

**TAFE meets Parliament
Skills Innovation 2002**

2008

**Building on 10 years of
achievement of TAFE
Directors Australia**

Occasional Paper Quarter Four 2008



David Bycroft, Australian Homestay Network



Gary Banks, David Battersby, Catherine Laffey



Ambassador of Chile, Deb Daley, Institute Director GCIT,
Jack Stathis International Manager GCIT

It is a great pleasure to launch the papers and proceedings from the 'TAFE meets Parliament' (Skills Innovation 2020) forum in Canberra on September 16–17 2008.

The event was designed to celebrate ten years of TAFE Directors Australia (TDA) and to provide TAFE directors and senior managers with an opportunity to influence policy makers from the Federal Parliament and from Government agencies and departments in the national capital. Members of Parliament and Chief Executive Officers responded enthusiastically to TDA's invitation to meet TAFE leaders and gain an understanding of key issues affecting the sector.

A highlight of 'TAFE meets Parliament' was the Mick Young Oration, delivered by the Deputy Prime Minister, Julia Gillard MP, Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion at a dinner to celebrate the 10th anniversary of TDA. An edited version of this Oration is included in the Occasional Paper.

The forum had both a domestic and an international stream. Both streams examined many issues, and opportunities emerging for TAFE, nationally and abroad. There are growing opportunities to market education services overseas, and this is covered in the papers in the Occasional Paper. There are also challenges, with emerging changes to the way other countries, such as Canada, are proactively marketing and approaching issues surrounding study, access and work. There are also developments which may allow VET students and educators to enhance their qualifications overseas.

At the same time, the forum presented an excellent opportunity to examine the emerging shape of post-secondary education here in Australia. With new funding opportunities, structures and competitive shifts, the Australian education environment presents significant challenges and opportunities.

We thank the presenters whose papers are included in this publication and who contributed to the success of the forum. We also thank the sponsors for their generous support of TAFE meets Parliament and pay special tribute to the Department of Education, Employment and Workplace Relations.

As educators and leaders in our field of post-secondary education, it is a good feeling to be heard and there is no better place to be heard than in Parliament House.

I commend to you the information and insights in these papers as we take stock of the future that awaits us.



Deb Daly
Chair
TAFE Directors Australia

Contents

'TAFE meets Parliament – Skills Innovation 2020' 3

The Mick Young Oration 2008 TAFE Directors Australia, 10th Anniversary Dinner, Canberra, 16 September 6

Meeting Australia's Needs and TAFE engagement 12

Productivity, human capital and VET 15

A Fundamental Refresh of the Training System 18

Meeting Australia's skill level challenges 22

Productivity and Competitiveness of TAFE 25

Safeguarding education: launching the Tuition Assurance Scheme 28

The VET story: a dry unsaleable commodity? 32

Media and Community attitudes to TAFE 34

Wanted: a national approach to branding and marketing TAFE 37

Community Attitudes to VET and the Traditional Trades – a Baseline Measure Study 39

The Case for Social Inclusion and the UK 44

A response to the case for social inclusion 48

Longterm investment in higher education and VET 51

What is needed for TAFE to take its place as a HE provider? 55

Post Secondary Education – What should it look like? 58

Post Compulsory Education – what should it look like? 61

TAFE and Post-Secondary Education: perceiving the future 64

Socioeconomic Impact Analysis: Demonstrating the Benefits of Colleges to the Public – A Canadian Perspective 66

Contestability has come and will increase further 69

Public Providers prospering in turbulence or...? 71

Contestability, Competition and Reality: a Queensland Perspective 74

Contestability, Competition and Reality – threats or opportunities for TAFE 77

TAFE International – where to next 81

Benchmarking International Operations 87

Social Inclusion of International Students 91

Encouraging outbound staff and student mobility in the VET sector 95

Focus on Mobility in the VET Sector: The Global Education Network 98

Southbank Institute of Technology – a case study in offshore delivery 102

Quality assurance of offshore VET delivery 105

A Hotbed of Discontent 110

Social Inclusion of International Students 113

International student security: Human Lives in the Global Education Market 118

Focus on Aid and Development: Tips and Tricks for Participants 122

EXECUTIVE SUMMARY

TAFE Directors Australia marked their 10th anniversary in Parliament House in Canberra in September in a move calculated to bring VET specialists and federal decision makers together.

TAFE Directors Australia (TDA) hosted the inaugural 'TAFE meets Parliament' leaders' forum at Parliament House Canberra on 16 and 17 September this year. More than 150 CEOs and senior staff from Australia's 58 TAFE Institutes joined government, industry, media and educational leaders for the forum.

Taking the event inside Parliament House symbolised a new era of TAFE's more direct engagement with government and its stronger influence in shaping a national vision and future policy directions for workforce skills and innovation.

The event celebrated the tenth anniversary of TAFE Directors Australia and provided TAFE CEOs, Directors and senior managers with opportunities to meet and discuss key policy issues with members of Federal Parliament and heads of national agencies.

It acknowledged how TDA has developed in positioning itself and the concerns of its sector where it counts. In short, it is not enough to acknowledge that VET has a right to be in Parliament House, but rather that it is natural that such an essential component of Australia's future should be at the heart of Australia's decision-making.

High profile speakers, informed Roundtable discussions and ample opportunity for delegates' questions and comments were the hallmarks of a rich and varied two day program.

Highlights of 'TAFE meets Parliament'

'TAFE meets Parliament' included presentations by:

- The Hon. Julia Gillard, MP, Deputy Prime Minister and Minister for Education, Employment and Workplace Relations and Minister for Social Inclusion who delivered the Mick Young Oration, at the TDA Parliamentary Dinner.
- The Hon. Brendan O'Connor, MP, Minister for Employment Participation who launched the new TDA Tuition Assurance Scheme (TAS).
- Philip Bullock, Chair, Skills Australia, who shared his vision of a flexible high quality national training system with a major role for the TAFE sector
- Gary Banks AO, CEO, Productivity Commission, who emphasised the importance of VET in improving the skills match and skills utilisation as part of the productivity dynamic which must drive the future growth of Australian industry.
- Geoff Hall, CEO, New College, Nottingham, UK who drew on his UK experience to highlight the value and importance of further education in overcoming the cycle of intergenerational poverty.
- Phillip Clark AM, Chair Higher Education Endowment Fund Advisory Board who examined the opportunities for TAFE to win Education Infrastructure Funds from 2010, particularly for projects which were both innovative and collaborative.
- Andrew Crapuchettes, American academic and CEO of Economic Modelling Solutions, delivered a keynote lunch presentation on the value of community colleges, introducing socio economic modelling methodology now used in

the USA, UK and Canada to measure and assess the value of colleges to local communities and to graduates.

- Antoine Barnaart, General Manager Australian Pacific Technical College set the scene for international managers, with a key note that challenged delegates to think about the future of international engagement.
- Alan Olsen, Director Strategic Policy Research in Education presented new benchmarking research on the performance of TAFEs in international marketing and recruitment.

House of Representatives Standing Committee on Education and Training Members who joined delegates for an open discussion session.

'TAFE meets Parliament' also offered many opportunities for delegates to engage informally with individual Ministers, Senators and Members and with the heads and senior officers of national agencies.

Key Themes of 'TAFE meets Parliament'

The following key themes emerged from the keynote presentations, Roundtable discussions and response from TAFE Directors and senior managers:

Productivity and workforce development

Participants emphasised Australia's future productivity growth as dependent on more workers with higher level skills and increased workforce participation and improved levels of skill utilisation.

Social inclusion and equity

It was maintained that disadvantaged and marginalised people need affordable access to appropriate education and training, but they also require the ongoing support necessary to

successfully complete qualifications and utilise their skills in meaningful employment.

It was stressed that workforce participation brings social as well as economic benefits for both individuals and the community and is integral to productivity growth.

Contestability and Competition

A strong perspective was that a flexible TAFE system can respond positively to contestable public funding. It was agreed that contestability needs to be complemented with robust quality assurance arrangements and equity of access, participation and outcomes for all individuals.

The changing architecture of Australian post-secondary education

Participants claimed that the structural boundaries between VET and higher education are becoming increasingly blurred and competition is increasing within and between the sectors. In this emerging environment, the role of TAFE as a public provider of tertiary education may need to be further clarified and articulated.

Innovation and capacity building

TAFE was seen as a world leader in qualifications based on applied occupational knowledge. Participants agreed that TAFE needs to better value and capitalise on this considerable intellectual property.

From 2010, the Education Infrastructure Fund will provide opportunities for TAFE to further enhance its innovative capacity, particularly where Institutes collaborate with each other and/or with other educational organisations.

Strengthening the international presence of Australian TAFE

Participants in the international stream of the forum considered a broad range of opportunities for growing TAFE's international education business and expanding its international education and research activities and networks.

The deliberations and conclusions of the forum have provided a sound basis for a targeted TDA strategy to re-position and strengthen Australian TAFE's national role.

The Next Steps

A TDA position statement and action agenda will be developed for each of the key themes. This will form the basis of TDA's 2008 submission to the Productivity Agenda Working Group and provide the policy framework for TDA's 2009–2012 Strategic Plan.

The TAFE Directors Australia Board is also cognisant of the need for periodic review and renewal of its priorities through ongoing engagement between TAFE Directors and key government and industry decision makers. This could be achieved by scheduling a two-yearly 'TAFE meets Parliament' event, with the TDA Board also continuing its ongoing contact with Ministers, Parliamentary Committees, national agencies and peak industry bodies.

Feedback

Members of Parliament and Chief Executive Officers of key national agencies responded enthusiastically to TDA's invitation to meet TAFE leaders and gain a greater understanding of key issues affecting the sector.

Demand for participation in the 'TAFE meets Parliament' forum exceeded the number of places available. All respondents to the formal evaluation indicated that the forum met or exceeded their

expectations. One delegate commented: "I came away with increased confidence that TDA is working hard to engage with points of influence"; another commented "it was by far the best conference so far".

The TDA Board joins delegates in thanking TDA staff for their hard work in ensuring the success of this major TDA event.

Conclusion

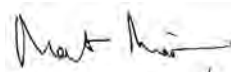
The 'TAFE meets Parliament' event demonstrated the value of taking a message directly and personally inside the great institution that decides our national affairs.

Secondly, it is also clear that holding such a major event at Parliament House provides an unparalleled opportunity to meet the very politicians and policy makers so that they hear our concerns but also the messages of hope and opportunity that we bring. And so, thirdly, it seems clear that repeating the event is the bet way to capitalise on success, and whether that is annually or every other year is still to be decided.

On behalf of TDA, I would also like to take this opportunity to express our thanks for the hospitality of the Canadian High Commissioner, his Excellency, Mr Michael Leir, in hosting us at a function at his Residence. This followed a visit by an Australian delegation earlier this year.

I would also like to thank Canberra Institute of Technology for hosting day two of the forum.

This paper should be read in conjunction with other key papers produced at the time of the TAFE meets Parliament event.



MARTIN RIORDAN
Executive Director
TAFE Directors Australia

The Mick Young Oration 2008 TAFE Directors Australia, 10th Anniversary Dinner, Canberra, 16 September



The Hon Julia Gillard MP, Minister
for Education. Minister for
Employment and Workplace
Relations

Minister for Social Inclusion and
Deputy Prime Minister.

I acknowledge the Ngunnawal People on whose land we meet, and pay my respect to their elders past and present.

Chair of the Mick Young Scholarship Trust, Linda Burney, Parliamentary colleagues, TAFE Directors and staff and members of the Young family.

We're here tonight to honour a great Australian, Mick Young, and to advance an idea that was one of his strongest passions: giving every Australian the freedom and security than comes from education and training.

Mick Young was born into a working class, Irish Catholic Australian family in Harbord on Sydney's northern beaches in 1936. One of seven brothers, none of whom had the chance to matriculate and go to university, he left school at 15, started work as a shearer and quickly got involved in the union movement.

By the age of 20 he had become a union representative. And by the age of 32 Federal Secretary of the ALP at one of its most tumultuous but productive historical moments.

He later became an adviser to Gough Whitlam, entered the Federal Parliament as the Member for Port Adelaide in 1974 and become a Minister in the Hawke Government before leaving Parliament in 1988.

Mostly though, Mick Young is remembered for two telling interventions in Australian political history which had a profound impact on the shape of modern Australia and whose significance endures to today.

The first was his amazing partnership with Gough Whitlam to drag the Labor Party out of its historical slump of the 1960s and preside over the winning campaign of 1972. Mick Young was the great organiser of that victory.

As the Labor Party's most famous writer and chronicler Graham Freudenberg summed up the outcome from that pivotal 1969 Conference:

When the dust had settled, two things emerged. All the significant Australian political parties were now committed to a system of Commonwealth aid for all schools, and the Labor Party, if elected, could establish a comprehensive Commonwealth commitment to all schools.

Labor went on to do just that. And that advance couldn't have been made without Mick Young.

His other achievement was playing a pivotal role in the forging of closer ties between the Labor Party and later Australian Governments with the People's Republic of China and with Asia.

It was Mick Young who as Federal Secretary of the ALP in 1971 put the idea to Gough Whitlam that he should cable the Chinese Premier Zhou En Lai proposing an Australian delegation.

That someone like Mick Young – who had started his working life as a 200-sheep-a-day shearer – could develop a fascination with Chinese culture and end up feeling at home in the company of Zhou En Lai, reminds us of the enormous intellectual and practical capacities that can be found in every Australian.

Unrealised human potential is all around us, held back by social disadvantage and lack of opportunities.

Thanks to the Mick Young Scholarship Trust, help is out there. All up the Trust has supported some 1800 students and this year hopes to disperse some \$230,000 to help more of them.

The proceeds of tonight's dinner will extend that great work by sending two scholarship holders

to continue their technical instruction overseas so they can bring back more knowledge and new perspectives to help others. This is the first time the Trust has provided help of this type and a sign that it has become a major source of educational assistance in Australia.

VET IS CENTRAL TO THE EDUCATION REVOLUTION

The onus on all of us here tonight is to continue the educational advances and principles that Gough Whitlam established with the help of Mick Young. The Government has committed to this goal through our plan to create an Education Revolution.

It's driven by need and priorities. And it's informed by new understandings about the way children learn.

To bring that revolution about we're making large scale investments in early childhood education, schools and universities.

Our plans to invest in early childhood education, with emphasis on disadvantaged communities is well known.

And recently the Prime Minister announced a new direction for schools that targets new Commonwealth funds to helping the most disadvantaged students by raising the standard and status of teaching. This is a huge opportunity for all Australian schools and a new future for the teaching profession. I'm convinced that once the full possibilities that plan represents are recognised that all Australian educators will join with parents to support it.

But the revolution won't succeed unless we make a corresponding effort in vocational education and training.

We have to increase VET completions and modernise and improve the quality of the courses we offer if we are to give our people the depth and breadth of skills they need for a 21st century economy.

More than 7 million Australians aged 15 to 64 now hold no post-school qualification.

On current projections Australia will be short of around 240,000 employees with VET qualifications in 2016. We will need to quadruple the number of advanced diplomas and double the number of diplomas just to meet projected demands.

We also have to overcome the shortages for skilled employees that now exist in areas like ICT, tourism, leisure, building and construction, the metal trades and engineering.

And we have to re-tool and train our own VET workforce to build capacity in emerging skill areas. Just like school and university education before them, VET is being transformed by the continuing evolution of a knowledge-based economy. Modernisation is needed.

And the stakes are high.

They're high for individuals because these days to get a good job and avoid unemployment young people increasingly need a post-school qualification at Certificate III or above. We know for instance, that having post-school VET qualifications reduces a young person's likelihood of being unemployed by an average of 40 percent.

And they're high for our economy because without a highly skilled workforce Australia will lose part of its competitive advantage in attracting new investment and growth.

SKILLING AUSTRALIA FOR THE FUTURE

The Government has responded to this situation by making the future of the vocational education and training system a central element of the national reform agenda of the Council of Australian Governments.

To guide us, COAG has set exacting targets. By 2020 we aim to:

- halve the proportion of 20-to-64 years olds without Certificate III or higher qualifications; and
- double the number of diploma and advanced diploma completions.

Our starting point must be to come to grips with the patterns of change in the economy so we can pinpoint where the new jobs are emerging.

To guide us through this we've established a new body, Skills Australia and reinvigorated existing Industry Skills Councils.

To help us meet the demand identified through this process, we're significantly increasing the nation's trade training effort.

We've set aside \$2.5 billion to establish Trade Training Centres in our secondary schools, with facilities that meet industry standards in both traditional and emerging industries. In the last two months alone we have approved more than \$90 million for new Trade Training Centres that will benefit almost 100 schools nationwide.

I also announced last week an additional \$45 million for the Productivity Places Program, taking the Government's commitment to 645,000 new training places over five years. This includes 85,000 new apprenticeships, with the majority of qualifications

at the crucial Certificate III and higher levels. The first 44,000 places allocated in 2008 have been fully subscribed and more than 6000 people have already completed training.

VET REFORM IS CRUCIAL

But as well as providing new places in VET, we have to take our vocational training sector in new directions.

COAG is pursuing reforms to place students and industry at the centre of the training system, promoting competition, transparency and quality.

We need to establish a properly designed market that will allocate resources in the most intelligent way but without ignoring important quality and equity issues.

Thanks to the existence of a large pool of high quality providers Australia already has a market for vocational training provision.

The point is to make it work at an optimal level by combining a strong institutional framework with fully empowered and informed consumers and measures to prevent the disadvantaged from being excluded. COAG's reform approach will do this.

The whole community stands to gain from such improvements, especially students, because increased provision of higher level qualifications will mean more secure jobs and higher future wages.

The Commonwealth will ensure that in those States like Victoria that are implementing ambitious market reform, no eligible student is denied a post-compulsory diploma or advanced diploma VET place because they don't have the ability to pay up-front fees. This will be done through the provision of an Income Contingent Loan scheme for diploma and

advanced diploma students, with all administrative costs met by the Commonwealth.

I particularly want to welcome the support of TAFE Directors Australia in this regard who have established Tuition Assurance Schemes to support both the Higher Education and VET Income Contingent Loan arrangements. Just this morning the Minister for Employment Participation, Brendan O'Connor, MP, announced the approval of two Tuition Assurance Schemes to be managed by TDA.

I know there are those in the sector who oppose some of these changes. But these changes will create a far stronger system that will reward quality service providers, benefit students and enable the VET system to better reward talented teaching and training staff.

Nobody, whether they are public or private training providers, administrators, staff or students has anything to fear.

In fact, there is much to gain. These reforms to VET are merely the start of the Rudd Government's plans to expand and improve VET in Australia.

EIF – MODERNISING VET INFRASTRUCTURE

We know that after a decade of underinvestment in TAFE by the previous Government that these changes will mean TAFE and other training providers will need to expand and modernise.

Our reform agenda will be complemented by increased investment in innovation and infrastructure through the new \$11 billion Education Investment Fund.

The first round of funding from the EIF was announced in July. This round is targeted at

Universities as part of the transition from the Higher Education Endowment Fund to the EIF.

In the next round of funding, eligibility will be expanded and we expect it to help transform the VET sector and increase its capacity to meet the skill needs of Australians into the next decade.

Both public and private providers across the training and higher education sectors will be eligible to apply for funding and unlike the HEEF, which allowed only for the interest earned to be spent, there will be no cap on yearly allocations from the EIF.

This means that substantial investment can be made in our educational institutions in the coming years, transforming the capacity of these sectors to educate and train Australians.

The Government is in the process of finalising arrangements for future rounds, and guidelines for institutions will be available in the coming months.

In his address tomorrow morning, the EIF Chair, Phil Clark, will further outline how the fund can help TAFE to grow into the future.

CONCLUSION

This is an important time for Australia's TAFE system. A time of expansion and modernisation. We won't succeed without a couple of important things.

The first is a willingness to embrace change in a positive frame of mind, with an eye to the potential benefits it brings.

And the second is to ensure that change promotes equity and doesn't put any new barriers in place.

These were the things that motivated Mick Young when he helped Gough Whitlam establish his education revolution and when he set up his own

scholarships that have given us the Mick Young Scholarship Trust.

I'm glad to know that those attitudes are endorsed by TAFE Directors Australia, which has been advocating on behalf of TAFE and its users for a decade now.

