



TAFEDirectors
AUSTRALIA

**TAFE's strategic
leadership role
in Regional
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1. Introduction

TAFE Directors Australia (TDA) welcomes the Australian Government's commitment to 'A Better Deal for Regional Australia'. The strategies envisioned by the Government call for place-based leadership to drive an integrated approach to regional renewal and development. TAFE's active engagement will be critical to the success of this multi-dimensional and complex program. This paper discusses the ways in which regional TAFE Institutes can lead and contribute to this program and proposes a number of principles as the basis for a TDA regional policy. These principles are based on the national priorities which TDA identified for Australian Government engagement with TAFE in its Election Manifesto of 2010.¹

The six TDA policy priorities are:

- A connected tertiary education sector
- Funding to overcome skills shortages and a dedicated Structural Adjustment Fund for TAFE Institutes
- A simpler and more effective quality assurance regulatory system
- The engagement of young people in vocational skills
- A special focus on the resources sector
- A revitalised international student market.

These priorities have been contextualised, and in some cases broadened in scope, to address the specific education and skill needs of Australia's regions.

Principle 1

TDA recognises and values the diversity of regional communities in Australia and their different social and economic priorities.

2. Australian Government investment in regional Australia

To implement its regional program, the Government has committed to an investment of up to \$10 billion in regional Australia. This includes a guarantee of at least one-third of federal expenditure on health and education and more than \$7.2 billion for infrastructure and economic development.

The implementation of regional development will be overseen by the Minister for Regional Australia and a specially constituted House of Representatives Committee, supported by the Department of Regional Australia. Regional Development Australia (RDA) will have a stronger role and a Regional Development Policy Centre will be established, to be jointly hosted by one or more regional universities.

¹ See TAFE Directors Australia, *Election Manifesto 2010*, Sydney, n.d.

3. TAFE's role in regional leadership and governance

In most parts of regional and rural Australia, TAFE has a far greater community and geographic reach than other educational institutions and public and private sector employers. As shown at Attachment A, more than 50% of TAFE Institutes have their major campuses in regional and rural locations, with further campuses in smaller communities and a range of outreach centres as well as mobile and e-learning facilities.

TAFE has a number of unique strengths. These include:

- A comprehensive educational profile that is inclusive of all sections of the community and its geographic reach into the most remote parts of the country ensures equality of opportunity, participation and skill enhancement for all regional Australians
- A dual focus on addressing both local workforce skill requirements and the educational aspirations of individuals enhances the capacity for communities to retain the skilled population necessary for economic revitalisation
- Being the largest employers in most regional centres
- TAFE staff being closely connected to local industry organisations and enterprises able to provide critical intelligence for the effective planning and prioritisation of regional development strategies
- Infrastructure that offers the potential and capability to grow tertiary level education and skills of regional communities without excessive further investment in fixed educational facilities
- Expertise in providing distance and online education, including to remote and disadvantaged regional communities, enabling rapid uptake and maximum community benefit from the national broadband rollout
- Given its strengths and extensive cross-industry engagement with local and regional employers and community groups, TAFE's local intelligence is able to be harnessed in regional and local planning and skill needs analysis
- Contributing to state and national economic growth, for example, by supporting the skill development of fly in–fly out workers.

A conference on regional Australia in late 2010 and the recent announcement of an integrated Tertiary Education Plan for Gippsland in Victoria are both examples of how TAFE is well placed to play a leading role in boosting regional tertiary participation and attainment to meet the future industry and educational needs of specific regions. These place-based initiatives could be replicated and adapted by other regional communities.²

² *Strategic Regional Leadership for the Future – Connecting to the 21st Century*, Port Macquarie, 29 October 2010. For conference presentations, see www.rdamidnorthcoast.org.au; www.premier.vic.gov.au/2011/03/plan-to-ensure-long-term-future-for-tertiary-education-in-gippsland/.

Principle 2

TDA maintains that the active and full participation of TAFE Institutes in driving regionally integrated Tertiary Education Plans will be essential to successful regional prosperity and sustainability.

4. TDA's priorities for regional Australia

4.1 'Overcoming skill shortages', especially in the resources sector

The resources sector is clearly of critical importance to Australia and requires a wide range of skills, many of which can be transferred to other industry sectors. Other skills that are in short supply include those identified by the Government's Critical Skills Investment Fund as construction, renewable energy and infrastructure. National organisations and representatives have also identified water management, food and other biosecurity, health and electronic communication, and e-commerce as further high priorities for regional Australia.

