



**Submission to the Senate Education and Employment References  
Committee**

***Inquiry into the Principles of the Higher Education and Research  
Reform Bill***

## **Inquiry into the Principles of the Higher Education and Research Reform Bill**

TAFE Directors Australia (TDA) welcomes the amendments to the Higher Education and Research Reform Amendment Bill 2014 put to the House of Representatives by the Hon Christopher Pyne MP on 3 December, 2014. The amendments will expand access to Commonwealth Supported Places (CSP) funding to Higher Education students studying in the nation's TAFE Institutes and remove the upfront fees for students who currently access Fee Help loans.

If supported, the Bill will address funding inequities in the current system and will have significant flow on effects for Australia's industries, workforce productivity and Australia's standing in international tertiary education markets.

The significant growth in provision of higher education qualifications by TAFE Institutes across Australia is in direct response to industry demands for work-ready graduates with specialist higher education qualifications due to a mismatch of graduate supply and labour market requirements.

Over 20 of Australia's 58 TAFE institutes are delivering approximately 130 higher education qualifications across a range of niche industry disciplines, and across a broad spread of geographical locations throughout Australia. The integration of work and learning, high levels of academic and career support, smaller class sizes, innovative delivery models and strong job opportunities on graduation make TAFE higher education programs attractive to an increasingly diverse student population.

To date, Commonwealth funding is allocated almost exclusively to university students for undergraduate course enrolments and completions. Yet, many TAFE students are first in family to undertake higher education, and are often from lower SES and disadvantaged backgrounds. Domestic and international research demonstrates that the prospect of university education can be intimidating and a 'step too far' for many of these students. Greater choice in higher education provider, along with more equitable funding arrangements, may ease barriers to participation and will be welcomed by many students and parents.

The opportunity for students to remain at TAFE as they undertake higher qualifications is a key benefit of the reforms. Students who respond well to TAFE's applied and supportive learning environments can continue to study through supported sub-bachelor pathways to bachelor and post graduate level study in TAFE or university. This is important as TAFE has a high percentage of students who progress from VET to higher education. There is clear evidence that these pathways in TAFE can reduce the attrition rates of under-prepared higher education students. Given the fastest growth (153%) in university admissions has been at lower ATAR ranks (30 – 49), the supportive learning environments provided by TAFE can contribute to reduced student drop-out rates and the subsequent impact on public expenditure.

TDA's international experience indicates that Australia is slow to support the emergence of integrated tertiary providers, such as TAFE. Australia lags in comparison with our counterparts in the United Kingdom, United States, Hong Kong, China, Indonesia, the European Union and Canada. The rapid development in industry-focused higher education qualifications in these institutions highlights Australia's vulnerability to international competition when universities are the only recipients of CSP funding.

TAFE Directors Australia recently surveyed 5,000 Higher Education students studying at TAFE. The survey outcomes, which are provided as Attachment 1, show that TAFE provides an alternative pathway into higher education for an increasingly diverse range of students, attracted by the specialist, technical training and work-ready qualifications.

The survey also found overwhelming 86% support for TAFE higher education students to receive the same Commonwealth funding as those studying at university.

One of the real strengths of the TAFE higher education experience is the practical and applied nature of the learning from teaching staff with up-to-date industry experience, together with the work-ready nature of the training

TDA submits that it is fundamental that students have choice for their Higher Education studies which include TAFE institutes, and that students be treated equitably when it comes to Commonwealth funding assistance.

25<sup>th</sup> February 2015

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