THE AUSTRALIAN TERTIARY LANDSCAPE

Community College Baccalaureate Conference March 2013

Thank you for the invitation to speak at this important conference.

It is a welcome opportunity because I believe that we have much to learn about the opportunities and challenges facing our technical and further education institutions and community colleges as they increasingly move in to offering higher education qualifications.

TAFE Directors Australia (TDA)

My name is Pam Caven and I am the Director of Policy and Stakeholder Engagement at TDA Directors Australia or TDA.

TAFE Directors Australia (TDA) is the peak national body incorporated to represent Australia’s 61 government funded Technical and Further Education (TAFE) institutes from all states and territories. The core business of TDA is to support our member institutes and lead the advocacy for quality skills development in Australia at a national level.

TAFE Directors Australia

On behalf of its members, TDA:

- develops policy positions
- conducts projects
- organizes a major annual Conference and other seminars and
- advocates for members’ interests with federal politicians and senior government officials.

TDA is the national voice for its members, although that is not always a simple task in a very diverse and widespread system where members’ loyalties, interests and positions are driven by their state or territory.

TDA members

TDA members are TAFE institutes variously known as Institutes, Colleges and Polytechnics or public providers and, in Australia, also include five dual-sector universities.
They are the major deliverers of accredited training and education across the spectrum of the Australian Qualifications Framework (AQF).

Their delivery includes senior secondary school certificates, vocational certificates, diplomas, advanced diplomas, associate degrees, bachelor degrees and graduate qualifications, in a range of contexts – institutional, workplace and online – and in partnership with a variety of national and international organizations, including schools, colleges, universities, enterprises and community organizations.

TAFE institutes have a large footprint nationally and are not only represented in all the major capital cities but also in suburbs and regional centres and towns across Australia.

Their primary mission is skills development for new entrants and those already in the workforce who need to acquire new skills.

Of all the education sectors, the technical and further education sector more than schools, and universities, responds to what skills industry and enterprises need in their employees.

TAFE institute’s share of training activity however is declining, especially in those states where governments have opened up funding to both public and for profit providers.

TAFE institutes consequently need to diversify their offerings and for a number of them moving into higher education qualifications is part of that diversity.

In this session I will give an overview of the tertiary landscape in Australia.

1. What is TAFE Directors Australia?
2. Australia’s national system for technical and further education
3. Australian governments’ ambitious targets
4. The tertiary landscape in Australia
5. Opportunities & challenges for TAFE institutes
We live in interesting times as the saying goes.

One of the most interesting developments in vocational education and training in Australia and in other Anglophone countries, including USA; England; Canada and New Zealand has been the blurring of the boundaries between ‘college’ education and universities.

New types of ‘mixed sector’ institutions have emerged; new higher education qualifications have been developed and a new group of students is now accessing degree or baccalaureate level education.

The drivers for these developments are:

- government policies
- the economic environment and
- industry practices.

In all these countries the mid-level technical, para-professional and professional occupations for which technical and further education institutions have traditionally provided training increasingly require or expect higher education qualifications for entry to the occupation, or for career progression.

The drivers are similar across national borders although there are differences in the way in which institutions in the various countries have expanded their tertiary offerings differences which relate in large part to their history, culture and funding arrangements.

The Australian tertiary landscape is characterised by a small, but significant growth in technical and further education institutions seeking and being granted accreditation as higher education providers either in their own right, or in partnership with universities to offer a range of qualifications, including bachelor degrees. It seems to me that American community colleges are much further down this path.

Australia, as you know, is a large country with a sparse population, mainly clustered on the coastline. 27% of the population were born overseas, so it has a rich cultural history.

Australia is governed as a Federation of seven states and territories (MAP OF AUSTRALIA). It has three layers of government: local; state & territory and national.
Powers and responsibilities are split between the three, although inevitably there is some blurring of the boundaries.

While the national government sets policy directions for skills development, or training and further education, the purchase of training is via the states and territories and there is not always agreement about the implementation of policy between the two.

Australia has a **national** system for its technical and further education system:

- National products, called Training Packages that identify the competencies students need to be able to demonstrate at various levels in the workplace. Training Packages determine what is taught and what is assessed. Higher education is generally knowledge oriented and aimed at developing broad and deep understandings.

- A national qualifications structure – the Australian Qualifications Framework, defines the characteristics of qualifications across school, technical and further education and university qualifications

- And a national regulatory framework to ensure that standards are being met by the providers. There are separate regulatory bodies at a national level for both technical and further education and higher education.

However, Australian states and territories hold the purse strings. They decide what kind of training, and in what industry areas they want to purchase and in at least two cases have retained their own regulatory frameworks and agencies.

**Australia in a global context**

Today we are still seeing the impacts of the global economic crisis continuing, as markets fall and confidence declines around the world. The challenge for Australia to remain globally competitive in a volatile and challenging world economy continues.

Thanks in large part to the resources boom, Australia does not face many of the same issues of other governments around the world. Indeed the issue for many Australian companies is skill shortages.
All states and territories, along with the Australian Government support the idea that skills development is a contributor to Australian prosperity.