The Critical Skills Investment Fund provides \$200 million co-funding for industry partnerships to undertake projects that provide training and employment opportunities in critical industry sectors. At least one-third of these funds are to be expended in regional Australia.³ TAFE Institutes have the ability to respond quickly and flexibly to emerging workforce requirements and to engage in direct partnership with enterprises and industry organisations to ensure the relevance and cost-effectiveness of the solutions for each regional community.

Principle 3

TDA accords the highest priority to the development and retention of a skilled and educated workforce as the cornerstone of successful regional renewal and prosperity.

4.2 A more effective training recognition and quality assurance system

Continuing employment in many regional and rural communities requires a mix of skills that can respond to seasonal and economic fluctuations across industries and training packages rather than within them. The emphasis should be on providing people with the skills to stay in their communities and contribute to the local economy.

Especially for the smaller rural centres and remote areas, completion of appropriate skill sets (seen as building blocks to qualifications in Training Packages) across different occupations and qualifications should be afforded the same funding priority as whole qualifications.

³ www.deewr.gov.au/Skills/Programs/SkillTraining/CSIFund/Pages/Home.aspx, viewed 15 December 2010.

Appropriate training responses are likely to involve the introduction of new qualifications and/or skill sets and other programs to meet the changing workforce needs of rural and regional economies.

Co-operation with the Industry Skills Councils will be important. One example of such co-operation is the proposal by Agrifoods Australia to establish a number of projects across the nation involving skill development for cross-sectoral employment, utilising TAFE expertise and infrastructure across different regions. Of at least equal importance is the collaborative relationship that exists between regional TAFE Institutes and their local industry peak bodies and advisory bodies. Their combined knowledge of the specific economic directions and workforce skill requirements of their region enables them to provide authoritative leadership in identifying and harnessing the resources required to meet the key development priorities of their respective communities.

Principle 4

TDA maintains that completion of appropriate skill sets (seen as building blocks to qualifications in Training Packages) across different occupations and qualifications should be afforded the same government funding priority as whole qualifications.

4.3 A connected and regionally accessible tertiary education

'A Blueprint for Australia's Tertiary Education Sector', published by TDA in July 2010 is a clear and unambiguous commitment to building a connected tertiary sector. Nowhere is this more important than in regional and rural Australia. The current lack of tertiary opportunities and the hardships encountered by regional students seeking tertiary qualifications are perpetuating the drift of younger people to the cities. Governments and regional planning authorities need to become more informed about, and to more actively foster, TAFE's capacity to provide higher education qualifications, either in its own right or via partnerships with universities.

Principle 5

TDA maintains that, as a matter of high priority, Commonwealth supported places (CSPs) should be made available to students enrolling in higher education programs offered by TAFE Institutes in those areas that directly address areas of skill shortage.

4.4 Equalising educational and economic opportunity across Australia

Regional communities continue to experience lower school retention and a higher proportion of unqualified adult workers than most metropolitan areas. This is a root cause of the social and economic marginalisation of whole generations of regional Australians and must be addressed. There is increasing agreement among educators that a fundamental problem is the far higher proportion of young people who leave school without the minimum Year 9 NAPLAN levels needed to prepare them for anything above a Certificate II level of knowledge and skill. These people will always

be at a disadvantage unless their general literacy and numeracy skills are enhanced in conjunction with their vocational training. This can be done in co-operation with schools but there are generations of adults in regional Australia for whom their urgent need for foundation skills can best be met by TAFE.

Currently, national training packages limit generic knowledge and skills to those embedded in the specific competencies required for a designated and immediate occupational destination. The National Quality Council and the Australian Qualifications Framework Council have both indicated the need to make generic skills more explicit and prominent in VET programs.

Principle 6

TDA advocates the enhancement of general literacy and numeracy skills for young people in conjunction with vocational training and the need for generic/foundation skills to be made more explicit and prominent in VET programs.

4.5 Fostering community well-being and enriching community culture

As a major employer and organisational presence in regional Australia, TAFE has a key role in fostering social cohesion and re-energising communities.