TDA is supporting new investment in TAFE, forging stronger links with industry and making TAFE a force in international education.

I want to salute its founders – people like Peter Veenker, Bruce Mackenzie and Barry Peddle – and its current CEO, Martin Riordan, for the great work they've done and will continue to do. And now it's my great pleasure to propose a toast to the organisation and say I look forward to working with it to give Australia one of the best vocational education and training systems in the world.

(This is an edited version of the Deputy Prime Minister's speech, for the full version see <www.deewr.gov.au>.)

TAFE Directors and Senior Management



Matilda House



Deb Daly



Interested audience



Philip Bullock

Meeting Australia's Needs and TAFE engagement



Philip Bullock, Chair, Skills Australia

Philip Bullock, formerly Chief Executive Officer of IBM Australia and New Zealand, was also on the Board of the Australian Information Industry Association and chaired their Skills and Innovation Taskforce for the Business Council of Australia and is a former Maths Teacher.

The opportunity to participate in policy development is a positive; TAFE and TAFE Directors Australia will have the answers to many questions for Australia's future.

I see my role as removing the blockages to this development.

TAFE is very important to the nation – of 1.67 million students in vocational education and training (VET), 8 out of 10 are in TAFE.

These are challenging times both globally and domestically – we will be challenged in ways we may not have experienced before.

When the Federal Treasurer, Wayne Swan, made reference to the possibility of global recession (on 4 September), we need to note this can also lead to political unrest including in the OECD countries. We don't expect them to fracture but there will be challenges.

Australia is fortunate because of its mineral exports but are we in danger of becoming a 'two tier' society?

We have high domestic employment levels but also pockets of real concern including long term unemployment figures and youth unemployment.

The resources boom is not reaching everyone and this will be "a unique challenge for VET".

Climate change is also a challenge as the Dusseldorp Skills Forum estimate 3.25 million workers will require new, more sustainable skills. Is VET equipped to help with this?

We also need to acknowledge that TAFE has expressed some concerns, including:

- the level of contestable funding; and

- workforce aging – 2004 NCVET survey shows TAFE workforce over 45 is double the national average.

There is also issue of adult literacy and numeracy. A 2006 Australian Bureau of Statistics survey shows 46% of people are below a minimum acceptable level in literacy. There is also a similar number in numeracy, while 70% are below in problem solving. The proportion of 15–19 year olds who don't have minimum literacy increased by 7.3% between 1996 and 2006.

It is essential to use the next two days of this 'TAFE meets Parliament' forum to reflect on TAFE's role and contribution to meeting these present and future challenges.

If we haven't already done so, we need to recognise that TAFE is a business – it may need to move down the path of greater independence, allowing greater innovation.

But there is also a need for greater clarity in the national training system, for example regarding the role of Governments.

Other considerations include: What are our IP assets and where do they reside? TAFE has considerable intellectual property but has anyone done an audit of this intellectual capital?

Much of the training, and even decision making, that TAFE undertakes is best done close to the client. TAFE's role goes beyond just skilling, because in some towns it is the backbone of skilling for the region.

Role of Skills Australia

At the 2020 summit, there was a general perception that we need a national market. The Prime Minister,

Kevin Rudd, confirmed that over the last 40 years, productivity growth has accounted for more than 80% of the improvement in Australia's living standards. Naturally skills play a key part in driving productivity.

Skills Australia was established to provide advice to the Deputy Prime Minister, the Hon Julia Gillard, MP. The Board is composed of experts, selected for their intellectual capital. Hence, when the Board provides advice it relies on the personal integrity of its members.

Skills Australia Board meets monthly. The roll-out of the Productivity Places Program has commenced, with additional Health places announced in July. We are aware of the concerns over pricing of the places and will work with all stakeholders to address for 2009. We believe that industry is willing to pay for value and hence may be willing to bear the shortfall. In some cases they are already doing this.

We maintain that industry needs to be at the forefront of a national training system. It should be at all levels. At the national level, in terms of maintaining skills standards (via National Training Packages) and driving national quality standards and delivering national accreditation. At a jurisdictional level industry and governments need to work collaboratively to achieve local solutions.

We need to recognise the unique circumstances in jurisdictions and also in some TAFEs.

I have a passion and a commitment to lifelong learning and Skills Australia will support TAFEs in meeting these challenges I have outlined. TAFE needs to be completely engaged in planning for the effective and productive delivery of education, training and skills in Australia.

PRODUCTIVITY ROUNDTABLE

Productivity and Competitiveness of TAFE

For the Rudd Labor Government the “skills agenda and increasing productivity are central to the Government’s economic platform” (Skilling Australia 2008).

Vocational education and training is one of the key elements in achieving improved national productivity, whether that is in skilling workers new to the workforce, or upskilling established workers. This Roundtable begins with a detailed assessment of where Australia’s productivity stands and what the future holds.

The Federal Government has viewed VET and TAFE as, effectively, the high-quality “yeast” promising to leaven a workforce which is also losing highly skilled workers to retirement. This Roundtable examines the specifics of TAFE productivity and performance and the need, and scope, for such change. Current statistics throw light on efforts by government and COAG to implement change and examine ways of supporting providers.

The four speakers on this Roundtable approached the topic from different perspectives – the CEO of the Productivity Commission, a senior bureaucrat from Canberra, the Deputy Director of Education and Training in NSW, and the Deputy Vice Chancellor of a cross sectoral university.

Gary Banks AO

Craig Robertson

Marie Persson

Prof David Battersby



Gary Banks AO, Chairman, Productivity Commission

Gary Banks has headed the Commission since April 1998 and personally led national inquiries on many key public policy and regulatory topics — including National Competition Policy, the National Reform Agenda and the Economic Implications of an Aging Australia.

Professor Paul Krugman from MIT famously said “productivity isn’t everything, but in the long run it is almost everything.” Productivity growth — more output from our available resources — is the most important sustained driver of income growth. Human capital — the quality and skill levels of our people — is in turn a major determinant of productivity levels and, through innovation, productivity growth. And of course, VET — our focus today — is a key contributor to human capital.

Despite its relatively well-educated population, Australia experienced poor productivity growth in the post-war decades (half the OECD average) which saw a steady decline in our relative living standards. This was a consequence of regulatory constraints and distortions which impeded the best use of our human and other resources. The microeconomic reforms of the 1980s and 90s freed up anti-competitive rigidities and created better incentives for people and enterprises to be productive. Unsurprisingly, this led to a productivity surge in the 1990s which saw Australia’s average per capita income rise from 18th to 6th in the world.

Australia’s productivity growth has slumped again since 2000. This can be largely explained as a by-product of our booming economy and terms of trade, combined with the effects of drought. While we can expect to see a rebound, attaining the above-average productivity performance that will be needed to cope with the costs imposed by our aging population and more sustainable use of environmental resources will only be secured by further policy reform.

Having largely (though not entirely) eliminated the anti-competitive policies that previously held down our performance, we need to look increasingly to human capital development to keep us at the

‘production frontier’ and take us further forward. This has to do not only with ‘upskilling’, but also achieving the right mix of skills to match and enhance our economic potential.

How much scope do we have? The answer is ‘plenty’, despite the improvements that have undoubtedly already occurred. For example,

- While we have seen a 10 percentage point rise in the proportion of the labour force with post-school (including VET) qualifications, nearly 50 percent still have none. This equates to over seven million Australians aged 15–64 years;
- Similarly, while at face value Australia’s educational attainment levels compare well with other OECD countries, it is now recognised that we have a longer ‘tail’ of low achievement in the distribution of student performance.

Answering the shortages: skill levels and composition

Clearly we need to do better – especially since other countries with whom we compete are investing heavily in skill formation. (Asian countries are closing on us, just as we are closing on the USA.)

While skill *levels* need improvement, so too does the *composition* of the skills in our workforce. The skill shortage is likely to reflect both – partly (obvious) cyclical pressures, partly (less obvious) structural mismatches. These are significant and seem to be widening.

For example, some 38 percent of unemployed people currently have post-school qualifications, compared with less than 30 percent a decade ago. The *World Competitiveness Index* has ranked Australia 43rd out of the 55 countries it surveys with respect to the “ready availability of skilled labour”.

Recent projections suggest that skill shortfalls may be set to become considerably worse.

The economic (and social) payoffs from upskilling and reducing skill mismatches flow through consequent rises in labour force participation, as well as higher productivity.

Participation rates in Australia lag the OECD in key working-age brackets. While participation levels are also greatly influenced by non-skill factors – such as tax-welfare-superannuation interfaces and IR regulation – training plays a significant role.

There is a robust statistical link between training levels and participation rates (not to mention employment success and wage/salary levels). For example, the Productivity Commission found that a VET qualification raises the probability of participation by 3 percent for men and 9 percent for women. Such training can play an especially important role in re-integrating older males into the labour market, as well as facilitating the transition from school to work (too many young people end up in neither).

The *productivity* gains from skill development derive from enabling better performance at given tasks as well as greater adaptability to new tasks and capacity for innovation generally. There are various estimates of the productivity payoffs. For example, it has been estimated that an extra year’s secondary education generates an 8 percent gain in labour productivity. Earnings premia are strongly evident for tertiary (including VET) trained employees.

The Productivity Commission found that the (limited) educational initiatives proposed in the National Reform Agenda would raise national productivity by 1.2 percent and labour force participation by 1 percentage point – both worthwhile gains.

Of course, there are also significant costs to incur and investments to make. The Commission's judgement, however, is that these are likely to be outweighed by the benefits — especially considering the hard-to-measure benefits from enhanced innovation, and greater adaptability and receptiveness to change within the workplace (apart from the benefits from greater social inclusion and reduced social problems when young people have a job).

Implications for VET and TAFE

So what are some of the implications of all this for the VET sector and TAFE?

The pressures for enhanced skill development and compositional changes are not going to abate with the end of the current economic boom. Ongoing pressures from technological change and global competition are if anything, likely to accelerate. Change will bring with it the imperative to acquire new skills and to re-skill. 'Lifelong learning' will need to become more than a slogan if we are to meet these challenges successfully. The fact that life expectancy and therefore working lives are lengthening will only add to this need.

Educational institutions — especially post-school — will need to be responsive to changing needs and be accessible to increased numbers of students, while ensuring that appropriate quality standards are upheld. Each of these requirements poses significant challenges:

- Responsiveness cannot be achieved in a supplier-driven system. Users of the systems need an effective say, more choice, and suppliers will need the autonomy in their governance structures to respond.
- Accessibility cannot be improved without additional resources if standards are to be maintained. In the mix, we must consider how to facilitate a greater contribution from students, who, as noted, derive higher lifetime incomes from the extra training they receive post-school. HECS-type models have demonstrated the capacity to do this effectively and equitably.
- Quality has various dimensions and contributors, but the skills and motivation of teachers are key. Half the VET workforce is aged over 50. Many good teachers have left or will leave the system. Replacing them and raising the performance of the education workforce generally is a major and urgent issue for public policy.

A Fundamental Refresh of the Training System



Mr Craig Robertson, A/Group Manager, Tertiary Skills and Productivity Group, Department of Education, Employment & Workplace Relations (DEEWR)

Craig Robertson has worked in schools policy and corporate development roles with DEEWR. For the past four years he has helped transition ANTA to the Department and drive reform to the national training system. Prior to this he was part of the Department's Strategic Policy Group.

INTRODUCTION

For those of you who are students of history of vocational education and training in Australia, or at least the recent history of the past three decades, will know that many of the current arrangements in the national system stem from the landmark report *Australia Reconstructed*.

This report of the late 1980s, ostensibly from the union movement, acknowledged the impending economic restructuring that would result from reduction of trade barriers and floating of the dollar that would enable Australia to compete in global markets. The report also acknowledged the need for training strategies to help working Australians shift to new jobs as new industries were formed. In essence, these conditions gave rise to settled agreements between industry players and governments concerning the operation of VET in Australia.

- These arrangements have played a very significant role in Australia in dampening the shocks of increased international exposure and the export of traditional jobs offshore. The Australian VET system is at a new crossroads, similar to *Australia Reconstructed* in the late 1980s.

THE GROWTH DEMANDS ON THE SYSTEM

The current growth demands on the VET system stem from the strong focus on workforce participation and productivity growth for the economy.

In terms of participation, Australia currently ranks in the bottom half (23 out of 30) of OECD economies for prime aged (25 to 54 years) men and

women. While in the 15 to 24 years aged group, the Dusseldorp Skills Forum and AiG have jointly estimated that there are 526,000 (or 18%) in this age group not engaged in full time work or study [200,000 of these are teenagers].

Australia's annual productivity growth rate is also lagging. In 2006, measured as GDP per hours worked, our productivity was 0.5 compared to an OECD average rate of 1.5.

The ability of firms to succeed in the face of these challenges, as well as growing international competition, depends increasingly on access to a skilled labour force that enables businesses to adapt, compete and win global markets and respond to changing demand.

Improving skills also has pay-offs for individuals as it gives them the opportunity to participate and develop their full potential – both personally & professionally. These are significant participation and productivity challenges to overcome.

The Australian VET sector has its own set of trajectories that taken together demonstrate the size of the challenge. Some of these include:

- The Commonwealth's Productivity Places Program will inject 645,000 training places into the system over the next five years
- Through COAG, governments have set targets for 2020 to both halve the proportion of 20 to 64 year olds without Certificate III level or higher qualifications and double the number of diploma and advanced diploma completions
- We have a strong priority to lift the productive capacity of firms into value-add knowledge-based endeavours, and to prepare them with green skills for a low carbon economy; and

- Social inclusion priorities will require the system to offer unique training solutions to assist disadvantaged Australians into work.

However, there are signs of the system potentially in decline:

- There has been a decline in VET participation, with 2007 enrolments lower than 2002 [although the investment in apprentices is counter this trend];
- Diploma and Advanced Diploma course enrolments have declined every year since 2002 (197,352 in 2002 compared to 165,965 in 2007);
- Industry use of the VET system is in decline & unmet demand is at record lows;
- Half of employers use unaccredited training outside the VET system; and
- Training Packages are also being underutilised.

These figures point to the growing size of the gap between policy intent and the take-up of training in the system.

THE RESPONSE: VET

Under current arrangements in the national training system much progress has been achieved over the last 15 years through joint approaches between levels of government with industry players and providers. These include:

- AQTF 2007 and the establishment of the National Audit and Registration Agency (NARA) is focusing regulation on ensuring training quality and outcomes and to simplify auditing requirements to free up providers to focus more on training and development;

- ‘User Choice’ has allowed more providers to enter the system and for them to work closely with employers;
- Improvements in efficiency and performance, which have resulted in 77% of government funded VET graduates in employment after training in 2006, up from 74% in 2002; and
- Student satisfaction rates at a five year high of 88%.

Unfortunately, many of the changes in recent years have tended to be bolt-on solutions and as a result many of the newcomers to VET, including students and business, find it difficult to navigate their way into training. The time is right for a fundamental refresh of the training system in order to meet these challenges.

The changes being considered have been labelled as competition, contestability, markets, demand-driven or student and business centred. These tend to create their own commentary and can easily distract our attention from the changes that are needed.

The priority for public policy planners and governments is to ensure that appropriate processes and instruments are used to optimise outputs in the most efficient ways possible. Our priority, to meet the skills trajectory laid out before the nation, is to look at systemic change that looks at both demand (i.e. by stimulating employers to develop workforce capabilities) and supply sides (i.e. more flexible, innovative and responsive training providers).

The Deputy Prime Minister has outlined the six guiding principles being pursued through COAG to bring about these changes:

- allowing student and employer demand to drive changes in course provision;

- improving competition between providers so those best able to meet demand can do so;
- providing greater transparency to allow students to make informed choices and governments to make better investment decisions;
- encouraging public and private investment through appropriate regulatory change, financial incentives and government programs;
- providing quality guarantees through an appropriate framework, in this case the AQTF; and
- ensuring that these factors do not create financial barriers to participation and that major equity concerns are met.

IMPROVING CAPACITY OF PROVIDERS

Key for the supply side is to free up the capacity of providers to explore new areas of training, to establish these more innovative and creative responses to the productivity and participation challenges.

All training providers need the opportunity to respond to the challenge to build the foundation, as well as the deeper and broader skills required by today’s labour market.

This is why it is important that reforming training products, services, information systems and regulation to meet a more demand and client driven system is recognised and pursued by COAG. But, also importantly, this allows training providers to focus more on their primary business – that is the delivery of training and development.

Providers can access the Productivity Places Program which will fund 645,000 places over five years.

But we know from our previous efforts that focusing on training alone is not the answer.

The program is focusing on offering training opportunities for those out of work and is also making us look at new ways to meet the growing demand for higher level skills at the Diploma level and above. Half of the 392,000 places for existing workers will go towards Diplomas and Advanced Diplomas, allowing workers to upgrade qualifications and have skills and experience recognised.

NEW COMPACT

The key arena for agreeing national priorities, but allowing for local solutions is through COAG. Through COAG's Productivity Agenda Working Group (PAWG), which is chaired by the Deputy PM, the Australian Government is currently negotiating a national reform agenda for VET with State and Territory Governments to create an effective and properly designed VET system.

Under COAG there is no longer the prescription of one size fits all. Commonwealth financial contributions to states and territories are no longer tied to input conditions but to jointly determined targets and output measures. Each state is free to determine within their priorities how they will achieve these targets.

This is demonstrated in the Commonwealth's support for the Victorian skills reform and the offer of assistance for the operation of a student loan scheme.

Under COAG arrangements, jurisdictions are not compelled to implement these reforms. States and

Territories have the capacity to drive reforms in line with their priorities.

Coherent implementation remains a challenge. Processes are in place to have implementation plans in place and a forward workplan has been agreed. These matters will be worked through the system in the next 12 to 18 months. Of course, matters such as funding of community service obligations and the place of competitive neutrality are issues that need further deliberation.

IN CONCLUSION

I've outlined what I see as the size of the skilling challenge facing Australia. I believe that we are at a cross-roads and we must think about new arrangement for VET in Australia. We need to think of VET as part of a seamless tertiary sector.

COAG arrangements provide the opportunity for a new compact between levels of government and with industry to promote local solutions to local problems.

We need to think of new ways of operating the system through our regulation, products and funding that will stimulate individuals to take up training and for employers to utilise skilling options just the same as capital investment is a strategy for productivity improvement. The Commonwealth is prepared to make national partnership payments to further build a more vibrant and responsive VET system.

Front and centre of the reforms being negotiated at present is the desire to free-up providers from overly bureaucratic auditing and centralised planning to enable them to uncover new areas of training, new enterprises and new students.



Marie Persson, Deputy Director-General, TAFE NSW

Marie Persson's VET experience includes teaching, managing, consulting and policy areas. An inaugural Australian National Training Authority (ANTA) senior executive, she won the NSW Telstra Business Woman of the Year Award and the Australian Government and Community Business Woman Award in 2003.

The goal of TAFE is unequivocally to enhance Australia's productivity through the provision of training and related services for individuals, employers and industry more generally.

The confluence of an aging population, a shrinking workforce and intensifying regional competition necessitate significant investment in education and training to avoid retarding economic growth. To do this there needs to be a shift from the current focus on the supply side – that is “reforming” providers – to encouraging partnerships and collaboration between businesses, industry and training providers.

In its nation-wide TAFE infrastructure and capability, Australia has a global productivity advantage. We need to recognise this.

ECONOMIC VALUE OF TRAINING

In 2006, the Allen Consulting Group (ACG) estimated the value of TAFE NSW Institutes to the NSW economy. This independent econometric analysis estimated both the direct and indirect benefits disaggregated by region.

They estimated that over the next twenty years, TAFE's contribution to the State economy is worth \$196 billion dollars¹. Put another way, every dollar invested in TAFE generates benefits worth \$6.40. The report found that TAFE directly benefits employers in the form of:

- improved use of technologies and equipment
- greater innovation and competitiveness
- lower defect and re-work rates
- higher capital utilisation rates
- improvements in quality of service.

¹ Net present value terms over twenty years.

WORKFORCE DEVELOPMENT

TAFE NSW Institutes have adopted the concept of workforce development as the framework for coordinating a broad range of services provided to individuals, businesses and industry. This framework extends TAFE services into the workplace including through consultancy, mentoring, brokerage and technology-transfer.