A recent Australian Government Communique (29 January 2013) declared that:

“Our greatest responsibility is to invest in our people through skills and education to drive Australia’s productivity performance and ensure that all Australians can participate and contribute”

The Council of Australian Governments, (a meeting of the Heads of Australian governments) agreed that the way to improve provider effectiveness is through competition between providers (public and private). Competition it has been argued will result in greater efficiency and more responsiveness to clients.

In short, Australian governments support the idea of a competitive, market driven system. Increased competition for funds has coincided with all Australian governments being to a lesser or greater extent preoccupied with:

- the pursuit of economic growth & productivity
- strategies to reduce the deficit
- a belief in markets

Across a range of Australian states and territories governments have reduced their funding to the public providers and in one state, Victoria, TAFE institutes have lost their special role and are now treated as just another provider, even though they are still subject to State government policy directions.

While the impact of marketization policies has had the most impact on TAFE in Victoria, TAFE’s share of students is declining nationally and this will accelerate as the other states follow Victoria and implement similar policies. In 2008, TAFE taught 75% of all publicly funded students but this had declined to 56.6% in 2011 and in 2012 was less than 50%.

Australia has a large group of for profit providers of training-5,000+. These for profit providers are referred to as registered training organisations are also able to tender for and receive government funds to provide skills training in competition with public TAFE institutes. The big winners in the new competitive arrangements have been the for profit providers. TAFE’s market share in Victoria fell from 75% in 2008 to under 50% in 2012.
TDA maintains that the enormous growth in private (for profit) providers in receipt of government funds poses real threats to the quality of what is delivered and assessed.

TAFE’s advocacy role is more important than ever.

These figures are in stark contrast to the Australian university sector in which there are 39 public universities and only 150 non-public higher education providers, with very few non-public higher education providers receiving government funds.

**Australian government targets**

Australian governments (COAG) have agreed to new and ambitious national targets to increase skills levels:

- Halving the proportion of Australians aged 20-64 without a recognised qualification above school level (defined as Certificate III level (trade)

- Doubling the number of higher qualification completions (Diploma and Advanced Diploma) between 2009 and 2021

- Increasing the participation of students from low socio economic (SES) backgrounds in higher education to 20% of undergraduate enrolments by 2020 and

- Increasing the percentage of 25-34 year olds holding a bachelor degree or above to 40% by 2025

A comparison of OECD countries shows that Australia’s level of educational attainment at Bachelor degree or above is below that of the top six OECD countries and its relative ranking for the 25-34 year old age group had slipped from 6th to 9th between 1996 and 2006.

In 2009 the Federal Government appointed a committee led by Professor Denise Bradley to review the Australian tertiary education system.
The Bradley Review outlined a vision for an integrated tertiary sector with six ‘Key Characteristics of an Effective Tertiary Education and Training System’:

- Equal value given to both technical and further education and higher education
- Recognition that while institutions may have a primary mission in one sector, they should be able to offer qualifications in the other sector in the terms of current arrangements
- A shared and coordinated information base
- An integrated response to enterprises
- An efficient regulatory and accountability framework
- Clearer and stronger pathways.

But four years on from Bradley’s vision of a single tertiary sector, we are still debating how this should be achieved.

Government responses since the Bradley review across higher education and technical and further education have varied significantly, making our tertiary sector an increasingly complex space to navigate, for TAFE institutes, as well as for students.

**Policy responses to the sectors**

In the university sector, the major policy response has been to uncap Government funded places and provide financial incentives to encourage universities to enrol more students from disadvantaged backgrounds.

As a result of this reform, nearly 200,000 more students will be studying at university in 2013, compared to 2007.

Universities have been able to access structural adjustment funds to enable them to respond to new cohorts of students, often from disadvantaged backgrounds.

In the technical and further education sector the major response of government has been to increase competition between public and private providers for public funds. The winners in this arrangement have by and large been the for profit providers.
Far from creating a single regulator, with one set of standards, the Australian government passed legislation to establish two **separate regulatory frameworks** administered by two separate agencies:

- TEQSA – Tertiary Education Quality and Standards Agency
- ASQA – Australian Skills Quality Authority

**The tertiary landscape**

Post the Bradley review, new forms of partnership were born between TAFE institutes and universities, including joint delivery arrangements and franchising of degrees.

It is noteworthy that this has not required government intervention, but rather been a result of the focus of the parties on responding to government priorities and their creativity in finding ways to do so. In this respect, practice is ahead of policy as providers look for ways to achieve innovative solutions for the future within the limitations of existing arrangements.

In the new world of uncapped fees, universities are keen to achieve a pipeline of students. Vice chancellors of universities that had largely ignored their TAFE neighbours are now beating a path to their doors.

**Pathways**

Prior to the Bradley Review the predominant form of co-operation between public technical and further education providers and universities was pathway arrangements whereby credit would be negotiated towards a degree, delivered by the university concerned.

A recent NSW Government report investigated the strength of pathways from school to TAFE and from TAFE to university.

