departments that provide the bulk of the recurrent funding to TAFE (about 70%) and not the Commonwealth.
- 6.2 In NSW, the Department of Education and Training in working with the State Government provide what they consider to be the appropriate power and delegation to Institute Directors, a number of whom have indicated no support at all for this requirement in the Bill. The TAFE Award in NSW ensures a number of programs around quality teaching and work performance. Promotions positions, including Head Teachers, are appointed through a merit selection procedure. All new permanent teachers in TAFE NSW undertake teaching assessment procedures in their first year to gain their permanency. This involves teaching observation and a thorough consideration of educational knowledge and procedures. All permanent teachers and educational staff must undergo an annual review each year, aimed at encouraging ‘best practice’ in the workplace. There are many other voluntary and mentoring programs that exist on top of these and there are procedures for managing underperformance. By and large these procedures are developed jointly with the Teachers Federation and operate in a collegiate fashion. They aim for both high standards and good workplace relations. The Government’s Bill does not, and should not include such requirements.
- 6.3 At the same time, TAFE NSW recognises and supports professionalism in TAFE teaching, and requires tertiary educational qualifications of its permanent teaching staff, a quality provision that should be supported by the Federal Government and not undermined.

7.0 User Choice Policy

- 7.1 Despite Government rhetoric, user choice policy has not led to a better VET system in this country. The growth in poor quality private providers, the concerns by state and territory governments around 'mutual recognition' requirements, and increased competition between all providers, has undermined confidence in the VET system. The TAFE Teachers Association is aware of the deregistration of many private providers over the years, and the difficulties that some TAFE Institutions have found themselves in, due to under-funding and lack of funding certainty. The behaviour of the Federal Government in 2004, in putting funding for the Priority Places Program out to open tender, to punish state and territory governments for not signing up to a new ANTA Agreement, was puerile and destructive of the VET system.
- 7.2 This same punitive and destructive focus is apparent in the Skilling Australia's Workforce Bill. There have been many comments by the Federal Minister for Vocational and Technical Education, Gary Hardgrave, that have sought to disparage the work of TAFE and TAFE teachers, let alone their unions. This has not been useful in helping to resolve current differences around VET funding and proposed changes. He is quoted in the Australian Financial Review on 9 June as saying that there was no room for compromise in the IR conditions. He has also said on a number of occasions that he does not care if state and territory governments do not sign up to the changes demanded by the Bill, because the Federal Government can directly tender out the training. The TAFE Teachers Association calls on the Federal Government to ensure that their Minister responsible for VET has the insight and ability to conduct negotiations in a positive and cohesive manner, without deliberately setting out to create greater disputation and disharmony in the sector.
- 7.3 We do not support the required increase of 5% per year in the proportion of apprenticeships and traineeships that are eligible for user choice funding. We also note that recent MINCO discussions have acknowledged the need for Commonwealth officials to negotiate flexibility in the definition and scope of User Choice in the bi-lateral Commonwealth-State agreement. Thin markets and the appropriateness and best use of funding, should be able to be considered by state and territory governments to ensure the maintenance of a quality apprenticeship system. Any proposed changes to this system, including shortening of the term of apprenticeships, must ensure the maintenance of high educational and training standards and that an apprenticeship leads to a recognised trade qualification.

8.0 Third Party Access

- 8.1 The requirement that TAFE institutions allows third party providers to use TAFE facilities at commercial rates, is in fact a requirement that TAFE allows its business competitors to use its facilities on advantageous terms.
- 8.2 The Federal Government increasingly wants TAFE to compete in a commercial environment which will decrease its reliance on funding, yet at the same time insists that it should be made vulnerable to its business competitors through allowing them access. In effect these business competitors are then relieved of any need to invest in infrastructure, developing the facilities for quality provision, curriculum and classroom resources.
- 8.3 This process of allowing private training providers to compete on advantageous terms at the expense of TAFE institutions in a publicly funded artificially created training market, can only have a longer term detrimental effect on the capacity of TAFE to deliver training and for future investment in Australia's skills needs. It is a continuation of the existing policies of the Federal government in running down public vocational education and training.

9.0 Conclusion

9.1 It is the position of the TAFE Teachers Association and the Australian Education Union, that the Skilling Australia's Workforce Bill should be rejected in its totality and a new funding agreement struck; or amended to provide for:

- Additional Commonwealth funding in the VET Agreement, including growth funding to meet growth in demand, funding to address areas of skills shortages and emerging skills needs;
- An agreed set of principles on which the national VET agreement would rest;
- The maintenance of a national system based on the highest standards of quality vocational education and training, pooled funding and a national qualifications framework;
- The rights of TAFE employees to collective bargaining through their unions.

We call on the Australian Senate to commit to TAFE, public education and the future of Australians in this way.

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