There are numerous examples; in food processing, energy, forestry, advanced manufacturing, tourism and mining, where Institutes have customised training to unique business needs linked to nationally-recognised qualifications.

A new and independent report on a range of TAFE NSW partnerships with industry, *Improving the bottom line: why industry values partnerships with TAFE NSW*, is available online at <www.tafensw.edu.au/employerservices>.

KEY POLICY CHALLENGES

I agree with the Deputy Prime Minister's view that an effective mix of public and private investment and delivery will be essential for delivering on Australia's skills challenges. TAFE systems across Australia have been resilient, innovative and have thrived in the competitive training market.

There are four keys to enhancing TAFE's contribution to the productivity and competitiveness of the workforce.

Partnering directly with employers

Strengthening the partnership between Institutes and employers is essential. Three

recurring messages come through almost all discussions with industry.

First, skills must be **customised** to enterprises' particular approaches, strategies and services. This does not mean each and every business has unique needs but that training providers must be flexible in what and how they deliver.

Secondly, soft and generic skills are essential to the **effective use of specialist skills**.

Thirdly, the demand for training is far more than just full qualifications. For instance, the demand for skill sets has accelerated over the last twelve months – TAFE NSW currently offers almost 70 skill sets, linked to Training Packages which typically result in a Statement of Attainment, with a further 30 under development this year and plans for 40 more in 2009.

Extending the range of services

In an increasingly tight labour market, recruitment and retention of skilled staff is critical to maintain productivity. TAFE is developing a range of services.

In NSW we are doing this under the banner of *Employer Services*, to ensure we are able to support employers to recruit, retain, up-skill and undertake succession planning, that is, across the full life-cycle of employment.

Employers prefer a seamless service where the interface between State and Commonwealth provision is handled by others and the administrative burden is not overwhelming. Due to TAFE's reach across the country in metropolitan areas and regions it is constantly in contact with employers and well placed to provide this brokerage service.

Leveraging investment

As part of partnering with employers, better leveraging the public investment in workforce development needs to be on the agenda as does improving collaboration between agencies and governments. It may be as simple as re-examining the tender requirements for major civic developments.

For instance, I know that Sydney Institute is a partner in a tender for a major Sydney-based urban redevelopment project. If the tender is successful, the redevelopment will ensure effective utilisation of the skills of the local communities, even if they must first be developed.

Innovation

One could be discouraged by the near total absence or mention of TAFE or the vocational education and training sector in general from the review of Australia's system of innovation. It is however, a significant oversight. With TAFE Directors Australia wide we need to again look for an opportunity to explain the vital role TAFE can play in improving successful technology-transfer.



Prof David Battersby, Vice Chancellor, University of Ballarat

Prof Battersby has previously held various senior appointments at Charles Sturt University in New South Wales over nearly two decades. These included the positions of Deputy Vice-Chancellor, Pro Vice-Chancellor, Head of Campus and Dean of Faculty.

We should not dismiss TAFE provision in Australia as being inconsequential: it is in excess of a \$4 billion national enterprise, catering for nearly two million students at approximately 60 institutions which have campuses in 1400 locations across Australia.

In comparison with the higher education sector, which accounts for around \$5 billion of government expenditure, there are about double the number of students at TAFE who have access to 10 times the number of metropolitan and regional campuses their university counterparts have.

Just by sheer force of numbers, presence and impact, TAFE makes a significant contribution to tertiary education in Australia.

On the specific issues of productivity and competitiveness, TAFE has generally performed well, especially in my own state of Victoria where:

- TAFE institutes raise more revenue from their own resources – by providing fee-for-service to businesses and individuals – than those of any other state.
- There has been significant growth through increased efficiency resulting in Victoria having the lowest costs of delivery per government funded student contact hour of any state.
- Government funding has been opened up to competition from other registered training organisations with Victoria now having one of the highest levels of competition for funding of any state.
- TAFE institutes outperform those of other states in terms of growth, diversification, efficiency, revenue generation, adoption of national reforms, innovation and response to competitive pressures.

- TAFE institutes have been at the forefront in responding to and shaping the process of national training reform, evidenced by the recent skills reform initiatives introduced by the state government.

The performance of TAFE institutes in generating fee-for-service revenue is much higher in both proportional and absolute terms than any other state with the Victorian system being viewed as the most flexible, responsive and innovative in Australia.

- TAFE institutes have developed a reputation over the past decade as being highly innovative and responsive to local businesses.
- Our TAFE institutes were among the first in Australia to develop planned activity profiles as the basis of negotiated resource agreements.
- TAFE institutes embody many features of international best practice in the design and delivery of VET programs with their emphasis on flexible delivery and industry partnerships.
- Dual sector universities were introduced more than a decade ago and now lead the way in delivering 40 per cent of TAFE activity in the state.

More generally, there are two key, national examples of the productivity and competitiveness of TAFE. The first is in knowledge transfer, which is a significant but unrecognised contributor to innovation and economic development in Australia and which has been the subject of scrutiny by the national innovation review.

Within the TAFE context, the transfer of new knowledge occurs through many mechanisms, including:

- publications and conference presentations;

- consulting – directly with industry or government, where use is made of new knowledge obtained through research or new methods of training delivery or methods of competency assessment;
- contract projects, through successful tender responses and direct interaction with industry and government;
- collaborative projects and partnerships funded by industry and government;
- commercialisation activities, including licensing of IP, creation of spin-off ventures; and
- through engagement with local businesses and government where mechanisms are established for knowledge transfer (e.g. through forums, discussion groups, industry briefings, etc.).

There are now published TAFE-specific metrics relating to knowledge transfer. These show that “across Australia, TAFE institutes work with enterprises and industry groups to develop, adapt and modify production processes and practices which result in the creation of new workplace knowledge and innovation” (TDA, 2007).

The second example relates to **TAFE’s productivity and competitiveness** in delivering outcomes for disadvantaged groups. As Karmel and Nguyen point out in the following table, across all equity groups, VET and TAFE significantly outperform the higher education sector in terms of students from these groups accessing post-secondary education.

Finally, on the theme of TAFE competitiveness and productivity, caution is needed regarding proposed solutions to address a situation where seven million

Equity groups	Higher education	VET
	% of total students	% of total students
Aboriginal/Torres Strait	1.3	3.3
NESB	3.8	19.7
With disability	3.3	3.9
Rural	18.6	30.0
Remote	0.2	3.7
Low economic status	15.3	25.0

Source: Karmel and Nguyen 2003

Australians aged 15–64 have no post-school qualification and a projected shortfall of 240,000 employees with VET qualifications. The COAG solution is to halve the proportion of 20-to-64 years olds without Certificate III or higher qualifications and to double the number of diploma and advanced diploma completions by 2020.

The current predilection is to have the architecture of solutions built upon making VET and TAFE provision more competitive. As the Deputy Prime Minister says, “these days to get a good job and to avoid unemployment young people need a post-school qualification at Certificate III or above.”

While these sentiments seem self-evidently plausible, they deflect consideration away from the aging of the population and the subsequent reduction in the aggregate labour force participation rates of older Australians. The Federal Treasury, in a recent working paper, identified the worrying increase in early exits from the labour force of those in their 50s with educational and training qualifications. Males in their 50s are particularly susceptible.

It appears that the baby boomers with post-compulsory education and training qualifications are now exiting the labour force in unprecedented

numbers. The public policy conundrum arising from this trend is profound. On the one hand, state and federal governments are pursuing the argument that VET and TAFE need to be more competitive and productive to meet labour force skill targets.

In turn, the income earning capacity of those who attain these higher level qualifications is significantly enhanced compared with those without such qualifications. As the Victorian state government indicated in its skills reform policy announcement: “rates of return [for individuals] are progressively higher for higher level . . . qualifications.” In some cases, those with these higher level qualifications can expect to earn 150% more over their working life than those with a secondary school qualification.

On the other hand, however, the eventual labour force outcome for those with these higher qualifications, according to the Federal Treasury, may be an early exit from the workforce once they are into their 50s. Compounding this is an increasing range of disincentives for those in this age group to stay on in the workforce, such as some superannuation arrangements, taxation levels and/or lifestyle issues.

With average life expectancy for most Australians now creeping into the 80s, it may be time to take a closer look at what is happening to labour force participation for those in their 50s who have gained higher level educational qualifications earlier in their lives.

If, as the Federal Treasury seems to be suggesting, the push to acquire these qualifications for our workforce is simply resulting in an early exit from the labour force once these achievers are in their 50s, then we may need to engage in a public policy rethink about whether enhancements to the competitiveness and productivity of VET and TAFE are the key solutions.

Safeguarding education: launching the Tuition Assurance Scheme



The Hon Brendan O'Connor MP, was appointed Minister for Employment Participation after the 2007 election. He holds a BA and an LLB from Monash University, and a Diploma, Harvard Trade Union Program, Harvard University.

I would like to start by acknowledging the Ngunnawal people, traditional owners of the land on which we meet.

Thank you for inviting me to join you in celebrating this 10th anniversary event for TAFE Directors Australia – the TAFE meets Parliament: Skills Innovation 2020 Forum.

As you are all aware, the Australian Government has placed education, training and social inclusion at the front and centre of our agenda.

It is our firm belief that these areas are the keys to Australia's future.

Education, training and social inclusion are not only critical to Australia's future productivity, they are vital to providing a path to prosperity for all Australians – particularly those in our community who are disadvantaged.

In a global economy where knowledge and skills are in high demand, the countries that succeed will be those that have the best educated, the most skilled and the most innovative people. Australia's success depends on having the best human capital and the most inclusive societies we can.

Studies have shown that education is one of the strongest guarantees of individual prosperity, social mobility and economic security.

Having post-school VET qualifications reduces a person's likelihood of being unemployed by 40 percent, and having a university degree reduces it by 60 percent.

On average, people with post school qualifications earn more and live longer, healthier lives than those who lack them. By increasing the levels of post-compulsory education we'll achieve higher levels of workforce participation, which in turn will lead to rising productivity and prosperity.

To ensure Australia has the depth and breadth of skills and capabilities required for the 21st century, the Government has set two key targets to be reached by 2020. In March this year, the Coalition of Australian Governments (COAG) meeting agreed to:

- halve the proportion of Australians aged 20–64 without qualifications at certificate III level and above, and
- double the number of those completing a vocational qualification at the diploma level and above.

These are ambitious and challenging targets, and we need ambitious and challenging strategies to achieve them. I am therefore pleased to recognise the efforts of TDA in helping us achieve these goals.

Legislative amendments have enabled the income-contingent loans scheme, FEE-HELP for the higher education sector, to be extended to selected higher level VET qualifications.

The new VET FEE-HELP scheme provides opportunities for more Australians to pursue new careers or lift their qualifications to diploma level or above, without facing the disincentive of having to pay upfront tuition fees. It gives more people the opportunity to pursue high level VET courses which might otherwise not be open to them.

It means, for first time, eligible students wishing to take up full-fee paying places in higher-level vocational qualifications have access to Government-supported loans. These loans will not have to be paid back until the student is earning above a minimum income threshold, which for 2008–09 is \$41,595.

Full-fee paying VET students undertaking higher level vocational training are now treated in the same way as their higher education counterparts.

Encouraging students to undertake higher level VET qualifications is one of the key ways we can address the country's skills shortages. However our objectives are not only to increase productivity and address shortages, but also ensure that all Australians can achieve their full potential and make a valuable contribution to the community.

I am pleased to launch a new Tuition Assurance Scheme, operated by TAFE Directors Australia. Tuition assurance is a fundamental component of both FEE-HELP, for the higher education sector, and VET FEE-HELP.

Tuition assurance strengthens our VET and higher education sectors by providing vital consumer protection mechanisms for students. Tuition Assurance protects full-fee paying students in those rare circumstances where a provider is unable – for whatever reason – to continue providing a course of study.

If a provider ceases delivering a course, the tuition assurance scheme kicks in, enabling a student to be refunded for any incomplete units of study, or be enrolled in the same or similar course with another provider.

While there are a number of ways a provider can meet the tuition assurance requirements for FEE-HELP and VET FEE-HELP, one simple and easy way is to become a member of an approved tuition assurance scheme.

I am very pleased to congratulate TAFE Directors Australia for gaining approval to operate two new Tuition Assurance Schemes – one for FEE-HELP in the higher education sector, and one for VET FEE-HELP in the VET sector.

I congratulate Martin Riordan and his team for their efforts in developing TDA's Tuition Assurance Scheme

and providing more choice in the market for TAFE institutes.

There is still much more work for all of us to do on our path to achieving an Education Revolution in Australia.

The Australian Government is committed, in large part through the Council of Australian Governments, to bring about further positive change and improvements to Australia's VET sector.

The Deputy Prime Minister along with the Victorian Government recently announced an expansion of VET FEE-HELP in Victoria as part of an ambitious package of reforms aimed at dramatically increasing the number of people able to access training and upgrade their skills.

It will enable eligible students, studying Government-subsidised diploma and advanced diploma courses in Victoria, to also access income-contingent loans.

This will increase access to higher level VET qualifications for those students without financial resources. It will also boost the quality of courses and expand the number of VET places available for students in Victoria.

In partnership with organisations such as TAFE Directors Australia, the Government is committed to achieving a more prosperous and inclusive Australia.

Media and Community attitudes to TAFE

This Roundtable looked at the myths and miss-impressions that exist and have continued in Australia, colouring people's impressions of both TAFE and VET "from the outside".

Among the positives to take from these misplaced conceptions, then, is both the need to have an active public relations strategy and have one that fits in with a national "branding strategy" to champion who and what TAFE and VET are.

Some of the most enduring misunderstandings can be the hardest to clear up. TAFE needs secondary teachers and careers counsellors who clearly understand the benefits and opportunities that TAFE offers.

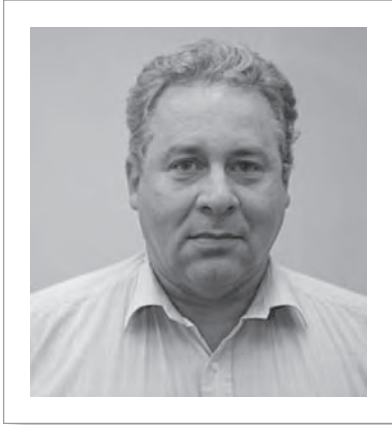
Malcolm Farr

Jim Barron

Brian Wexham

Christine Maddern

The VET story: a dry unsaleable commodity?



Malcolm Farr, national political editor, Sydney Daily Telegraph.

Malcolm Farr is the national political editor for Sydney Daily Telegraph. He has covered Federal politics for the paper since 1991 and he was President of the Parliamentary Press Gallery for five years.

Vocational education is a very, very dry commodity to try and get across in a newspaper. There's a paradox there, because it's something many parents and their children are thinking about, but for various reasons I'll touch on, it's a very difficult subject to get into the news pages.

There are several problems for a journalist, in general, trying to get to a story in TAFE. One is the clutter of acronyms – it's just so confusing, you wonder what language is going on here. Another is the great dispersal of authorities. The VET sector is just page after page of various organisations and responsibilities that keep going on and on and it's totally confusing.

Another aspect is what a colleague of mine refers to as "Man does Job". That is, what they are supposed to do, where's the news in that? So if your TAFE outlet is doing terrific work, churning out all these bright and accomplished students then, I'm sorry, it's "Man does Job". You're doing what you are meant to do.

There also seems to be some, I'll say resistance, for want of a better word, from those parents reading stories which do come up about TAFE. Remember that Budget where the government offered all that money for tools? Anecdotally and otherwise, I was just astounded by the number of parents who didn't know about it.

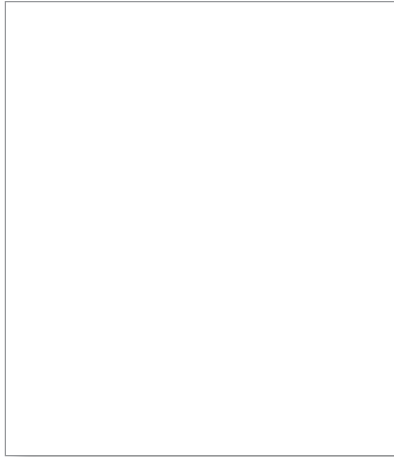
As an example, there was a mother in a knife shop in Canberra wanting to buy a set of knives for a Chef's course and the shopkeeper had to explain to her that she could get money from the government. It made a huge difference in the quality of the tools bought for the student. Every paper carried that over a number of days - it was considered such an important story - but it just didn't register.

The whole area of apprentices is quite baffling, It's easy to roll out the figures about the numbers of

new apprentices but there is just something about it all that doesn't "ring true". You talk to people in major companies who talk about apprenticeships but in fact some give most of their money to subcontractors who, for various reasons, don't use apprentices. Overall it's a very confusing "story" and there doesn't appear to be much cohesion there. That is perhaps why, if you do get a story in the VET area, they do tend to be a bit "narky", a bit negative, and that's unfortunate because it's such an important part of our "national improvements".

When it comes to communication and image, there doesn't seem to be a "main trunk route" – it's spread out all over the shop. TAFE is greatly in need of a single concept, or organisation, to spread the word. I'm not arguing for "rule by Canberra", that's probably the last thing you want. But that lack [of a central contact point] does just muddy the waters in terms of reporting.

There are specialist reporters who write about the sector with diligence and skill, but I'm talking about general reporting, about the first nine or ten pages of the paper. It is hard to get a TAFE story in there.



Jim Barron, CEO, Group Training Australia

In running Group Training Australia, Jim Barron interfaces with associations and member organisations, plus government and industry representatives and the media to stimulate debate around Vocational and Technical Education policy and practice.

There are as many opinions about media and community attitudes to TAFE as people who hold them. I am assuming that 'attitudes' also includes perceptions (as attitudes are driven by perceptions) and that TAFE also includes the wider landscape of vocational education.

If I was to walk through Pitt Street mall and do a vox pop asking what people understood about Australia's vocational education and training system (VET) then I would bet that the acronym TAFE would come back at me with regularity. But, as we all know, VET is much more than TAFE. Yet without TAFE, VET would be in the tall grass.

This introduction alone should give you an indication of some of the attitudinal/perception issues confronting VET – there are too many acronyms! But back to the topic at hand.

Can I just say that the Daily Telegraph is one of the few news outlets in the country which actually does cover VET issues on a reasonably regular basis through special lift outs, positive stories about tradies and the like and with an obvious, productive relationship with Career One.

But to cut to the chase – if the topic is: what are general community attitudes and perceptions about TAFE/VET, then I think it is impossible to give an overarchingly comprehensive and confident answer to this.

Yet, what I am confident about is that regardless of the answer, there is much room for improvement regarding overall attitudes towards and perceptions of TAFE/VET. Why?

No **one** reason is at play here – yet stereotypes abound.

Political, cultural, communal and media snobbery have played their part – feeding off each other

to varying degrees over the years. And successive governments have played their part as well, while at the same time, agreeing that we do seem to have an attitudinal problem or two to deal with.

They have spent tens of millions of taxpayer dollars trying to shift deeply ingrained views.

So what has driven these 'general community' views? Again, the answer is multi-faceted:

- There has been as over promotion of university.
- There has been clear under promotion of VET (and underinvestment in infrastructure).
- School systems themselves and the views of education they present.
- Careers advice and the focus of that advice.

Even the aesthetics of the 'sandstones' (mostly in universities) versus the Eastern European look and feel of so many TAFEs over the years has played a role.

A couple of years ago (in 2006) GTA commissioned some research on attitudes to VET and apprenticeships. We were keen to drill down to make sure the dollars we were spending on marketing were actually hitting the right marks.

A total of three focus groups were engaged – two groups with young people: one with years 11 and 12 school students and one with a group of influencers including parents of year 11 and 12 students and careers advisers.

Perceptions and attitudes to TAFE/VET from these focus groups could be boiled down to the following key messages from the respondents themselves:

- Employers regard VET somewhat differently and value it less on the resume than a university degree

- Apprenticeships carry a stigma
- University gets you ahead in your career
- VET is male-oriented
- VET is menial work
- There is less freedom than university
- There is a bigger personal commitment than university
- Hard physical work is involved; and
- Poor wages are paid

I would argue that most, if not all, of these responses have their roots in ignorance and a bit of arrogance. Our research found that **information** was the key to turning attitudes and perceptions around.