The report concluded that while there are examples of successful pathways for students, the pathways were often forged by enthusiastic individuals in different institutions and were not systematic.

Certain groups of students, especially those from socially disadvantaged backgrounds, from indigenous or rural and remote backgrounds were not well represented in the students accessing these pathways – either from lack of information or from lack of funds.

**Franchising**
In a time of change, some of these partnership arrangements have struggled to gain approval. However, a sample of them reveals that they are many and varied:

*Deakin (university) at your Doorstep*

Deakin at Your Doorstep gives students in rural and regional areas greater access to higher education by providing the opportunity to study an associate or bachelor degree close to home. Courses studied via Deakin at Your Doorstep are delivered through state-of-the-art technology in purpose built learning centres at five public TAFE providers and six campuses throughout Victoria.

*Menzies Alliance*

The University of Ballarat announced the formation of 'the Menzies Alliance' to bring together and share resources between six regional public technical and further education providers in Victoria and their 28 different campuses to consolidate education in Victoria, based on the 'Star Alliance' model used by airlines. The alliance is intended to facilitate the joint delivery of University of Ballarat degree programs through the regions.

*Metropolitan South Institute of TAFE (Queensland)/Holmesglen Partnership*

Such is the maturity of the public technical and further education provider network that a partnership now exists for Metropolitan South Institute of TAFE in Queensland to offer Holmesglen TAFE institute degrees.

Despite the uncertainty surrounding the future of some of these partnerships, the clear intention and potential benefit is the provision of access to new cohorts of students.

**TAFE institutions- as higher education providers**

Alongside the growth in partnerships with universities, the trend for public technical and further education providers to become registered Higher Education Providers (HEPs) in their own right is now gathering momentum.

Why?

TAFE institutes:

- have a strong track record in working with students from low SES backgrounds (in fact, TAFE scores higher than HE on all equity benchmarks)
• support industries and enterprises to achieve their workforce development goals

• have developed specialist expertise in a range of niche industry areas, for example, viticulture, equine studies, design, and in areas of critical skills shortage, for example, nursing

• have a very large footprint nationally, with an especially strong presence in a range of regional centres.

TAFE institutes are building on the advanced capability that exists at Certificate level and responding directly to industry needs and demand by developing their own Higher Education qualifications. They offer important alternative pathways for domestic students as well as a wider range of options for international students.

TAFE institutes offering bachelor degrees as higher education providers have to meet the same regulatory processes as universities.

There are currently 9 TAFE institutes registered as higher education providers and 16 TAFE institutes linked with universities offering 81 qualifications compared with 10 higher education providers and 9 TAFE institutes offering 68 qualifications in 2009.

This growth, although small, is not to be taken for granted because students undertaking higher education courses in TAFE institutes have to pay full fees. Whereas students undertaking higher education courses at universities have access to Commonwealth Supported Places (CSPs), that is subsidised fees.

Also during this period universities have been encouraged to take more students and are therefore competitors with TAFE.

New South Wales

A noteworthy development is the New South Wales model. Unlike in other states where individual institutes become Higher Education Providers developing their own degrees, NSW has taken the approach of registering one Higher Education Provider for the whole State with eight institutes sharing in common the delivery of one Associate Degree and five Bachelor degrees, according to demand. This approach is cost-effective in terms of course development, learning materials and professional development costs.
**Western Australia**

In Western Australia, Polytechnic West has developed seven associate degrees in areas such as aviation, fashion, network technology and software development, building on their significant strengths at Certificate level.

**Victoria**

Victorian institutes were quick to respond to the opportunity to become Higher Education Providers, with Holmesglen, Box Hill, and Northern Melbourne Institutes now offering 16, 13 and 13 Higher Education qualifications respectively.

In the ACT and Queensland the Higher Education offerings reflect the specific expertise of the institutions concerned.

These developments are signalling the emergence of a new form of tertiary provider, combining vocational and higher education. They are sometimes referred to as ‘mixed sector institutions’, consistent with their counterparts in the United Kingdom. As in the UK, they are seeking to be recognised as a distinctive institutional form with identifying nomenclature and specific branding.

**Challenges**

TAFE institutes that are accredited as higher education providers seem to have gained from moving into offering higher education qualifications:

- Their staff are energised by the challenge
- They have forged stronger relationships with universities
- They have diversified their offerings and in doing so have catered for the aspirations and needs of their students

There are still challenges:

- The inequitable government funding arrangements
- Staff who have insufficient scholarship to teach and assess higher education courses
- Students, often first in family higher education students, who need support in their studies
- And the ever present issue of status – the perception that TAFE institutes are second-rate by comparison with universities.
CONCLUSION

Australia’s tertiary landscape has become more diverse in recent years. TAFE institutes have expanded their offerings to offer degrees, or to work collaboratively with universities to develop pathways into degrees in a challenging funding environment.

Universities on the other hand have been encouraged to grow through the provision of structural adjustment funds and the uncapping of student fee subsidised places.

The expansion of TAFE institute offerings into higher education qualifications, including degrees is a small but growing movement to meet the needs of a new group of students who want to access higher education.

THANK YOU

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