Specific examples include:

- increasing the number of trained community health workers, including mental health and welfare services
- actively supporting community managed initiatives such as 'men's sheds' and 'kitchen stories'
- attracting international students to train in TAFE partnership programs in regional growth industries and innovative businesses. This is particularly relevant for those businesses that export, or aspire to export, to countries where returning students could play an important business liaison role
- partnerships with other agencies and service providers to provide holistic services to enhance social inclusion, for example, the rehabilitation of young offenders, support for those with mental health problems, sport and fitness programs for young Aboriginal people.

Principle 7

TDA maintains that TAFE has a key role in fostering social cohesion and re-energising communities.

5. Financing TAFE's regional programs

5.1 Current costs and funding arrangements

The costs of providing TAFE services in regional Australia are significantly higher than in metropolitan centres. Major additional costs include:

- maintenance of geographically dispersed facilities
- staff travel to and between campuses and workplaces often across long distances
- diseconomies of small scale provision in thin markets
- in most regional and rural areas, a higher proportion of student fee exemptions and concessions, limiting revenues
- minimal scope to offset higher costs of public courses with international student or other fee for service revenue streams.

Government funding arrangements are increasingly inadequate in meeting these costs.

- While some states and territories recognise these costs through regional loadings, others do not.
- The binary distinction used for defining regionality in higher education (i.e. between metropolitan and regional institutions) is too crude for costing regional TAFE provision. There is a need to more finely distinguish the different costs incurred in widely dispersed communities of different size and remoteness, using the 'ARIA+' measure of remoteness endorsed by the Australian Bureau of Statistics (ABS).⁴
- In most cases, regional loadings are limited to state sourced funds and are not extended to the increasing proportion of funding that is contestable, such as user choice or directly funded Commonwealth programs. Institutions are expected to provide leadership and initiate broad services and engagement activities to meet community expectations within the existing resource base which is focused only on the cost of government-funded training delivery.
- Although one state has introduced a version of student learning entitlements, the conditions that apply make this option relatively unattractive compared with the student learning entitlement that applies to Commonwealth supported higher education places throughout Australia. This creates a significant disincentive for those students whose acquisition of tertiary higher qualifications is dependent on a locally-provided TAFE pathway.

Principle 8

TDA maintains that governments need to ensure adequate and nationally consistent government funding which meets the costs of equality of opportunity and access to TAFE and tertiary education across all of Australia.

⁴ Accessibility/Remoteness Index of Australia (ARIA+) was developed by the National Centre for Applications of Geographic Information Systems (GISCA) based on ARIA. ARIA+ is now the standard ABS endorsed measure of remoteness. It is an index of remoteness derived from measures of road distances between populated localities and service centres. These road distances are then used to generate a remoteness score for any location in Australia. ARIA+ forms the basis for the ABS 'Remoteness Structure' component of the Australian Standard Geographical Classification. For more details, see www.gisca.adelaide.edu.au.

Attachment A: Geographic Distribution of Public VET students and Providers

Figure 1: Distribution of Public VET Students, 2006

Source: Atlas of Australian Public VET, NCVER, Figure 4.1
www.ncver.edu.au/popups/atlas_table.php?info=map1_austr_2006,
viewed 29 October 2010