Again, no rocket science here, but clearly many of these views have become deeply imbedded in various parts of the community and in our culture. And each year it becomes harder to budge them.

The research confirmed the stereotype: those choosing a VET pathway as "having to do so" or "taking second best" because they were unable to take the tertiary route.

Importantly, the research found most young people and their parents were "open" to the possibilities of the VET pathway **once** the information was provided to them and the options available.

Yet still the so-called "stigma" persists with respondents citing that their existing attitudes were shaped by the following "assumptions" about "who" goes to TAFE/VET:

- Kids who drop out of school
- Kids who cannot cope at school; and
- VET "means" hard work, long hours and poor pay.

Clearly the over-riding message out of the research was that if the right information was provided then attitudes can and would change for the better and, consequently, career decisions could be made with more clarity and common sense.

Assistance in making choices and decisions appeared, from the research, variable at best and highly dependent on:

- The school
- Its resources; and
- Even, the demeanour, attitude, and experience of careers advice/guidance counsellors

Not all respondents blamed the schools for the paucity of information about career choice, but there seemed abundant evidence, anecdotal and other, that students and parents were not being as well served as they could be by career guidance resources in their schools.

Of greater concern was the incidence of career teachers actually appearing to discourage students from selecting VET options (and not just in private schools). Some critical conclusions can be made from the focus group testing.

The whole question of career choice between VET, university and other pathways is daunting for many young people. The level of assistance they receive, or perceive is available, at school particularly – and elsewhere – is very variable, and even poor.

Career teachers' attitudes can often be reactive and unhelpful to the VET cause.

Young people do not fully appreciate the structural changes with the modern workplace environment and the opportunities that may exist for articulation, further study and progression irrespective of where they start.

Apprenticeships are still not afforded sufficient status as a bona fide qualification in their own right.

Apprenticeships remain predicated on a relatively old training model which is highly dependent upon the interest, skill, goodwill and commitment of the employer as well as the apprentice. In addition, young people remain open-minded about choices other than university. The key to openness is to place **all** career options in front of them for consideration.

As can be seen from these research findings, attitudes and perceptions of TAFE/VET are very much driven by key influencers such as careers advisers and guidance counsellors. Parents clearly play a central role as well.

If we can get the 'word of mouth' right vis a vis the "marketing" of TAFE/VET then I think it will be as powerful, if not more, than multi million dollar advertising campaigns.

Given that we are in the throes of a worsening crisis of skills shortages this should not be an insurmountable problem.

And the key to a successful word of mouth campaign is to cement VET into school curriculum and every school across the country. However, it is not a one-way street here.

To get community attitudes to change about TAFE/VET, we must also ensure that TAFE/VET itself is willing to change and move with the times. If we can secure "two-way" change then, I have no doubt that, to borrow a phrase from another "marketing" campaign, it will be "change we can believe in" and even like.



Brian Wexham, CEO, The Institute
for Trade Skills Excellence

Brian Wexham's background in media, advertising and publishing is extensive, including executive roles with The Times and The Sunday Times in London, board positions with The Observer and the Today newspaper, London.

One of the challenges for TAFE has always been related to its image and in some cases, unfairly, its relevance. Much of this can be attributed to TAFE's indifferent approach and lazy efforts related to developing a brand.

There are some who believe TAFE is a brand. It's not. It's an acronym, or at best, an abbreviation. The Australian Oxford Dictionary accommodates its listing in a dispassionate form, and this is the way TAFE is perceived. Brand values and associated positioning statements are not consistent, articulated, or indeed recognised by the public at large. The image TAFE portrays to the public is confusing and inconsistent in name among the institutions.

The media has a similar view. TAFE is not seen as newsworthy by journalists or editors, nor is it understood, and frankly it's simply because we haven't explained it. With all the debate that has raged about skills over the past two to three years in the media, most of it articulated as a mathematical equation i.e. 60,000 skilled workers needed in the rural sector, an additional 630,000 training places to be delivered and so forth. Rarely has TAFE been seen as part of the solution. Successive governments have talked about VET, their own research shows that most people don't understand VET or what it stands for. Herein lies the problem.

If TAFE is to become *meaningful*, if TAFE is to become *relevant*, if vocational education is to be understood, then those with responsibility for institutes – or the sector at large – have to agree what the messages are for an editorial strategy and what the brand values should be for the marketing platform. They need to develop relationships with media – all media – at the highest level, be it radio, television, print, or electronic.

When was the last time we sat down and outlined the vision with a senior editor or media owner of influence? Which begs the question, is there a vision? All too often we blame the media when actually we need to look at ourselves.

Relationships with media need to be developed and nurtured. They need to inspire trust and confidence and most importantly, knowledge and understanding. Most media personnel that I have spoken to see TAFE, and the sector generally, as 'desperately dull'. However, as with many things, when you scratch beneath the surface, you find the positive stories. You find the human aspects. You find inspiration. You find solutions to the country's skills needs and importantly, you find a committed and inspired system. The problem is that nobody has bothered to find ways to communicate this to the very people who can communicate it to the broader audience.

The old-fashioned press release and making the phone call to media when we want something frankly just doesn't work. It is, as I said earlier, about trust and gaining confidence and importantly understanding among those who can make a difference and influence public opinion positively. TAFE has dysfunctional marketing. A national approach is required.

This doesn't preclude individual Institutes developing their own messages related to their own sub-brands within the larger TAFE environment. However a national approach to the development and marketing of the TAFE brand will provide a strong platform for individual TAFEs (Institutes) to build their sub-brands. It will provide a foundation to which all of TAFE can communicate. It will enhance market positioning. It will provide brand personality and values. This national approach will

afford TAFE a consistency in message and a reason for being – to the public, to the media, to the TAFE students, and to the TAFE staff. It will instil a sense of identity and pride among stakeholders nationally.

Finally, to reach and influence potential stakeholders, no media component should be overlooked. It can be argued that the creative and effective use of video is the single most important tool and challenge in the development of websites looking to attract and build significant, impacting messages and information on a large scale over a long term. The media world is changing, and the way we deal with media needs to reflect this. TAFE, at this point in time, has a great opportunity. It can become fashionable, it can improve its image, and there are cases where this is already happening, but consistency, creativity, true media relationships, empathy, and energy will be key. A united effort is required.



**Christine Maddern, Principal,
Market Solutions**

Christine Maddern's many market and social research studies cross sectors such as education, employment, energy and water, public transport and local government services, plus community attitudes, behaviour, market profiling, customer satisfaction and communications research.

Study Objectives

This baseline measure study was to assess the current attitudes of the Australian community to:

- the traditional trades as career paths
- the vocational education and training sector more generally

The study also aimed to test whether attitudes to the trades as career paths differ from attitudes to vocational education and training.

Equal interest in the level of knowledge people have about the vocational education and training sector and the traditional trades. Finally, the study aimed to uncover the link between attitudes to, knowledge of and a decision to pursue vocational education and training.

Scope of the Study

Phase 1: A national telephone survey of the general Australian community

- Robust sample size: 9,000 interviews
- Working age population (15 to 65 years)
- Additional booster interviews: secondary school careers advisers

Phase 2: A combination of focus groups/ depth interviews

- Victoria, SA, WA (Metropolitan, Regional and Rural)
- Focus groups and depth interviews
- Students, Parents, General Population, Employers, Career Advisers

KNOWLEDGE OF VOCATIONAL EDUCATION AND TRAINING

Who was polled

LOWER

- Western Australia
- Retirees/ pensioners
- Unemployed
- Home duties
- Those with no uni/VET quals
- Younger males (15-24 years)
- LOTE at home
- Low exposure to traditional trades
- No previous experience with VET
- Early school leavers

HIGHER

- Northern Territory and Tasmania
- Secondary school career advisers
- Those with VET experience
- University qualifications
- What is Vocational Education & Training?

TAFE

Work experience, career development, apprenticeships, trades

"Yeah well I've done a TAFE course and I did want to change career paths so I did a gardening course. But I mean I didn't hear that term though, VET, what is VET is it a department or what?" (VIC Regional Unemployed)

The term "vocational" **was** a sticking point especially for students (Yr 9 & 10):

Often difficult to define the term . . . blank stares **resulted!**

"I think of holidays" (WA Regional Students)

"Is it like vocabulary. . .?" (VIC Metropolitan Student)

Comfort level returned when TAFE mentioned as the main access point.

Knowledge of VET

Those aware of vocational education and training were also mostly aware of VET qualifications, access points and information sources to access VET.

There was significantly lower awareness of VET as a pathway to university.

Knowledge of Apprenticeships/Traineeships

Australians are quite aware of apprenticeships and traineeships as an educational pathway (72%) *even though they do not associate these pathways under the VET umbrella brand.*

The process of starting an apprenticeship or traineeship was unclear to many.

Knowledge of Traditional Trades

Australians were generally well aware of traditional trades (95%) although they tended to associate traditional trades with a limited range of jobs (mainly in construction) as opposed to the wider occupational possibilities.

There were segments of the community who believed that post secondary qualifications are unnecessary to be a qualified tradesperson.

ATTITUDES TO VET AND THE TRADITIONAL TRADES

VET Compared to University

- Polarised attitudes.
- While 15–19 year olds were positive towards VET, in direct comparison, pro-university attitudes prevailed.

- Secondary school career advisers were substantially less pro-university than other community segments.

VET Compared with UNIVERSITY

VET – HANDS ON

- Practical – Job specific
- Easy to get into
- Easy workload
- Low income (apprentices)
- Get a certificate
- Cheap

UNIVERSITY – BRAIN ON

- Highly theoretical – Generalist
- Need a good ENTER score
- High workload
- High income
- Get a degree
- Expensive

University is “aspirational” – VET is a fall back position

SUMMARY

Knowledge

- The word “vocational” has little purchase especially for young people
- High awareness of TAFE and on the job training pathways such as apprenticeships and traineeships – but not necessarily categorised under the VET umbrella.
- The most widely known access points included TAFE and secondary schools.
- Knowledge was limited in terms of the types of jobs that can be obtained through VET (VET = Traditional trades = Construction).

- Traditional trade environments described in negative stereotypes – especially by career advisors.
- Students were found to lack awareness of vocational education and training qualifications and jobs indicating clear knowledge gaps for this segment – VET is a type of (easier) Yr 11/12 subject at school.
- Limited awareness and knowledge was most evident amongst adults not in the workforce and those without qualifications

Attitudes

Vocational education and training – there’s nothing wrong with it

it’s just not as good [valuable] as a university education. . .

VET: limited set of skills

- Is mostly trades focused (physical, dirty)
- Is the option for those who are not academically talented

People who are pro-university typically have limited knowledge of vocational education and training.

Students generally held positive attitudes to VET, but going to university is what they aspire to, especially as they believe that a high proportion of the population has a university degree

Traditional trades –

there’s nothing wrong with them they are jobs that just don’t appeal to me. . .

- Hours aren’t that attractive (early start)
- Can get injured (short career span)

Traditional trades are unlikely to appeal to the segments that have been identified as high priority for VET uptake:

- Secondary school students not involved in VET
- 20–65 year olds without qualifications.

Career Intentions

- There is a strong relationship between employment in VET jobs and VET as the pathway to these jobs.
- The key to VET uptake is a positive attitude towards (appeal of) jobs in the traditional trades. ALSO . . .
- Exposure to traditional trades (knowledge)
- VET provides a quality education
- VET is more than trades
- Younger people & those in regional/rural areas were more likely to consider pursuing vocational education and training. BUT . . .
- Parents tended to advise their children to go to university after they leave school.
- Pressure on secondary school students from various sources such as parents, career advisers, teachers and the wider community may oblige them to reject the VET pathways in favour of university.

Priority Segments

Key segments for increased awareness and understanding of VET & the traditional trades:

- 15–19 years: Secondary students not involved in VET
- 15–19 years: School leavers not involved in VET or uni
- 15–19 years: Secondary students involved in VET
- 20–65 years: Not qualified/ not working
- 20–65 years: Not qualified/ working

Additional segments identified:

- People who speak a LOTE at home

- People who have had limited exposure to traditional trades
- People who are unemployed (especially in regional/rural areas)

Jurisdictions for particular focus:

- Tasmania
- Western Australia

Conclusions

Australians in general need to be made more aware of what vocational education and training involves and to be challenged on some of their pre-conceptions about the value of a VET education (especially in comparison with university).

Efforts to improve the understanding of VET beyond a school subject, a short course or purely as trades based learning is required. Similarly, Australians need to have their pre-conceived stereotypical ideas of traditional trades challenged.

Increasing the appeal of jobs in traditional trades means challenging old perceptions of the work involved in traditional trades, their physical environment and the long term financial benefits that can be gained.

Careers advisers are strong advocates of VET but they work within an environment of intrinsic pro-university attitudes from other influencers including parents, teachers, schools and the general community.

A recognisable process is required that provides direction to people who are interested in taking up a trade or at the wider level being involved in VET.

Postscript

What do kids really know about occupations? "My dad's a teacher – my mum is the boss at her work"
Grace Maddern (Yr 8)

The case for social inclusion

TAFE Institutes have a proud history of engaging with a diverse range of target groups and successfully providing specialised and intensive support for these groups to reach their full potential. The social inclusion achievements of public providers deserve recognition by all levels of government and matched with appropriate funding.

The Deputy Prime Minister and Education Minister, the Hon Julia Gillard, MP, has previously articulated the importance of social inclusion, that “we need to establish a properly designed market that will allocate resources in the most intelligent way but without ignoring important quality and equity issues”.

Clearly, there must be measures “to prevent the disadvantaged from being excluded”. At the same time, it is essential to recognise and address a wide range of issues to ensure the lived experience of overseas students is positive and that they are not placed at risk.

Geoff Hall

Cary Pedicini

The Case for Social Inclusion and the UK



Geoff Hall, Principal, New College, Nottingham, UK

Geoff Hall joined the Further Education Funding Council in 1993 as Director of Education Programmes, then headed Funding and Strategy in 1997. He guided the Council's strategic vision and external policy development, advising on grants allocation (£3+ billion).

All secondary head teachers know, of course, that they can't run the school without the caretaker, all university heads know that the departmental secretaries run the show. We all know it's the IT technicians that run our lives, don't we?

As colleagues who'd been here to Australia before knew what might help this presentation, I'm very aware, from being a frequent visitor to the US, that we use the same words but never the same meaning.

I've been very impressed with Canberra since I came in. The buildings are wonderful and it's brilliant that you are having your conference in these surroundings. And I haven't yet been to Sydney or Melbourne anyway.

I'm going to talk about an agenda I've heard a lot about this morning. There's a lot of similarities. Somebody put it to me that what you want was for me to hold a mirror up so you could examine your positioning, your thinking, as you encounter and engage with a new Labor government as we possibly come to the end of the new Labour Tony Blair experience.

The driving imperative is about including the excluded, "leave no-one behind", no child left behind, no parent left behind. Eleven years ago, that's quite controversial, Labour was seen as the party that would squeeze the rich to the pips. Tony Blair said he wasn't ashamed of the rich and now he is very much one of them in his retirement.

Well, social mobility *has* stalled in England. I don't think there is any doubt about this, it's not a controversial statement. What is puzzling people is *why?* Why, when a government spent so many millions of pounds in the public sector, with such good policy intent, what has gone wrong and what are the lessons?

It's far too soon to draw definitive conclusions but I going to suggest some of the issues that matter. They are issues which will have some resonance here and, if it does, it may help you to shortcut connection to your government and avoid some of the mistakes we've made, in England in particular.

An English baseline

Five GCSEs [General Certificates of Secondary Education] is the key platform for determining whether you can go off to university. It's so much of a benchmark that recently that our Secretary of State in the Department of Children, School and Families, our two education departments were split a year ago by the Prime Minister, Gordon Brown, his advisor produced a list of 630 schools that didn't get 30% A-Cs (GCSE gradations). He said, in effect, you are failing and if you can't turn this around in two years you will be closed or taken over by a more successful school.

So, this is the key platform for judging pupil success at school, for school success and then, for adults, if you don't get people to Level 2, they won't be interested in pushing on with education. They won't want to get their skills upgraded. And so in our employer-engagement strategies, all training up to Level 2 is free. Unfair to expect employers to make it good. After that, then the individual employers are expected to make much higher contributions.

In Nottingham we have the highest percentage of schools on the list of those with low GCSE percentages. Ten out of the 16 secondary schools in Nottingham are not achieving 30% of % GCSEs. Some 30% of children in Nottingham are brought up in what are classified as "worthlessness" households and another third are brought up in low income households, where the definition is below the average national level.

The opposition built up, over a period of months, a study based on questions in Parliament which, in effect, showed that if you start off poor, you end up poor. That the proportion of students getting free school meals and getting good qualifications has not gone up. This isn't where we were supposed to end up.

This is a government with a public sector agreement to eliminate childhood poverty by 2020 and halve it by 2010. This is a Government wanted opportunity, wanted answers, that wanted more students to go on to university and benefit from that and carry on the high hopes of the 60s. Yet it has gone so wrong.

The End Child Poverty Group produced, just before I left the UK, a fascinating league table. The press release said:

GCSE Chances of poorest are a postcode lottery

England's poorest students' chances of GCSE success are a "postcode lottery", it was claimed today [August 20].

A table compiled for the campaign group End Child Poverty, a coalition of organisations, reveals massive discrepancies in the GCSE attainment of the poorest schoolchildren in different education authorities across the country.

It shows that in some areas, fewer than one in four teenagers from deprived backgrounds are achieving five good GCSEs (grades A-C).*

Bottom of the table is Nottinghamshire, where just 21.7% of youngsters on free school meals reached five good grades, compared with 59% who are not on free school meals.

In south Gloucestershire the percentage of children on free school meals achieving this standard is 21.9% and in Milton Keynes it is 22%.

At the top end of the table is Kensington and Chelsea, where 59% of children on free school meals get five good grades, followed by Tower Hamlets (54.5%) and Rutland (53.3%).

Eight of the top 10 authorities are in London, and overall, London was the best region for children living in poverty to go to school in, with an average of 44.6% achieving five A to C grades. The worst was the East Midlands, where the average was 28.7%.*

End Child Poverty said London's success was due to the large funding boosts the capital has received in recent years, and initiatives such as the London Challenge which have helped improve standards.

In a statement, the group said the GCSE chances of the poorest pupils were a postcode lottery.

Jason Strelitz, UK poverty spokesman for Save the Children and a member of End Child Poverty, said: "In areas like London, where national government has invested in improving education for the poorest, they have succeeded.

"In other areas, the GCSE attainment of the poorest students remains alarmingly low."

Hilary Fisher, Director of the Campaign to End Child Poverty, said: "It is unacceptable that children have the odds stacked against them simply by default of having poorer parents.

"The Government must put its money where its mouth is and end child poverty so that all children, no matter their background, have equal chances to achieve a decent education."

The league table, released as part of End Child Poverty's Keep the Promise Campaign, is aimed at

holding the Government to its promise of halving child poverty by 2010 and ending it by 2020. [source: 24dash.com]

We started out helping students with disabilities, then students from ethnic minorities because they were failing and what were the reasons for that. Much work has been done eliminating unconscious bias. Lo and behold, the social inclusion problem that now predominates in the first decade of the 21st century is white working class underachievement. They are often in those outer councils and estates that were built after the war as model environments. It's often where intergenerational disadvantage is most pronounced.

Mum and dad (or mum and dad, separately) have no qualifications and the children have no qualifications. Nottingham has one of the highest rates of teenage pregnancy in the whole of Europe. More than 50% of the teenage mums were the offspring of teenage mums. It is in danger of the one thing we would all most want to avoid — an underclass. A fixed group of people, moving nowhere. Just how do we break into that cycle of intergenerational poverty?

So that's the argument — apparently. I don't buy it altogether. I think one of the problems is the way the question is couched. If we simply look at the proportion that go on to higher education and if we just concentrate on these five GCSEs then I think we are missing out on a group of young people who are doing exceptionally well. They're the salt-of-the-earth types in our society. I suspect it's the same here — they're undercelebrated and undervalued and if I had a message it would be — keep putting them in front of Ministers and politicians.

Let me go on to some of the issues as they occur to me:

Initiativitis

We have suffered from ‘initiativitis’ in the UK. Do help your Ministers guard against this.

Ask your Ministers, why is it that the funding for the A level students will never be in doubt, but the funding for the most vulnerable students is also the most volatile? These are people who need 20 year programs if we are to break intergenerational problems.

Initiativitis has bedevilled New Labour. We have a saying in England: “here comes another initiative doomed to succeed”. In two or three years it will be pronounced a success, and extended, before it’s been evaluated.

Markets

Where did politicians get this idea? I can see that some contestability can ginger up the public sector. Well, have a read of Stephen J Ball and *The Education Debate* who says contestability only increases inequality. Amanda Root has written a book called *Market Citizenship: Experiments in Democracy and Globalisation*. This shows that what markets do is favour the strong. I don’t see any single piece of evidence that says marketisation of education narrows the gap of social inequality

So do I have any messages for you? Yes. Promote, promote, promote. Wake up every day and remember that nobody knows what you do, and you have to sell yourself again. It’s a fact of life — get on with it.

Body of knowledge

Also, we need to intellectualise. There isn’t a body of knowledge. There is a wealth of knowledge and understanding about universities, so a Minister can’t

just engage them and say “I have a theory about the way forward” because there are so many theories, methods of practice, and a body of knowledge.

Run your own show

Be less dependent. There’s an undercurrent here that “someone else will have the solutions”. No — we have the solutions, we have the knowledge. Self regulation is important.

A response to the case for social inclusion



Cary Pedicini, Chief Executive Officer, Volunteering Australia

Cary Pedicini is Chief Executive Officer of Volunteering Australia. As a national peak body, Volunteering Australia represents the diverse views and serves the needs of volunteers and volunteer-involving organisations and promotes volunteering as an activity of enduring social, cultural and economic value.

I would like to discuss aspects of social inclusion in the context of volunteering and the contribution it makes to Australia's economic prosperity. Social inclusion is a multi-dimensional term which implies a strengthened policy focus on helping the excluded to participate in society. To what degree is volunteering considered in the social inclusion agenda?

I am certain that the connection between social inclusion and volunteering is strong and clear. One example of this is in this year's National Survey of Volunteering Issues¹, conducted annually by Volunteering Australia, which showed that 86% of respondents found volunteering increased their sense of community belonging. This is a common focus of the discussion about the value of volunteering and it remains a very important focus.

However, my focus today, is the inclusion – the counting of effort and productive output of Australia's 5.4 million volunteers – in Australia's economic well-being. Also, the link between learning and skills and social inclusion. This can be found in volunteering – our National Survey showed one third of volunteers reported that training in their volunteer role gave them skills useful to their current or future employment. Highlighting the importance of the inclusion of volunteers and volunteering on the Skilling Australia agenda is key to my message today.

Volunteering is not about deriving personal economic prosperity from activities, but volunteers are contributing massively to the economic prosperity of our nation.

¹ National Survey of Volunteering Issues 2008, Volunteering Australia

The economic value of volunteering

The volunteering sector could be considered an industry sector in its own right. There are 5.4 million active volunteers over the age of 18 in Australia. They represent 34% of the adult population and between them provide approximately 713 million volunteer hours per annum².

There are an estimated 700,000 not for profit organisations in Australia³, the majority of which involve volunteers. This is one and a half times the number of Australian businesses represented by the Construction and Property Services Industry Skills Council, five times the number of businesses represented by the Agri-Food Industry Skills Council and almost ten times the number of businesses represented by the Manufacturing Skills Council.

To quantify volunteering in dollar terms, volunteer workers in Australia are contributing an estimated \$70 billion of economic value to the nation each year or, at or above 7% of GDP (data up to 2006)⁴.

If we drill down to see where many volunteers are contributing in relation to specific industry sectors, there are three industry sectors where we can identify a heavy reliance on volunteer workers. In all instances the ratio of volunteers to paid workers can be surprising:

Services Skills sector (sport and recreation – coaching, umpiring other examples. Service Skills Australia's Environmental Scan 2008, using

ABS data, quantifies the sport and recreation paid workforce at 155,000 and its volunteer workforce to number 1 millions. A ratio of approx 7 volunteers to 1 paid worker.

Community Service and Healthy Industry sector (aged care, other examples) employs approximately 1.1 million paid workers (Environmental Scan 2008)⁶ and 300,000 volunteer workers (ABS Community Services, Australia 1999–2000)⁷ (It is important to note the greater contribution of volunteers to community services rather than the health sector.) A ratio of approx 4 volunteers to 1 paid worker.

Government Skills and Community Safety sector in their Environmental Scan 2008 (emergency services, fire, rescue etc) estimates their paid workforce to number 122,820 and 457,000 volunteers⁸. A ratio of approx 4 volunteers to 1 paid worker.

The Agri-Food industry also utilises volunteers, particularly through conservation and land management programs such as Green Corps, and the **Innovation and Business Skills** industry, responsible for culture, heritage, arts, media and radio also attracts significant volunteer involvement. However, these industry sector Environmental Scans make little or no mention of volunteer workforce participation.

These sectors would not function, would not be able to meet productive service delivery targets, without the volunteer workforce that they attract and engage.

² Voluntary Work, Australia, 4441.0, 2006 Australian Bureau of Statistics

³ Giving Australia: Research on Philanthropy in Australia, October 2005, Australian Government, Department of Family and Community Services

⁴ Ironmonger, D. *The Economic Value of Volunteering in Queensland*, May 2008, Queensland Government, Department of Communities.

⁵ Environmental Scan 2008, Service Skills Australia Industry Council
⁶ Environmental Scan 2008, Community Services and Health Industry Skills Council, Version 2, 24 April 2008

⁷ Australian Bureau of Statistics, 8696.0 – Community Services, Australia, 1999 – 2000

⁸ Environmental Scan 2008, Government Skills Australia Industry Council.

Across all these sectors is the unique and important role of managing and co-ordinating a volunteer workforce. Furthermore there are a breadth and depth of governance, strategic and decision making roles held by volunteers at committee levels that enable the effective functioning of organisations to contribute to industry sector productivity.

It is critical to recognise the current participation rates and emerging volunteering trends in all relevant industry sectors – which includes recruitment and management, recognition and retention – and importantly access to learning and skills development – which is squarely on the social inclusion agenda.

The demand for volunteers will increase dramatically in the next five to ten years due to geographic and demographic changes, yet in some sectors, such as emergency management and sport and recreation, research^{9,10} suggests that a decline in available volunteers is a clear and present danger.

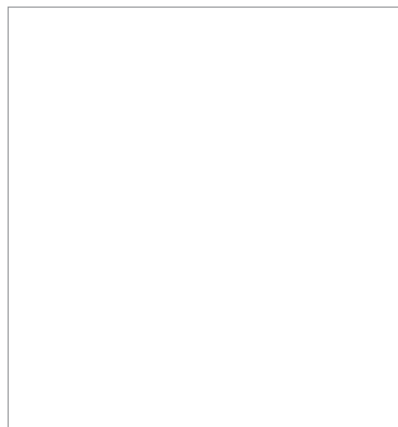
Currently the Community Services and Health Industry Sector has included Volunteering Australia's accredited training – Certificates I, II and III in Active Volunteering and Certificate IV in Volunteer Program Coordination in its Training Package. Services Skills Australia has invited Volunteering Australia to participate in its Ideas Forum for the sports, fitness and outdoor recreation workforce – the sector that engages one million volunteers.

This is some early indication that volunteers are being recognised as an essential component of industry sector productivity. And there is some

recognition that volunteers' training needs cannot continue to be overlooked when planning workforce futures.

⁹ *Issues Facing Australian Volunteer-Based Emergency Services Organisations: 2008 – 2010, A Report Prepared For Emergency Management Australia (EMA) as a Response to a Request by the Ministerial Council for Police and Emergency Management, Jim McLennan (PhD), La Trobe University, June 2008*

¹⁰ *Service Skills Australia Ideas Forum, Sport, Fitness, Community and Outdoor Recreation, September 2008*



Phil Clark, Chair, Higher Education Endowment Fund

The original organisation, the HEEF was announced in the 2007 Budget and its objectives were to advance the development of a world class higher education sector by providing support for strategically, focussed investments around capital expenditure and research facilities.

The second objective, which is very important, is to encourage a culture of philanthropic investment in higher education institutions. The HEEF was established with \$6 billion in capital. This capital was preserved, in that we were only allowed to spend the earnings. That put a cap on allocations.

The role of the Advisory Board has been, first, to consult with the higher education stakeholders, to recommend guidelines for disbursing funds, to recommend shortlistings of expressions of interest and make recommendations as to how we might advance the philanthropy area.

The Fund was announced in the 2008 Budget – \$11 billion invested in the Education Investment Fund, as it will now be known. It's important that people read this word – *education* – it's not a research fund, it's primarily an education capacity growing fund. Research has certainly got a part to play in that, but it's largely incidental. That \$11 billion is a major component of the Federal Government's Education Revolution.

The important thing for TAFE is that access to the Fund has now been extended to the VET sector. It is my view that the extension to the VET sector will be, and should be, very broad, in the sense that all registered providers will be eligible. In terms of research facilities, I think it could be possible to bring some of the medical research institutes (MRIs) into collaboration with the sector.

It has been made clear that, over the long term, there is potential for this fund to grow. It is important

to keep a long-term perspective on this thing and I think successive governments will make further contributions to this fund, because it's making a hell of a lot of sense.

In the EIF, there is no cap on allocations, as we're allowed to recommend use of the capital. I think that's very important. First of all, it enables you to smooth investment bumps. Secondly, it enables you to meet peak demand. Thirdly, it enables the whole allocation to fit with the Government's fiscal cycle and, indeed, decisions on capital disbursement will now be Cabinet decisions. There will be an need for an advisory board to be appointed and I expect that will happen early next year.

The Government's aspiration when it announced the EIF were to transform the tertiary education sector and target strategic investment in infrastructure. Those are the key words, *strategic investments in infrastructure*. But that infrastructure will be very broadly defined. It is about building a modern, productive Australian economy.

Nor does infrastructure always mean megaprojects. The focus remains very long term. I would put the minimum life of EIF at 20 years and possibly 30 or 50. In fact, it could go forever.

As an outside observer, there are some sometimes arbitrary distinctions that are made between higher education and TAFE and those distinctions don't make a lot of sense to me. I think opening up the capital structure was a very good move – I think if you look at any of the serious US endowment funds they all have access to capital.

In terms of the timeframe for the Fund, if the enabling legislation should be around by 1 January 2009, the advisory board will be appointed in January and disbursement to the VET sector would begin in 2010.

In terms of impact, increased funding is obviously important. In 2009, because we are operating under the HEEF legislation, we have been given \$304 million to distribute to universities in 2009. I think in 2010 we'll be looking at a figure in the range of \$600–800 million. We have made it clear that collaboration and co-investment are important.

With the submission of Expressions of Interest, it's important to remember that this is a long term project and things that do not get up in the first year may well get up in subsequent years. If we think people are wasting our time, or are close to the money, or could improve their EoI, then we'll tell them. We're not interested in a rules-based allocations system, we're interested in a system that provides very broad guidelines and leaves it up to you to submit to those guidelines. We want to use a judgement process, rather than a rule-based process to select projects.

That's been very well received in the higher education sector even though it's quite different to the allocation processes they've been accustomed to, but it's producing a very positive and worthwhile result.

Encouraging a culture of philanthropic investment

Just to give you a feel, in terms of potential, in 2006, on the best figures available, about \$256 million was provided to the higher education sector in philanthropic donations. These ranged from donations of \$10 to, in one case, \$120 million.

Now, compared to the US, if you compared per capita contributions, this figure would have been \$750 million, donated to the higher education sector.

There is almost as much potential in the philanthropy and co-investment side as there is in the actual grants. I think a very important function of the grant program and the Fund is to encourage that philanthropic objective. It's a very good way of leveraging the money he have in the Fund and, secondly, it brings a buy-in and commitment from the broader community which is fundamentally important. My personal view is that one of the issues we have suffered from in Australia is that rate of buy-in.

Three concluding comments. This is about transformation. This is a long-term transformation process. I think the way it is structured by successive governments this will be evident and I think it's the sort of program we should have had a long time ago. There will be a focus on national priorities, defined by the Government, by the Bradley Review, but most of all by the sector.

We in the Fund have consciously avoided providing a roadmap ñ it's up to you, to the sector. It's not a program of contested grants.

Lastly, this is an education investment fund and that needs to be borne in mind. I know it's all a bit of a mystery to your sector now, but I think there's going to be a fairly natural and easy transition to the Fund's supportive role.

Postsecondary education – what should it look like?

The optimal structure for postsecondary education is another question alongside how best to enhance productivity and national goals as well as the debate about open competition, where market forces shape the delivery agencies.

In this Roundtable the speakers – two TAFE Directors, a university lecturer and a university Professor and media commentator examined the question of whether TAFE institutes in the 21st century are anachronisms or champions.

The Roundtable looks at the utility of certain options, such as solidifying TAFE's potential as a recognised provider of higher education. In addition to competition in delivering domestic education, it looks at the opportunities and risks associated with providing education services to an overseas market.

This roundtable also echoes the Media and Community Attitudes to TAFE session in that it again highlights stereotypes of TAFE.

Dr Leesa Wheelahan

John Maddock

Pam Christie

Prof Don Aitkin



Dr Leesa Wheelahan, Senior Lecturer, School of Education and Professional Studies, Griffith University

Dr Leesa Wheelahan is a senior lecturer in adult and vocational education at Griffith University. She is currently leading an NCVET-funded project researching the growth of higher education in TAFE.

TAFE institutes now offer degrees and associate degrees in five states in Australia. We are no longer discussing whether TAFE should offer higher education (HE) programs, but how they should do so and how government policy can support this provision to ensure it opens rather than closes opportunities for students.

TAFE needs three things to establish its role as a HE provider: it needs an explicit role in government HE policy that distinguishes it from universities and from private providers; it needs publicly funded HE places; and it needs nationally consistent and conducive accreditation and quality assurance.

Learning from the overseas experience

The growth of HE in TAFE will mean that TAFEs will start to look more like further education colleges in England and community colleges in the United States and Canada, which have long had provision of short-cycle HE as part of their roles.

The most important lesson we can draw from each concerns the relative balance between markets and government planning in establishing a role for FE colleges and community colleges in delivering HE. Despite their liberal market economies and policies that encourage institutional competition for students, FE colleges and community colleges established their role as public providers of HE to achieve government policy objectives of social inclusion, and (in the case of England) to help increase the skill levels of the population through vocationally oriented foundation degrees.

The example of England is particularly instructive because of the similarities between our systems, and because FE's role in delivering HE is more recent. FE has moved from the margins of HE in the 1990s

and now teaches one in nine under-graduate HE students. A small number of colleges are able to self-accredit their own foundation degrees. The government is planning to establish university-centres in regionally isolated areas and FE colleges are expected to take a major role in this provision. England offers many lessons about what to do and what not to do.

Winning recognition in government policy

TAFE can establish a distinctive role in delivering HE if it is explicitly mapped into government policy rather than left to the vagaries of the market. Like England, it needs to establish its distinctiveness as a *public* provider of HE.

If TAFE remains only as a private provider in the market its role will remain marginal, and it will not be able to make claims on government resources and public funding. This is not good for students because, like England, provision of HE in TAFE can be a mechanism for social inclusion for people from low socio-economic backgrounds and from regional and rural areas.

This argument is more winnable than an argument that TAFE can meet specific and niche labour market shortages, particularly in professions that are trained in universities. This is for three reasons: first, TAFE can no longer suggest that it is focussing on 'niche' areas – it is steadily moving into broader, general degrees offered by universities. Second, as the NCVET submission to the HE Review demonstrates, there is not a tight 'fit' between qualifications and labour market destinations.

Taking on the professions

As we have seen with nursing in Victoria, the professions are not yet ready to accept entry level qualifications being offered by TAFE. TAFE institutes will find it hard to convince the professions until they have laid much more groundwork and established solid records and reputations as HE providers.

It may win with nursing because this is one of the weakest professions, but even here the cost is too high. No matter how ill-advised or uninformed it may be, it is not good for TAFE or for TAFE students to have large demonstrations by nurses against TAFE qualifications. These fights give too much air to reinforce prejudices about TAFE's status and standing. Even the elite universities bow to the professional bodies.

TAFE's contribution to social inclusion

If TAFE is to act as a mechanism for social inclusion the focus of its provision should be to complement rather than duplicate provision in universities. This means that the emphasis in metropolitan areas needs to be on associate degrees that articulate with degrees in universities, and the provision of associate degrees and degrees in regional areas without ready access to a university. FE colleges in England won the right to self-accredit through their distinctive role in offering foundation degrees, not bachelor degrees, demonstrating that sometimes a more limited goal brings greater success.

TAFE also needs to get its house in order by ensuring that its higher level qualifications do act as a mechanism for social inclusion. Students from low socio-economic backgrounds are overly concentrated in lower level VET qualifications, and

this makes it hard to argue that TAFE can provide a ladder of opportunity.

The importance of publicly funded places

TAFE can act as a mechanism for social inclusion only if it is provided with publicly funded HE places. It is unjust and inequitable to restrict TAFE students to full-fee HE provision, particularly if these qualifications are meant to act as pathways for students from disadvantaged backgrounds to publicly funded degrees. The provision of publicly funded HE places in TAFE would also mean that government must develop an explicit role for TAFE in delivering HE and bring it in from the margins of the market.

Nationally consistent quality assurance

We need to develop nationally consistent and conducive quality assurance arrangements to support the provision of HE in TAFE to ensure public confidence in TAFE qualifications (and in so doing address some of the concerns of the professions).

At present HE in TAFE is overseen by the state offices of HE, which are in turn audited by AUQA. AUQA may also choose to audit a private HE provider – but there is no consistent framework or timetable of audits as with universities. The national guidelines for non self-accrediting HE institutions that support the MCEETYA *National Protocols for Higher Education Approval Processes* do not seem to be conducive to establishing consistent approval processes within states let alone nationally because the processes seem to be based on convening ad hoc panels.

A danger: re-establishing the sectoral divide

Finally, a key lesson we can learn from England is that the growth of HE in FE can lead to the re-establishment of the sectoral divide *within* mixed sector institutions in ways that reproduce rather than transcend the problems associated with dual-sector provision and sectoral boundaries.

HE in TAFE won't necessarily solve problems of progression and seamlessness. We need to make sure we develop the policies and institutional culture that is needed to support students and create opportunities for them.

Post Secondary Education – What should it look like?



**John Maddock, CEO, Box Hill
Institute, Victoria**

John Maddock is Deputy Chair of the Victorian Tertiary Admissions Centre, and a Board member of the Monash Faculty of Education and the Victorian Curriculum and Assessment Authority as well as Innovation and Business Skills Australia.

On a national level there are five key areas to consider. First, what the new federal Government has called the Education Revolution, then the Innovation Review, the Bradley Review, the COAG Agenda and, finally, curriculum reforms to common curriculum at Secondary level.

At a State level in Victoria there four key issues to keep in mind. The first is the current Skills Reform Agenda, followed by the Dandolo Review – two of them – then the issue of governance and, finally, to note that the reforming department has incorporated an expected completion date into its plans.

Massive Competition

There is a mass of actual or potential competition in the system, including:

- Competitors and collaborators
- Secondary schools and colleges
- Universities
- Private providers
- Enterprise RTOs
- Other TAFEs

And if the level of domestic competition wasn't enough, there's then the international competition and opportunities to consider, including:

- Singapore
- Chinese
- Middle East
- Canada
- South America
- USA

Australia enjoys a great international reputation given our track record and such factors as: the National Training Recognition Framework; AQTF; our Distributed Network; the level of access.

Missions of TAFE and Universities

- There are distinctive and complementary missions between University and TAFE

TAFEs Distinctive Mission

- To meet the workforce development needs of the communities we service by developing skills which enable students to participate and optimise opportunities in the employment market place and which enable enterprises to be competitive, sustainable and successful in the marketplace.