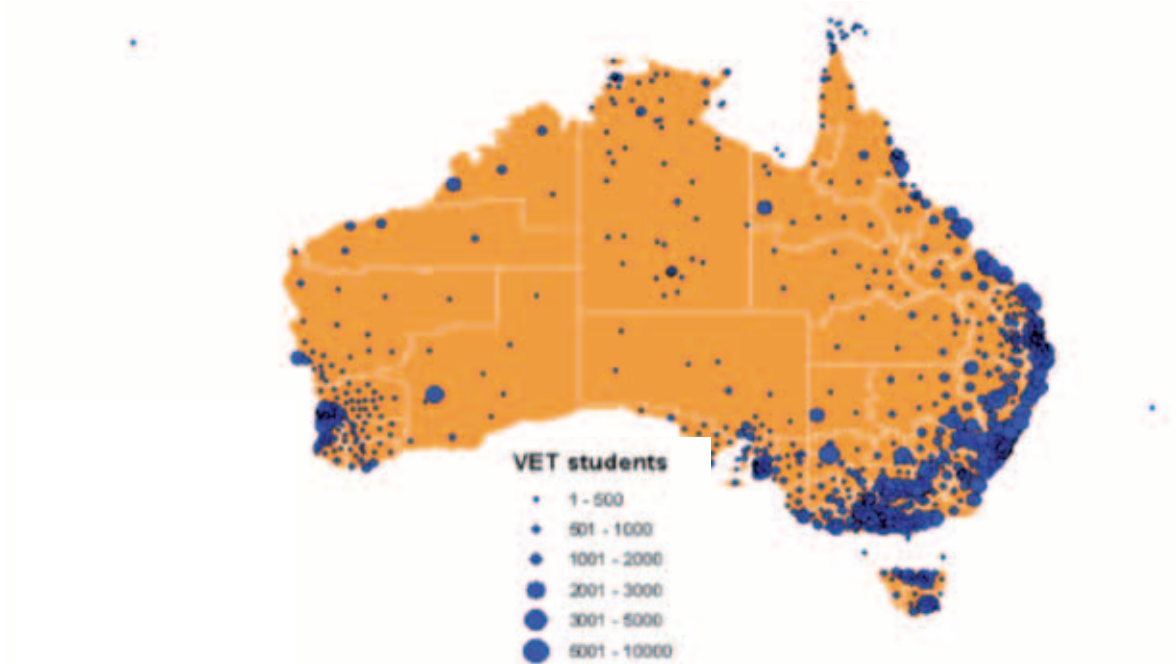
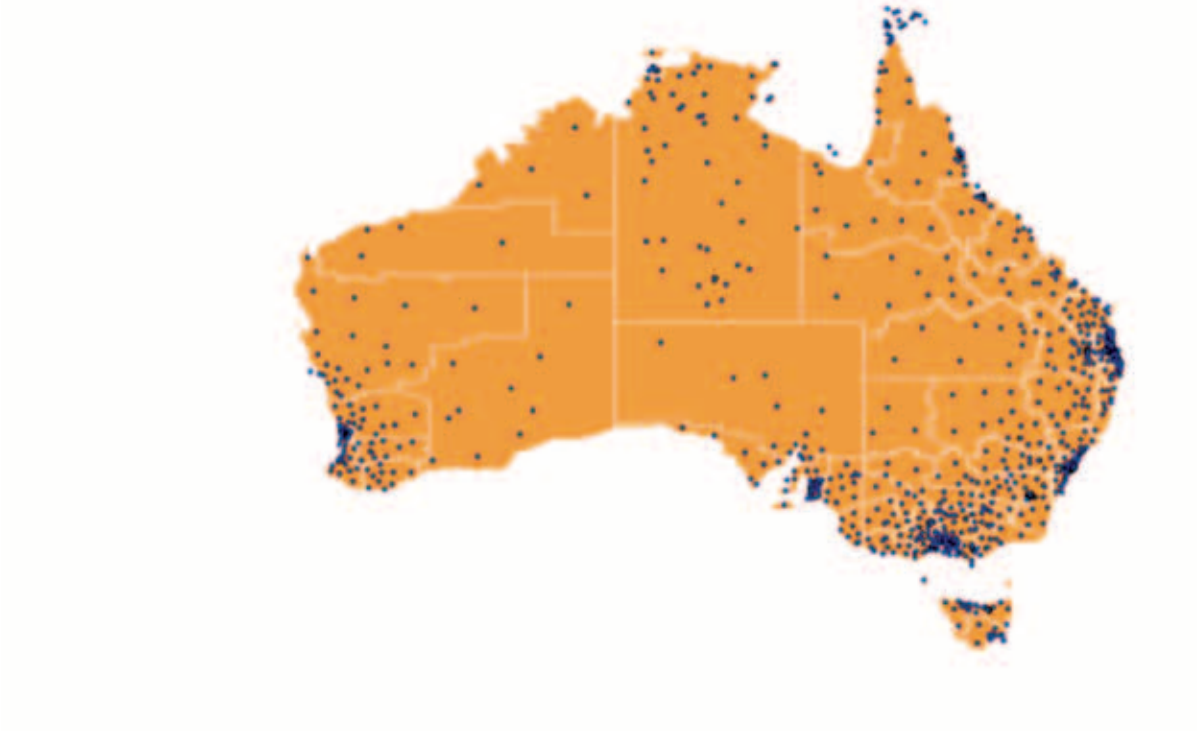


Figure 2: Publicly-funded VET providers, by statistical local area, Australia 2006

Source: Atlas of Australian Public VET, NCVER, Figure 4.2,
www.ncver.edu.au/popups/atlas_table.php?info=map2_austr_2006,
viewed 29 October 2010





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