Objective Teaching and Learning

TAFE has a continuing role to:

- Provide an applied learning environment characterised by innovation, quality and teaching excellence which enables students to achieve employment goals and acquire skills knowledge and attributes relevant to industry needs in the global economy.
- While Universities focus much more on teaching and research

Bradley Review

- The Box Hill Institute submission to the Bradley review recommended a broader approval to restructuring higher education
- Universities split into either Research or Technology

- Polytechnic Model
- TAFE – Community Colleges
- Specialist Vocational Secondary Colleges

Disaggregation rather than Aggregation

There appears to currently be a push towards a situation where we will have structure for:

- Research Universities
- Teaching Universities
- Polytechnics
- TAFE College/Community Colleges
- Specialist Vocational Secondary College

Polytechnic Criteria

- Broad range of programs which are:
 - Industry focused/led
 - Employment driven
 - Introductions to a career (entry level)
 - Changing career (provisional progression)
 - Changing career (movement or progression)
 - Intended to **keep** a career
- Concentration on Higher Level Qualifications
 - 50% plus are Cert IV or above
- Significant range of
 - Associate Degrees
 - Bachelor Degrees
 - Possible Masters
- Self accrediting body under delegation for

National Body

- Quality Assurance managed nationally
- National registration

In addition, such Polytechnics could be recognised as eligible for Research Funding in Applied areas and ability to lead Polytechnic/Industries/Universities and scholarships in Applied Research. This might involve:

- Funding similar to Universities which includes capital and also access to Commonwealth supported degree places based on standard choice.
- Significant offshore activities which bring demonstratives benefits back to Australia
- Be at a minimum; a Government Business Enterprise or Statutory Body however more likely either a Not for Profit Business or a business entity co-owned by government and private investors/equity partners.

Governance Arrangements

- Employment of staff
- Truly incentivise our staff and management
- Ability to borrow
- Ability to make capital acquisitions and sales without government interference
- Released from Public Sector Management Act, Ministerial Directions, and government sector restrictions.
- Ability to set up business acquire companies both on/off shore
- Move into the full range of workforce development chain

- Group Training Companies/Private Provider/ Employment Services

Polytechnics of the Future

Characteristics that may encompass such Polytechnics might be found in:

- 1 Vocational secondary college
- 2 Vocational industry college – specialisation
- 3 Vocational Higher Education college
- 4 Enterprise Services college
- 5 Teachers colleges
- 6 Career and Employment agency
- 7 Private providers
- 8 International colleges

If you think I am **crazy**, remember back to what people thought that when we proposed:

- Moving into Degrees
- Funding own Capital expenditure
- Applied Research grants
- Offshore models

TAFEs do and will survive change because TAFE people are:

- Passionate about their client base
- Passionate ability and quality
- Flexible and adaptive
- Resilient and encompass change

Post secondary education may take many forms, but there is certainly a place for TAFE.



Pam Christie Director, Sydney Institute, TAFE NSW

Pam Christie has played a major role in shaping national and state policy directions including leading reforms in the apprenticeship and traineeship system, establishing quality and regulatory frameworks and implementing competitive funding arrangements.

The Bradley Review has certainly generated robust debate on the shape of post-secondary education and resulted in some widely divergent views being publicly aired. For example:

- think there is too much duplication across the sectors, suggesting that mega dual sector institutions or polytechnics are the way to go.
- Others suggest there is too much competition and that it is market forces that are driving institutions into cross sectoral territory and causing duplication.
- Others argue the problem is the policy disconnect. John Roskam, writing in the Financial Review, recently described the training and higher education sectors as ‘inhabiting parallel policy universes’.

Certainly the questions that are being asked are much broader than just whether TAFEs should offer degrees or whether universities should be offering more diplomas and advanced diplomas. In deliberating what post secondary education should look like, the core missions of the higher education and VET sectors are now being questioned.

Key issues

When the Australian Qualifications Framework (AQF) was first established some 15 years ago, it promised a national qualification framework which would facilitate pathways for students across the three sectors of schools, VET and higher education. At the time we thought the boundaries across these three sectors were fairly clear and the common framework promised great opportunities for cross sectoral collaboration and co-operation.

However, since its introduction, issues around the intersection between the higher education and

VET sectors have continued and are often cited as a key driver for TAFEs offering higher qualifications. Negotiating credit transfer arrangements is very time consuming and resisted by some universities. The introduction of new qualifications – Associate Degrees and Vocational Graduate Certificates and Diplomas – was in response to define higher order applied skills to meet industry needs but there was much debate about who owned these new qualifications.

We now have a wide range of dual sector arrangements in place including considerable collaboration across Institutions at a local level. The more diverse the arrangements, the more pathways for students to access higher level qualifications.

We now also have a new-look AQF Council which has set about its work in strategically strengthening the AQF to ensure it remains robust, nationally consistent and internationally competitive. It is pleasing to note that research on common terminology for advanced standing, credit transfer and recognition of prior learning in the higher education and VET sectors is near completion.

The fact that there is some blurring at the edges of the AQF does not need to be a problem. Overlap across the sectors is inevitable and a strength of the system rather than a problem.

TAFE's mission

However, there is more at risk under the current debate than avoiding duplication of qualifications across the sectors. One of the most distinguishing features of the VET system is its core mission of meeting the skill needs of the workforce and its 'practice based' approach to learning, skills recognition and assessment. This, I believe, is what most distinguishes VET from higher education and what needs to be preserved.

The TAFE institute I head, Sydney Institute, is one of Australia's oldest tertiary institutions. It was established in 1891 as Sydney Technical College. On either side of the stained glass doors of its main administration block are the two words 'literature' and 'industry' and the motto 'manu et mente' – hand and mind, or doing and thinking.

While the Latin has been somewhat modernised in our current tag line of 'Ambition in Action' and our course profile changed over the years in response to industry needs, our fundamental mission of working with industry and delivering work ready and practical skills has not changed.

Some might say this is an old industrial paradigm and that a different structural approach is needed to addressing the skill needs of our future. I would be the first to agree that VET like other education sectors needs ongoing reform and to respond to emerging industry needs and innovations. But in doing so, let's not throw out what others consider to be a world class vocational education and training system, and the envy of many other economies around the world.

Difference between university and TAFE

Perhaps the best way to understand the interface between the higher education and vocational sectors is not to focus on the qualifications being offered but to hear what the users are saying.

The NSW Government has set up a social networking site, <www.boredofstudies.com.au> which is used widely by students to discuss study options.

In browsing this site I came across a wide range of responses to this question which was posed on the site:

Hi all – I was wanting to know the difference between TAFE and Uni?

Like the respondents to the Bradley Review – not all agree on the differences.

Some verbatim entries included:

- TAFE is much more hands on while Uni concentrates more on the theory side of things
- That is just subjective rubbish. Uni has plenty of hands on things, just different things that TAFE covers.
- I'd rather TAFE – easier to get in, cheaper and closer – there is one near my house.
- I have gone to both and found each useful in different ways
- Uni is far more stale (if that's the right word). You will be in huge lecture theatres of several hundred people.
- Pricing – TAFE is capped at around \$1200 per year, very affordable. It wouldn't be uncommon to rack up a \$30K debt at Uni.
- I have done uni and also TAFE, and the TAFE course was far more relevant to what I do for a living, which is systems administration, infrastructure architecture and project management.

Other entries tell an important story:

- I did an Advanced Dip through TAFE and am now doing a post-grad through Uni. I found TAFE good in that the lecturers were always willing to help, I even call them at home still with questions etc 2 years later! . . . Uni is very similar in workload and learning speed but there is less guidance if you get stuck.

- Next semester I am going to study 1 subject at Uni and three at TAFE . . . I have used my Uni degree credits to do 3 TAFE subjects for the Enrolled Nurse course so that by November until I register/graduate next year I can work in hospitals as an Enrolled Nurse. TAFE courses are quicker and SO EASY compared to Uni! Why not do both?
- As I have said earlier, Uni is not the only method of tertiary education. Actually TAFE teaches accounting (the practical side – journals, ledgers, tax procedures) very well, better than Uni. They teach it different, more practically – not better or worse.

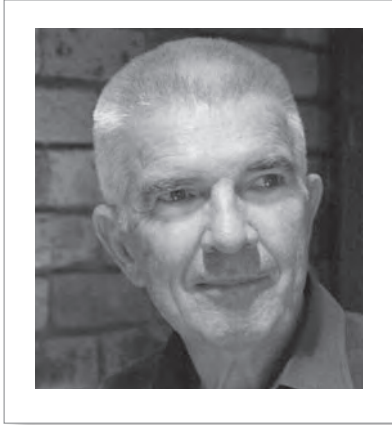
Conclusion

There is a view that merging the sectors into large mega institutions will somehow address the problems we face under current policy, funding and regulatory arrangements. Rather than fix the problems of today this is more likely to cause a huge disruption to our post secondary education system and put us even further behind other OECD countries in the race to achieve a higher skilled workforce and sustained economic growth.

Rather than merging the two sectors we need better and fairer alignment of policy, funding and regulatory frameworks which encourage and support real articulation and pathways for students, support socially and economically disadvantaged groups as well as a greater focus on upskilling the existing workforce.

All education sectors need to 'lift the bar' in delivering higher level skills but maintaining a distinctive HE and VET sector is essential if we are to achieve our key objective of building an internationally competitive workforce.

TAFE and Post-Secondary Education: perceiving the future



Prof Don Aitkin, former Vice Chancellor, University of Canberra

Prof Don Aitkin AO chairs the Boards of the Cultural Facilities Corporation, the NRMA/ACT Road Safety Trust, and Pro Musica Inc, he has a continuing role with the Canada Foundation for Innovation and several Australian organisations and was the first Chair of the Australian Research Council (1988–1990).

The Bradley Review should certainly say something about the future place of TAFE within post-secondary education. In what follows I set out some of the perspectives that I would bring to such a discussion.

First, hand and mind. I have come to the view, over a working lifetime in education, that as a society we put more stress than we should on the work of the mind, and less than we should on the work of our hands.

There are good historic reasons for our having done so in the past, but I think we would benefit from a more even balance in the future. All artists, for example, use their hands, as do surgeons, dentists – and indeed all of us, when we cook, dress, play sport and so on. Getting our hand and mind in concert gives us the best outcomes, it seems to me.

I have taken on some of Howard Gardner's theory of multiple intelligences here (*Frames of Mind*, 1983), because it is plain to me that as children we present our capacities to our parents and other significant adults in different ways, and it is not sensible to categorise children too early. All of us need to develop as many of our capacities as possible, and it is not wise for us, as parents or educators, to downplay the importance of what is done with the hands.

Second, status differences. It follows, at least for me, that we should aim to diminish the status differences between all forms of post-secondary education, since they emphasise different aspects of the same set of intelligences. In the Australian context, that suggests to me that we should do our best to diminish the differences between TAFE and higher education (the use of the latter term plainly carries with it some status baggage).

Third, resource differences. Over time I would move to having the funding of all forms of post-

secondary education managed by the same people, and increasingly through a similar template. TAFE facilities can be expensive, so this is not to urge that more money go to TAFE rather than to universities; rather, it is to propose that students be seen as needing the same kinds of resources, that the buildings in which they learn should be of the same quality, and that grounds and appurtenances be of the same quality. To follow this path will, of course, diminish status differences.

Fourth, funding students. When a student has completed secondary studies successfully, I would argue that he or she would then be able to accept entitlement to a five-year fee-less enrolment in any post-secondary institution where the student has passed the necessary cut-off score. For my part, this entitlement could be taken in any order that seemed sensible to the student: two years of TAFE and then three of university, or the other way round, or all in one sector or the other.

More, I would have the entitlement remain current for a long time - thirty years or more - so that any unused portion would be available should a career shift require some further study.

Fifth, avoid undue mergers. While I have seen some successful elements of merged university and TAFE endeavours, I am generally of the opinion that no great public good will come from trying to merge TAFE institutes with universities, at least for a generation or so. This prescription may sound paradoxical, given those above. But there is a good deal to be said for keeping core businesses focussed rather than broad. Until we have dealt well with status, resource and student-funding issues it will be premature to try and bring all these institutions into a single 'one size fits all' shape.

In any case, some of our universities are already very large, and large institutions have important problems in management, identity and communication. Making them larger does not seem sound to me unless there are very great gains to be made. I cannot see those gains at the moment.

In the meantime I would encourage TAFE institutions and universities to develop the best articulation arrangements they can to make transition easy for students who wish to make the transition.

Sixth, assist autonomy. TAFE institutions would benefit, I think, from having both the autonomy and the accountability that universities have. I accept that there is a great deal of history in the way that TAFE institutions are presently run, and that they are entangled in a web of past practice that itself must be unpicked before autonomy will be possible.

But it seems a good goal to me, because strong government control prevents people using their own acumen to solve their problems and advance their interests, while government cannot effectively manage institutions. The present system is not optimal.

It will be clear from the above that I regard all human beings as highly educable, and that I see no great reason to prefer one form of education over the other. Both are necessary, and a combination of the two is probably best for most of us.

Socioeconomic Impact Analysis: Demonstrating the Benefits of Colleges to the Public – A Canadian Perspective



**Andrew Crapuchettes, CEO,
Economic Modelling Specialists Inc
(EMSI)**

Andrew Crapuchettes has spent 12 years leading 3D modelling and software design. Before EMSI, he helped companies such as Fleetwood, Applied Materials, Triad Speakers, ITD (Idaho Transportation Department) with business process automation.

Colleges play a substantial role in the social and economic development of their communities both through their own operations and through the education they provide to their students. Demonstrating these benefits is a powerful testimony of the impact that a college has on fulfilling workforce needs and increasing students' earning potential.

The Association of Canadian Community Colleges commissioned Economic Modelling Specialists Inc (EMSI) to conduct a Socioeconomic Impact Analysis: Demonstrating the Benefits of Colleges to the Public. The report estimates that Canadian institutes, and polytechnics contribute CA \$123.2 billion to the country's economy every year.

The study also showed that students who attend these institutions receive a 15% return on their investment in education, while taxpayer support of the institutions offers a return of nearly 16%.

This report clearly demonstrates that Canada's colleges, institutes, and polytechnics play a vital role in keeping Canada prosperous and competitive, as well as benefiting students and their communities. Other key findings highlighted:

The average annual earnings of a student with a one to two-year certificate are \$36,582, or 35 per cent more than someone without a high school diploma or GED, and 12 per cent more than a student with a high school diploma.

The average earnings of someone with a two to three-year diploma are \$41,937, or 54 per cent more than someone without a high school diploma or GED, and 29 per cent more than a student with a high school diploma or GED.

Colleges, institutes, and polytechnics contribute nearly \$123.2 billion a year to income in Canada's

economy, roughly eight per cent of a typical year's economic growth.

Canada's current workforce is enhanced by approximately 512.6 million hours of past and present college, institute, and polytechnic training.

Taxpayers see a real-money return of 15.9 per cent on their annual investments in the colleges, institutes, and polytechnics and recover all investments in 8.7 years.

Canada also benefits from improved health and reduced welfare, unemployment, and crime, saving the public some \$215.1 million per year.

In Canada, the Association of Canadian Community Colleges (ACCC) has made the full report available at <www.accc.ca/english/publications/reports/2008economic_study.htm>.

The Government of British Columbia in Canada, through the Ministry of Advanced Education, has made positive use of the report. They used the information gleaned from the national report, backed by reports from individual college, to prepare a clever marketing campaign promoting the value of the colleges to students, taxpayers and industry. To see elements of this approach, see <www.choosebccolleges.ca/>.

The results of the EMSI impact study have been used by more than 600 colleges in three countries (the USA, UK and Canada) to inform education stakeholders, whether students, taxpayers, or businesses, of the contribution which colleges make in reducing the burden on taxpayers, increasing business output, and improving quality of life.

Note:

General Educational Development (or GED) tests are a group of five tests which (when passed) certifies that the taker has American or Canadian high school-level academic skills. To pass the GED Tests and earn a GED credential, test takers must score higher than 40 percent of graduating high school seniors nationwide. Some jurisdictions require that students pass additional tests, such as an English proficiency exam or a civics test.

The GED is sometimes referred to as a "General Equivalency Diploma" or "General Education (al) Diploma", but the American Council on Education, which developed the most widely used GED test, does not recognise these terms. Jurisdictions award a "Certificate of General Educational Development" or similarly titled credential to persons who meet the passing score requirements. Among high school students, the test may be colloquially known as a "Good Enough Diploma".

[source: <<http://en.wikipedia.org/wiki/GED>>]

Contestability, Competition and Reality – The Debate: Threat or Opportunity for TAFE

Contestability is a thorny challenge as institutes seek to grasp the nettle of opportunities on offer while trying not to compromise the quality of the services they deliver. Some proponents see prospects of expansion in doing more of what they do best, while others argue that contestability is the wedge that may compromise the quality, and therefore the saleability, of the very services in question.

These papers examine present trends and opportunities and possible constraints but the key message is: competition is here and it's likely to stay.

Dr Michael Keating AC

Adrian Marron

Rod Arthur

Virginia Simmons



Dr Michael Keating AC,
Skills Australia

Dr Michael Keating AC, FASSA, FIPAA chairs the Independent Pricing and Regulatory Tribunal in NSW, is a member of the Skills Australia Board, the Economic Development Board of SA and the SA Training and Skills Commission.

I do not speak for Skills Australia or for the South Australian Training and Skills Commission – I draw on my experience from recent reviews of NSW and SA VET systems.

Why introduce competition?

Responsiveness and efficiency

- A demand driven rather than a supply driven system is responsive to needs of individuals and to enterprises
 - Can regulate for this – industry-based committees
 - Markets can drive responsiveness at the enterprise level
- Some states want at least to reduce costs (eg SA) and are relying on at least benchmark competition
- Evidence elsewhere (eg utilities) is that competition has worked
 - prices have come down and service quality has improved
 - is TAFE different?

We want a more entrepreneurial culture in TAFE:

- Will not get this without competition
- Best examples of TAFE where TAFE has competed for funds to partner firms

We want to form partnerships between TAFE and enterprises

- better results, especially for disadvantaged job seekers and training for existing employees, when training linked closely to a job
- but these partnerships depend on fostering an entrepreneurial culture through competition

What form is competition likely to take?

Vouchers for individuals are no certainty

- The arrangements being put in place for the PPP training places do not seem consistent with vouchers

If we want to foster partnerships then better to seek competitive bids from RTOs and/or enterprises or a combined bid:

- The Commonwealth is likely to try all three
- This will require separation of purchaser and provider, but State Training authorities may be accredited purchasers

Is competition a threat or an opportunity?

There is no doubt that TAFE at its best is very good. The aim has always been to raise the average up to the level that TAFE is capable of attaining. Therefore, competition is an opportunity. Also the objective of public funding of training is the outcomes achieved:

- There is a need for publicly funded training, but that should not be automatically equated with public provision of training
- We should not want to protect the second best. If a private RTO can run a particular course better should the consumer or the taxpayer be concerned if TAFE withdraws.

Role of government

Government's principal role is to protect the public interest where there is possible market failure:

- Thus government principally involved as a regulator of quality and as a funder, not as a provider

Personally, I would like to think that TAFE can

succeed in competitive environment, because it:

- Has considerable past investment in both physical and human capital
- TAFE enjoys considerable good will, particularly in the regions, and is important to their future
- TAFE must be enabled to compete – devolution is critical and introduction of competition should be combined with the pace and extent of devolution
- But like all organisations and individuals, TAFE should be challenged – this is the path to excellence.

Future Funding

A competitive market best planned on an integrated basis, without regard to the source of public funding:

- Does not require, nor would it necessarily be best served by a Commonwealth takeover of public funding
- It can be achieved if State and Commonwealth funds are notionally pooled and all the places are allocated through a single agreement between the two levels of government
- Will probably also require some direct funding of national companies who want common training for all their employees across Australia

Conclusion

We have been debating the merits or otherwise of contestability for 15 years. Contestability has come and will increase further, but the training market will remain a highly regulated market. TDA will have more influence if it focuses on how to make contestability work, focusing on the regulatory framework, so that framework maximises the advantages and minimises the risks.



**Adrian Marron, Executive Director,
TAFE SA Adelaide North**

Adrian Marron has a wide and varied background, with involvement in landmark VET developments. He has aided many key policy and planning initiatives, including the recent South Australian Skills Strategy, a blueprint for continuing VET reform in SA. He became Executive Director of TAFE SA Adelaide North Institute in September 2004.

For the best part of the last 18 months I have been deeply involved in the construction, and now implementation, of a Skills Strategy for South Australia's Future, which has been endorsed by the SA cabinet.

In this involvement, we in SA have grappled with a suite of questions associated with the central topic of contestability. We have also recognised the obvious, that although we have a national brand and national operating frameworks, our systems are state based, operate within state policy frameworks and thus have a quite different structure and governance.

This was brought home when considering the Skills for Victoria paper against our own SA Skills Strategy, we seemed to be covering much of the same territory and saying similar things. The difference was the starting point of each system and thus the end point promises to be different.

Recent inputs into a turbulent climate include the Higher Education review with its provocations in relation to VET, the Victorian Skills paper, the Commonwealth's view of contestability and competition allied to draft proposals for a National Market Design.

For some of us in TAFE, the questions and dilemmas surrounding competition, contestability and structure have been a focus for more than 12 years.

In 1996, Kaye Schofield, Des Fooks and Robin Ryan were proposing a new framework to enable TAFE to become a full competitor in the market and, at the same time, to balance its roles and responsibilities as the major public provider of VET. Essentially this dilemma is still front and centre in the TAFE experience in Australia.

While many of the challenges of that period remain unresolved, very few observers would argue that VET has become less competitive in the ensuing period. What we have learned, in the 12 years, is

that markets are an important element of the TAFE environment and that they are multiple, multi-layered and complex.

Governments have described contestability as a key mechanism by which to reform public services and widen choice. They have argued that public services are prone to **“provider capture”**; essentially this where the goals and activity of an organisation reflect the interests and prejudices of its employees and that if this changed to a customer or consumer focus then workers will see their own interests served by serving the customer. Competition will, its proponents argue, avoid “provider capture” and drive cost reduction, service improvement and innovation.

For competition to occur there needs to be markets. The markets that we encounter, especially where they relate to contestable public funds are not however a simple construct. (Most TAFE institutes are well skilled in competing in commercial markets) The economic philosophy of the markets centres on the notion of economic efficiency being the prerequisite for improving society. Economic efficiency is achieved through the resource allocation decisions being made by unfettered markets in which competition prevails.

In line with market theory a parallel theme of this approach is to produce this factor of production in the most efficient way. This will ensure that resources are used efficiently where the forces of supply and demand determine they are needed

The assumption that markets will efficiently allocate resources within the VET sector needs to be put in a context. Markets theoretically left unfettered, and characterised by a large number of buyers and sellers, no barriers to entry or exit and perfect knowledge, where no one buyer or seller is able to influence by their actions, price in the markets, will produce an equilibrium price and quantity of VET

through the interaction of supply and demand.

In VET, however, the markets are complex and connected. In addition there is the irony of these markets being promoted by government with the deregulation of sellers but the regulation, by government, of price and quality. For VET there are clear limitations in the application of market concepts. These include the nature of demand for this service and who pays.

The notions of **demand** in these contestable public funding markets particular are complex. The tensions between the demand of the individual, the employer and of the State have been around for some time but are nevertheless still real. There is also the complexity of the States role as a supplier and a demand agent simultaneously.

In the Australian context it is the taxpayer, through the actions and decisions of government, that bears the largest proportion of the direct cost. Students pay, in most cases, a nominal fee and industry, generally, wears the indirect cost of time off the job. Do the benefits of the purchase flow in relation to the investment sources and where is the weighting of market power? For some dimensions of the training market in Australia it is apparent that Industry has achieved a level of demand power that is not matched by direct investment this distorts the marketplace.

The notion of markets in education generally is further complicated in that there are multiple outputs of learning not easily disaggregated. The community benefits from an educated citizenry in ways not always visible in market signals. Markets are a way of distributing scarce resources in education but they do not guarantee the national objectives or ensure quality required for future growth of employment. The self interest on which market behaviour is based may not necessarily

be the best arbiter of resource allocation and investment in a VET system that is taking a longer view.

Some observers note that market-driven reforms, due to the continued involvement of the State, typically do not represent a true market. In recent economic commentary in the UK and Europe there is much discussion about **quasi-markets**, that is, a public sector institutional structure that is designed to reap the efficiency gains of free markets without losing the equity benefits of traditional systems of public administration and financing. Since quasi-markets blur important roles, motivations, incentives that are present in “pure” market dynamics we ought to be realistic in our aspirations for them.

For us in VET in the 21st Century the omens are clear that greater contestability and greater competition are going to play a greater role in the world of TAFE. Therefore our challenge is to recognise the limitations and behave accordingly, but also to accept the opportunities and to do so mindful of a continuing role as a public provider. There will be opportunities because the market gives as well as receives.

Challenges in Competition and Contestability

It seems to me that that an element that distinguishes public sector organisations is a need to be responsive to the views and aspirations of the public in their capacity as citizens and not just customers or users of individual services. TAFE institutes have to become organisations which balance the demands of being public education providers with the imperative of being sustainable business organisations in their own right, which are able to operate in diverse competitive “markets”.

This is a difficult and demanding challenge and

to use a football analogy one where it is essential not to take your eye of the ball even for a second. Institutes must be able to respond to, and have knowledge of, different markets and the segments of these, they need to be able to differentiate their products and services and maintain an educational and functional integrity.

To be able to succeed in this, it is likely to require some radical changes to how we organise ourselves, how we deliver our service, how we control and develop our products and how we are able to promote market and differentiate ourselves in the marketplaces we operate in. We will face some tough challenges to be able to do this effectively and profitably.

This will bring in to sharp relief the question currently abroad with the Bradley Review and likely to be a feature of the impending OECD comparative report, of where governance and policy comes from. Should VET become a Commonwealth responsibility? And if it does, should it be differentiated from Higher Education?

In my view we are on the road to national governance, it is only a question of how long that road is.

There are many paradoxes in this convergence of political agendas and public provision and entrepreneurial activity, markets are not the only influencer in the public provision, but markets and our engagement with them are going to be extremely important to us and our mission. We will need to be clear about our competitive advantage, how to expand it, how to best sustain and develop that advantage and consider how we will get effective balance between the resources available (from government and the markets) our vehicles (TAFE) and the mission and aspirations that are given to us.

Contestability, Competition and Reality: a Queensland Perspective



Rod Arthur, Deputy Director-General, Training; Department of Education, Training and the Arts, Queensland

Rod Arthur has more than 30 years' experience across the secondary and vocational education and training sectors at both a state and national level. In Queensland, Rod previously headed Queensland's vocational education and training regulation system and Chief Information Officer.

The Queensland Minister for Education and Training and Minister for the Arts, Mr Rod Welford MP, recently launched the *Queensland Skills Plan 2008*.

The Plan builds on the significant reforms made to the Queensland training system in 2006. Today there is a national debate about the direction of further reform in vocational education and training (VET). Queensland will welcome further reforms that support our reform direction and which support Queensland's economic development.

The Council of Australian Governments (COAG) endorsed the need for a new wave of national reform focused more squarely on the users of the vocational education and training system, including in relation to competition, contestability, regulation, quality assurance and consumer information. A proposal was to be considered by COAG in October 2008¹.

The Queensland Skills Plan places emphasis on building the capacity of the Queensland VET sector. The Queensland Government has heavily invested in Queensland TAFE over 50 years. The continuing modernisation and redevelopment of the public provider is vital for the future of the VET system in Queensland.

In 2006, Queensland commenced a major reform of TAFE, allowing institutes to develop into commercially-oriented more autonomous bodies. The Southbank Institute of Technology and the Gold Coast Institute of TAFE are now established as statutory authorities. Further roll-out of TAFE statutory authorities will be considered in the future.

Queensland supports contestability in the VET sector as a stimulus to innovation, efficiency and quality. The reform path Queensland is following is about

¹ Council of Australian Governments, Communiqué, 3 July 2008.

developing a vibrant private sector, and reforming TAFE to allow institutes to be more innovative and responsive.

This direction recognises that Queensland has its own needs derived from its current regional geographic spread and its very high performing State economy. Economic activity has resulted in Queensland having an approximate 67% workforce participation rate and a need for more labour force participation.

For us, the current national debate about contestability needs to be able to produce more people with more skills to increase workforce participation, productivity and value for the individual. There seems to be an underlying assumption that because some competition is good, more must be better and hence there will be an improved training market.

Our Skills Plan goals have included the desire to increase the overall pool of investment in training in Queensland such that the market grows. Given the commitment to productivity places by governments across the country, we must ensure that this possible extra investment is not substituted for what might otherwise be industry contributions.

Thus while there is opportunity for all providers, including TAFE, in an increasingly competitive market, the overall investment from all sources needs to continue to grow for longer term sustainability.

A balanced approach is required; one that builds commitment by all parts of the system rather than one that attracts those players seeking a quick return.

Balance is also needed in shifting the VET sector to a more demand driven system. The majority of

vocational skill formation occurs on the job. There is a large risk inherent in the current national reform direction of employers cost-shifting to government training which has traditionally been undertaken in the workplace. This has occurred in the past. The expansion in traineeships in the late 1990s spurred a sharp growth in relatively low-value-added training in low-level certificates and a shift out of more complex and costly training in trades, contributing to recent skills shortages.

Quality needs to be one central concern. The shift to a more competitive market will inevitably encourage numerous small, low-cost structured providers to emerge. This may, as hoped, encourage flexible responses from both the new entrant and from established competitors, but quality service delivery could be at risk unless we take a careful approach.

Information efficiency is an important characteristic of well functioning markets. Providers know more about the quality and value of their product than consumers. This information asymmetry is one issue that seems to be receiving some attention in the current national debate.

However, most of the debate is focussed narrowly on increasing consumer access to information on training providers. In the VET sector, an equally important area where consumers are disadvantaged by lack of information is in relation to the labour market and job opportunities. In Queensland, we have taken the broader approach to facilitate improved access to both training and labour market information through Skilling Solutions Queensland.

A key function of any market is to enable firms to invest in capital assets, including facilities, intellectual property and 'human capital' in the form of embodied knowledge and skill in employees. The premise that education markets

may be imperfect in this respect is implicit in the Commonwealth Government's commitment to a \$20 billion Education Investment Fund. In many markets it is the larger firms which enable much of this investment, which in turn allows smaller niche players to operate within a sophisticated dynamic market.

It is not inefficient for larger providers in the VET market to make the largest investments. It is important for the continued overall quality of the sector that they continue to do so. All institutions, but particularly large ones, need a degree of stability and certainty to enable optimal investment decisions.

The current national reform debate is being undertaken with a theoretical understanding of where these reforms will lead. The business case or other evidence does not give certainty about the implications of these reforms.

Queensland is in general accord with the direction, but will insist on balance and keeping its goal of a strong, quality VET sector to meet Queensland's needs forefront.

The Deputy Prime Minister, in a recent speech,² talked of the challenge of market design. The Deputy Prime Minister described the former federal Government as pursuing 'market-based' approaches that sought to undermine existing forms of universal service by subsidising the creation of private sector competitors.

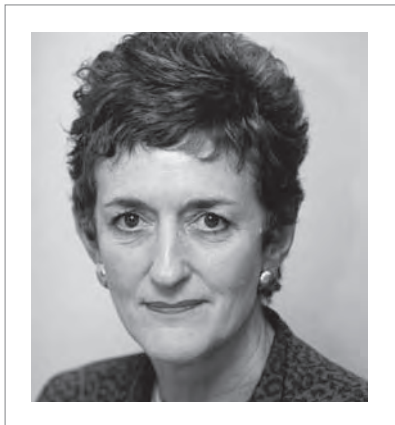
The Deputy Prime Minister expressed the view that we should acknowledge the power of market competition, in combination with a strong institutional framework and empowered, demanding users.

In Queensland, strong public institutions are the core of a strong institutional VET framework. We continue to support the need for a strong public provider able to assist in the implementation of government policy at the time whether that be access for the disadvantaged, access through regional Queensland or the need to support the economic needs of Queensland.

States have constitutional responsibility for education and training. Queensland is participating in the national debate and will participate in national reform if the reforms are sensible, balanced and in Queensland's interests.

This paper is adapted from the research work of Pamela Deakin, Director, External Relations, VET Policy Development.

² The Hon Julia Gillard MP Speech to CEDA 2008 State of the Nation Conference, 5 June 2008, Canberra



**Virginia Simmons, CEO, Chisholm
Institute of TAFE**

Virginia Simmons' experience in international consulting includes AusAID, the International Finance Corporation of the World Bank and the South East Asian Ministers of Education organisation. She serves on the National Quality Council, TAFE Directors Australia and the South East Development among others.

VICTORIAN SKILLS REFORMS

Victoria has taken the lead on responding to the agenda of the Council of Australian Governments (COAG) to make the VET system fully contestable by 2012. There are still many unanswered questions about the detail of implementation, but the broad philosophy behind the Skills Reforms is that:

- individuals will be eligible for government subsidised training as long as they are moving to higher qualification levels
- the higher the qualification level, the greater the potential earning capacity and therefore the more the student pays
- because of fee increases, students will have access to income contingent loans at the Diploma and Advanced Diploma (AQF 5/6) levels; however concessions will no longer be available at these levels
- with funding following the student, making government funding available to both public and private RTOs will drive responsiveness to individuals and enterprise needs.

A major implication of the reforms is that AQF 5/6 fees will move from the current maximum of \$877 to \$2,500 by 2012.

DEMAND IN CONTEXT

The landscape over the past decade for TAFE Institutes to respond to demand has been characterised by:

- capped places
- the lowest cost per Student Contact Hour (SCH) in the country
- any change in provision or potential for growth is linked to highly constrained government

targets: every Chisholm course had an associated age or industry sector target in 2007

- a strong system reliance on peak bodies to identify skill needs
- training packages determined nationally with training providers at arm's length.

This situation presents a number of barriers, outside of Institutes' control, to addressing skills shortages in an effective or timely way. Yet it is the TAFE institutes that are often accused of being the reason for the inability to respond. Victoria has been among the most successful of the states in generating commercial revenue, an impossible achievement if a lack of responsiveness were endemic in the system.

On this basis, the skills reforms might have been approached by addressing all and not just some of the barriers identified. Unless this occurs, the projected demand that the skills reforms hope to satisfy may not in fact eventuate.

OPPORTUNITIES

Opportunity for Growth

The most significant opportunity arising out of the skills reforms is that, when fully operational, training places will no longer be capped. An additional 172,000 government subsidised training places are projected over four years.

In the Chisholm context, consultations with local municipalities have revealed that the lack of growth at some campuses has been misconstrued as lack of commitment by to the local community. This negative perception is compounded by the fact that the Institute is located in one of the most important growth corridors in the country where other services are increasing accordingly. Additional places should

alter this perception and provide capacity to respond to growth.

Opportunity for Esteemed Qualifications

The skills reforms documentation cites Victoria as currently charging the lowest fees for AQF 5/6 courses in the country. In a culture where the value of a product is often perceived to be directly related to the price paid for it, there is a danger that fees charged for Diplomas/Advanced Diplomas affect the esteem with which they are held. This is ironic given the true cost of these programs, but students are unaware of the extent to which they are subsidised.

The skills reforms offer the opportunity to radically change the perception of VET qualifications and hence to attract more students, particularly at the technician and para-professional levels.

RISKS AND THREATS

At the same time the skills reforms present a number of risks and threats:

Risk of Flawed Policy Assumptions

The strategy outlined in the skills reforms appears to rely on policy assumptions such as:

- Skills shortages are best addressed through a demand driven approach.
- Raising fees will increase demand
- Concessions can be replaced by income contingent loans without affecting demand
- Demand can be significantly increased without changing the product
- Price sensitivity will improve responsiveness/ quality

- The more providers have access to government funding, the better the responsiveness/quality
- The greater the number of providers accessing government funding, the more effective the use of government funding
- All students will honestly declare the level of their prior qualifications
- All providers will treat students' declaration of prior qualifications honestly and consistently.

With many of these assumptions open to challenge, the risk to government is that the reforms will not deliver the intended outcomes.

Risks to Quality and the Perceived Value of Qualifications

Adherence to quality standards underpinned by appropriate levels of auditing is critical for an excellent training system. Failure to implement rigorous audit controls leads to the dilution and devaluing of qualifications, as has already occurred with traineeships.

It is cause for particular concern at Diploma/Advanced Diploma levels, given the potential of these qualifications to give credit for university study. The skills reforms documentation gives no detail on additional resources to the State Registering Authority, which is already struggling to maintain an effective audit regime.

There is extensive evidence of the need for stronger sanctions on RTOs offering qualifications in an accelerated timeframe as a means to enhance profit. This cannot be explained away by flexibility or efficiency arguments and only serves to debase the qualification.

The risks for government are how to ensure the

quality of all RTOs with access to government funding and how to protect the value of qualifications.

Risks to Access: Withdrawal of Concessions at AQF Levels 5 and 6

The decision to introduce a HECS style income contingent loan at AQF 5/6 has potential implications for student access. Research in the Higher Education sector on the impact on access of the introduction of HECS¹ is neither definitive nor is it directly comparable with the VET sector, especially when considering newly arrived migrants and refugees. Using 2007 Chisholm enrolments, conclusions can be drawn about the socio-economic status of students and the impact of their potential withdrawal from study:

- About 13% of Diploma/Advanced Diploma students would be ineligible for a government supported place because they already entered with a qualification above these levels.
- About 50% of students eligible for a government supported place at Diploma/Advanced Diploma level would no longer be eligible for a concession.
- Of these students no longer eligible for a concession, 60% (conservative estimate) were studying in skills shortage areas.

The risks for government are that if the same pattern continues, it may impact on enrolments and therefore on skills shortages. This risk is not mitigated by a wider choice of providers.

¹ Chapman B, et al 2007, HECS for TAFE: The case for extending income contingent loans to the vocational education and training sector, Treasury Working Paper

International Program

Focus on Benchmarking and Trends

These papers examine shape and the trending shape of the international market for education services. Looking at the areas of demand for services, and some of the issues in meeting demand, sheds some light on the opportunities and pitfalls associated with this area.

Some of the opportunities which overseas service delivery provides also has substantial implications for structures and resources and, more particularly, the selection of suitable staff.

Antoine Banaart

Alan Olsen

Kevin Brett



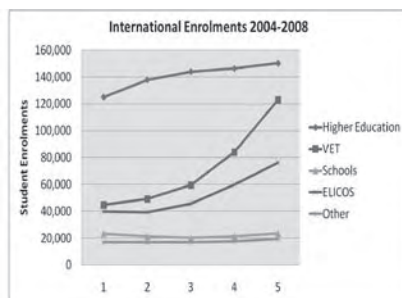
Antoine Banaart, General Manager,
the Australian Pacific Technical
College

Antoine Banaart has 30 years in technical, vocational and international education. He was Pro Vice Chancellor for Vocational Education and Training at Northern Territory University for seven years, during which he also managed the University's international portfolio.

Models of Engagement

Growth in students

- 46% growth in the past 12 months for vocational courses
- Strongest growth on record – 2007 breaks through 100,000 enrolments.
- Buoyed by enrolments from China and India (there are more Indian students in vocational programs than higher education in 2007).
- Migration Occupations in Demand List (MODL) are driving students choices.



Dissecting the data – Public vs Private

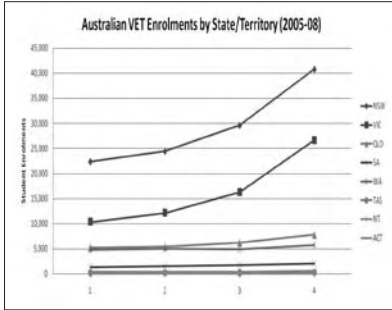
Provider Type	2004	2005	2006	2007	2008
---------------	------	------	------	------	------

Public	10,817	11,893	13,544	17,032	19,964
--------	--------	--------	--------	--------	--------

Private	33,889	37,275	45,863	66,858	102,926
---------	--------	--------	--------	--------	---------

Total	44,706	49,168	59,407	83,890	122,890
--------------	---------------	---------------	---------------	---------------	----------------

Dissecting the data – state by state



Top 5 nationalities contributing 54% of enrolments

All Sectors

- China
- India
- Korea
- Thailand
- Malaysia

VET

- India
- China
- Korea
- Thailand
- Nepal

However, the market profile is changing...

Market	Student enrolments	% growth	Ranking
Brazil	12545	23.4%	9
Vietnam	9719	44.1%	11
Nepal	9230	241.2%	13
Sri Lanka	6802	34.7%	16
Colombia	5459	82.3%	18
Pakistan	4910	54.6%	19
United Kingdom	4644	10.6%	20

Transnational (TNE) Programs

- While onshore student market is dominated by private providers, offshore delivery is predominately with public institutes.
- Traditional model – institute to institute through licensing or joint venture.
- In 2005 the Australian Government embarked on a Transnational Quality Strategy.
- In 2008 it opened AusLIST for provider registrations with full launch due later this year.

TNE – Statistics and Trends

- 56% of Australia's public providers delivered 349 courses offshore in 32 countries in 2006
- In 2006 over 31 000 students were undertaking an Australian VET qualification offshore (up 11% from the previous year)
- China remains the dominant market (70% of delivery) with Fiji and Vietnam next. Growth in Middle East will be reported in 2008 report

Offshore Industry Partnerships

- TAFE Institutes have been successful in moving domestic training contracts into international partnerships and in developing customised offshore programs for international clients
- Some case studies:
 - apprenticeship training with Thiess in Indonesia
 - event management with Shanghai World Expo China
 - Leighton Training Alliance in India
 - hotel and casino pre-opening training in Macau

Pre-migration skills assessment

The countries . . .

COAG endorsed - implemented by VET Assess

- India
- Sri Lanka
- United Kingdom
- South Africa
- Philippines

The nominated trades . . .

- Bricklayer
- Cable Joints
- Carpenter
- Joiner

- Electrical Powerline Tradesperson
- General Electrician
- General Plumber
- Motor Mechanic
- Refrigeration and Aircon Mechanic

Aid and Development

- History of partnership with AusAID
- Network of TAFE & Managing Contractor partnerships
- Australia Pacific Technical College – supported by two TAFE institutes
- Pacific focus but with growing interest into Africa
- Still a challenge for new entrants to the market

Focusing on the next 10 years

The facts support a strong international TVET sector in Australia, although there are emerging challenges that need to be addressed if this growth is to be sustained or even consolidated.

So where does a College start when considering the next 10 years?

Maybe we need ask ourselves a number of important questions.

Why is your College undertaking international activities?

Simple question that deserves a simple answer, but in fact some colleges do not have a clear answer or if they do you could expect a different answers depending on who you spoke to in the College.

Some obvious answers:

- College needs to get other income sources:
Urgently! Not so urgent, Nice to have
- No room for domestic growth
- Don't know?
- Status/prestige of the College
- Everybody else is doing it
- We want to *Internationalise* our College: staff, domestic students, In country/offshore students.

How well does it fit within your College?

- Well integrated
- Key component of the College strategic plan and annual operational plans
- Most staff know the importance and try to make it work
- Somewhere in the middle, a bit of both
- May as well be a separate organisation
- Don't know, don't care

International students are more work and a disruption to my class

Poor fit, not clear in our strategic plan and is not linked operationally to all parts of the College

- Something the International Division does

How much does your College Product Mix look like?

Onshore students

- Are you deliberately targeting source countries? Do they change?
- Which have provided most students?
- Which countries will be good prospects in the future?
- Do you have a focused approach to recruitment?
- Are you branding?
- Is the College making money?
- Is everybody happy with their cut?
- How do you recruit?
- Agents?
- Which countries in the future?
- What are you marketing? All courses, selected niches, whole courses, study aboard, study tours, English language
- Degrees or Diplomas
- How would you rate your College's international student services?
- What do you provide?
- What is the "care" factor at each level of the organisation?
- Does your College give value for money to international students?
- Do your teachers care?
- Do you care?

- If you were a parent who mortgaged everything you owned and more would you buy your product?
- Are there rogues in your sector?
- How would you rate the quality of teaching for international students?
- Are teaching staff appropriately trained?
- How important is the student's English?
- Should international students be given special attention?
- How do you integrate local and international students?

Transnational Programs

- Is your College getting adequate returns? Yes! No! Don't know?
- Break even but is nil cost for onshore recruitment
- Yes, but not enough to mitigate the high risks: financial and College reputation
- Where and why?
- Is everybody happy with their \$\$\$ cut?
- What are the risks to your College?
- Is there an impact on the quality of your domestic programs?
- How would you rate the quality of the programs?
- Is it the same standard as the course delivered in Australia?
- Is it taught and assessed in English?
- Do students have the same IELTS as those

studying in Australia ?

- Who teaches your programs?
- Are teaching staff appropriately trained?

Migration Services

- What are the returns for each market segment?
- Who are your potential partners?
- Does your College's marketing strategy link to migration ?
- Is it the right way?
- Can this market be segmented?
- What are the onshore and off shore markets ?
- What are the risks?
- Do your staff need specialised training?
- Are there any special licensing or registration requirements for the College?

International Project Work

- How do you staff these projects?
- Most require long term assignments i.e. 1 to 5 years
- There is a limit on how many staff you can draw from your own College?
- How do you keep staff who develop international project experience?
- Is your College active in this market sector ?
- Can this market be segmented? Aid work funded by key donors such as AusAID? Project work funded by foreign Governments? Short, medium and long term work funded by multinational companies?

- Is it different to other parts of your mix?
- Who are your potential partners? None, go it alone, Partner with an AMC
- What are the risks?

What is the right product mix for your College for next 5/10 years?

- Same?
- All 4 segments?
- Target one or 2?
- What about growth? Consolidate? Slow growth? Need to grow fast?
- How much is enough?
- How will you define your market?
- How will your College stand out from the rest?
- Who are your potential partners?
- Who are your competitors?

Can you now answer the very first question?



Alan Olsen, Director, SPRE Ltd

Alan Olsen is a consultant in international education, carrying out research, strategy and policy advice for client institutions and organisations on international education, transnational education and international student programs.

Strategy Policy and Research in Education Limited <www.spre.com.hk> has carried out benchmarking studies of the international operations of Australian TAFE institutes and systems since 2004.

In total, 19 TAFE entities participated in 2004, 13 in 2005, 16 in 2006 and 15 in 2007. The 2007 study covered 11,600 commencing students, on campus in Australia, and fee revenue of \$110 million.

Benchmarking is a means of comparing one's performance with one's peers. For an education institution, it is the collection of information about an aspect of the institution's operations in a way that enables comparisons. The results of the comparison can then highlight where improvements are needed, where the institution can learn from others and where problems need investigation.

We focus on international students in vocational education and training and in ELICOS in TAFE systems and institutes, on campus in Australia.

Each participating TAFE entity receives an individual report and in each individual report, individual results are highlighted.

The 2007 Findings

For our benchmarking of international operations, a questionnaire was distributed to TAFE institutes and systems in October 2007, seeking 2007 data, in five areas:

- International Office costs
- Staffing of marketing, admissions and compliance
- Admissions procedures and quotas
- Costs of recruiting for key source countries
- Recruitment channels and conversion rates: applications/offers/commencements.

International Office Costs

The 15 TAFE entities were able to report numbers of commencing international students and International Office costs, using actual or estimate or budget figures for 2007.

They reported 11,585 commencing international students. International Office budgets, excluding commissions, aggregated in 2007 to \$18.4 million, or \$1,590 per commencing student, down from \$1,720 in 2006 but up from \$1,315 in 2005 and \$1,386 in 2004. Commissions in 2007 aggregated to \$9.1 million or \$786 per commencing international student, up from \$655 in 2006, \$630 in 2005 and \$620 in 2004.

Including commissions, International Office budgets in 2007 aggregated to \$27.5 million or \$2,377 per commencing international student, unchanged from \$2,375 in 2006 but up from \$1,944 in 2005 and \$2,006 in 2004. Chart 1 shows **Dollar Cost per Commencement including Commissions**. It shows the range of the 15 responses, the average of the 15 responses (\$2,806) and the median response (\$2,816).

Chart 1:
Dollar Cost per Commencement including Commissions

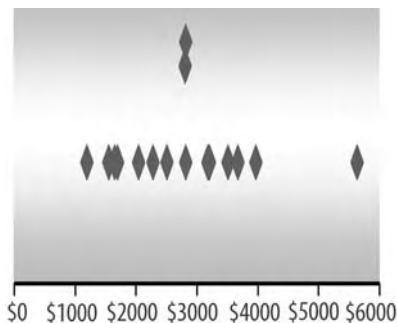
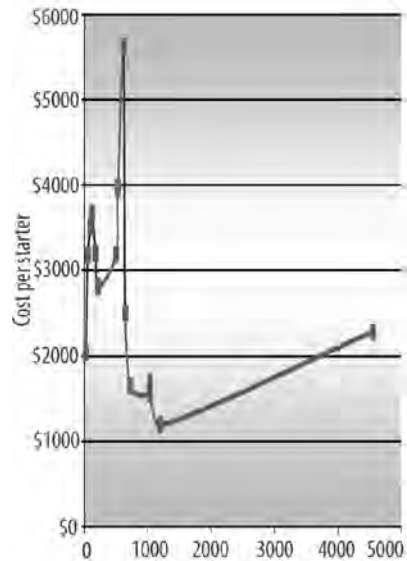


Chart 2 **Number of Starters and Cost per Starter including Commissions** displays economies of scale for the 15 TAFE entities, showing how international office dollar costs, per commencing student, change as the value of the international student program increases.

Chart 2:
Number of Starters and Cost per Starter including Commissions



Staffing of Marketing and Admissions

The 15 TAFE entities reported an aggregate 45.85 staff in 2007 dedicated to marketing, and an aggregate 11,585 commencing students. In aggregate, it takes 4.0 marketing staff to achieve 1,000 commencements, unchanged from 4.0 in 2006 but down from 4.5 in 2005 and 4.6 in 2004.

They reported an aggregate 60.35 staff in 2007 dedicated to admissions, and an aggregate 11,585 commencing students. In aggregate, it takes 5.2 admissions staff to achieve 1,000 commencements, up from 4.1 in 2006 and 4.0 in 2005 but unchanged from 5.2 in 2004.

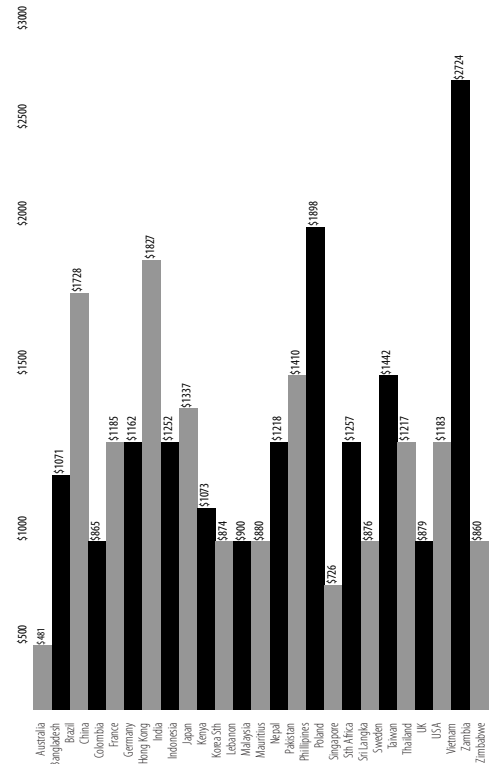
Costs of Recruitment for Key Source Countries

Commissions, travel, advertising, exhibitions and freight in aggregate provide a **country cost** of recruiting students from a source country.

For the 15 TAFE entities, the country costs in 31 countries aggregated to \$10.2 million, including \$7.3 million in commissions. From these 31 countries, the 15 TAFE entities recruited 10,970 international students in 2007 at an average country cost of \$927, unchanged from \$914 in 2006 but up from \$740 in 2005 and \$893 in 2004. This average country cost in 2007 included commission of \$668, up from \$595 in 2006, \$503 in 2005 and \$551 in 2004.

For the 15 TAFE entities in aggregate, Chart 3 displays **Country Cost of Recruitment by Source Country**. It shows the country cost of recruitment, including commission cost, for each of the 31 source countries in the study.

**Chart 3:
Country Cost of Recruitment by
Source Country**



Recruitment Channels and Conversion: Applications/Offers/Commencements

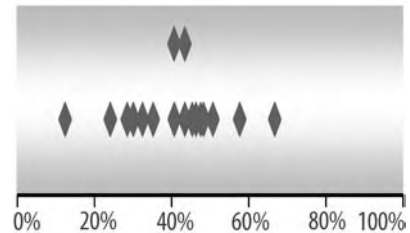
TAFE entities were invited to benchmark conversion rates, from applications to offers to commencements, by level of study, by recruitment channel, or by both level and channel.

In total the 15 TAFE bodies, up from 12 in 2006 and nine in 2005, provided data for 2007, enabling benchmarking of conversion from applications to offers, conversion from offers to commencements and conversion from applications to commencements.

In aggregate in these 15 TAFE entities, 25,447 applications resulted in 20,050 offers and 8,398 commencements. Overall, 78.8% of applicants received an offer, 41.9% of those who received an offer commenced and, as a function of those two results, 33% of applicants commenced. The percentage of applicants who commenced was down from 44% in 2006, 42% in 2005 and 44% in 2004. In 2007, TAFE entities processed 3.0 applications to get a commencement, up from 2.3 in 2006, 2.4 in 2005 and 2.3 in 2004.

Chart 4 **All Levels Starts/Applications %** displays the proportion of applicants who commenced. This is a function of the proportion of offers to applications multiplied by the proportion of starts to offers. The chart shows the range of the 15 responses, the average of the 15 responses (41%) and the median response (43%).

Chart 4:
All Levels Starts/Applications %





**Kevin Brett, client manager
i-graduate**

Kevin Brett represents the i-graduate Group in Australia. He is working with tertiary education providers from the three sectors, ELICOS, VET and University, to increase our understanding of the campus experience of international and domestic students.

A change in direction for Australian international education has been signalled, a change that will encompass the student experience.

Presentations by senior AEI representatives at 2008 education conferences (AUQF, TDA, ELICOS, AIEC) all refer to the “Third Phase of International Education in Australia”, a change already evident overseas.

In the UK, the Prime Minister’s Initiative includes ensuring the quality of the student experience as one of four core activities to place UK as the world leader in international education.

The UK commitment is to understand and respond to international students’ expectations, ensuring the quality of all aspects of their experience from the visa processes, pre-departure and orientation through to the quality of experience while studying and living in the UK. This commitment captures the primacy of student support in that country. A second UK Prime Minister’s Initiative implies the long term, whole of government approach to best practice in education services.

In Australia, the Minister for Small Business, Independent Contractors and the Service Economy, the Hon Dr Craig Emerson MP, outlined the importance of student support in a speech at the September 2008 English Australia Conference. He suggested that an education pathway provides an opportunity to bring people to Australia, offer English language training, show them the country and invite the students to seriously consider the benefits of immigration to Australia.

In the past, “student support” has been seen as supplementary to the core business of teaching and learning. Current international good practice acknowledges the interrelationships between the students’ lived and classroom experiences. Student support now refers to services that commence with

an application and visa advice and conclude when the student is an alumnus who recommends their institution and host destination to others. Such a graduate may consider further education (in Australia, 30% of students want to continue study in the host country), immigration, or employment at a time when Australia's demographic profile demands skilled immigrants proficient in English language. Australian TAFE has a leadership role in provision of this complex net of support services for international students.

Why students select Australia

The following statements are drawn from the i-graduate Group's <www.i-graduate.org> international benchmarking, which includes international universities' Certificate and Diploma programs, the New Zealand Polytechnic sector, several Australian TAFE and private sector VET providers, and diploma granting institutions in the UK. The available evidence suggests demand trends are consistent for the VET and university students at this top line level of analysis. (See also AEI, 2006 International Student Survey, September 2007 and other AEI publications at <<http://aei.gov.au/AEI/default.htm>>.

At August 2008, the proportion of international student enrolments in the VET sector was 31.0%, an increase from the 25.6% recorded in YTD August 2007. The sector has experienced a sustained period of strong growth since 2005 and this is continuing in 2008. YTD August 2008 figures showed increases of 43.3% in enrolments and 40.4% in commencements over the same period in 2007, with VET commencements exceeding those for higher education (source: AEI International Student Data. YTD August 2008, Australia.)

Australia is a destination market selected for life style reasons, including employability. Despite the US and UK receiving higher ratings for the reputation of qualifications, Australia is consistently rated above the US and UK for safety, cost, ease of obtaining a visa and overall attractiveness. Employability and the chance to improve career prospects are also drivers for students choosing Australia, and are among the most important aspects of the student experience. International students in Australia are dissatisfied with the lack of opportunity to gain work experience in their field of study, work based training, internships and related employment experience.

Students rate learning experience as the most important factor in their decision making and are generally satisfied with their learning experience in Australia. However, satisfaction with the overall study experience is determined by factors outside the classroom.

Australia is lagging on satisfaction related to most social elements. This may be due to greater expectations, but also reflects the tendency for international students to live and work in home country social groups. The limited data available suggests that Australia is not meeting expectations relating to the lived experience to the same degree as the competition.

What does demand for a lived experience mean for TAFE?

In recent months there has been a marked increase in negative media reports concerning the welfare of international students. Peer group internet communication on social networking sites and public press statements are two separate indicators of dissatisfaction from international students.

Australia's education brand is *nation* driven, not *institution* driven as is the case in the US or UK. A poor experience in one state may be attributed to the country, thus affecting all a state or all states.

Education providers and the Australian Quality Training Framework maintain the reputation of qualifications. Providers offer support services relating to the living environment. Establishing relevant work experience with employers, adequate campus transport links, safety, part time employment and negotiating the rules associated with visas requires the support of stakeholder groups. The third phase of international education will see new relationships with local and state government, supplementing those already in place for safety, transport, health, and integration between schools, vet and the universities.

It is in the interests of the VET sector and TAFE providers to engage in systematic data collection relating to aspects of the students' experience. Such confidential data enables an institute to compare itself against a representative group of similar institutions, in Australia and internationally. This is particularly important as the growth in demand for VET leads to situations and trends that require intervention.

Conclusion

The comments in this Paper commend an approach to student services that embraces the sum of relationships between the host institution and the students' pre-departure experience and living environment, including accommodation, work experience, transport, health and those factors that enable the social inclusion of international students in a community.

Any consideration of student services leads to questions about the formal and informal links between VET providers and other community stakeholders, including state and local government, business, religious and community groups – the relationship of the education provider to its region. Improving all aspects of the international students' living experience is a priority if Australia is to maintain its position in this competitive export industry.

VET enrolments are in a growth phase. The relationship of the TAFE sector to State Government Ministries, and the fact that services including transport, health, housing, employment and access to work experience are primarily the responsibility of State and Local Governments, suggests the sector has a lead role to craft best practice in student service provision.

International Program

Focus on Mobility in the VET sector

Mobility in the VET sector is an emerging opportunity for both students and teachers.

With international moves to establish comparability between qualifications and entry requirements, the future which is opening could see students completing qualifications with specialisations studied in more than one country. At the same time, these students are learning skills in providing services across transnational boundaries in the “global village” of tomorrow.

Similar options exist for teachers, either teaching in new locations as an offshore component of their Institution, or upskilling through arrangements with overseas institutions.

Tracy Harris

Jennifer Oliver



Tracy Harris, Director Scholarships, Exchange and Alumni DEEWR

Outbound mobility opportunities provide Australian students, and staff, the opportunity to become global citizens, exposing them to different and unfamiliar situations, different approaches to problem solving and different ways of relating to others.

The Australian Government supports outbound mobility because, as the cohort of Australian graduates with an international study experience grows, so too does Australia's competitiveness. The nation's ability to be a leading knowledge economy, to have the skilled people that are needed to compete globally and to deal with the challenges of the future will depend on how well our citizens can communicate and collaborate on the world stage.

The Australian Government, through the Department of Education, Employment and Workplace Relations (DEEWR), is working with the vocational education and training (VET) sector to encourage greater outbound student and staff mobility, through opportunities such as the Endeavour Executive Awards and a new Endeavour VET Outbound Mobility Program.

Endeavour Executive Awards

The Endeavour Awards system is the Australian Government's internationally competitive, merit-based scholarship program providing opportunities for citizens of the Asia-Pacific, Middle East, Europe and the Americas to undertake study, research and professional development in Australia. Awards are also available for Australians to do the same abroad.

Endeavour Executive Awards provide professional development opportunities for high achievers in business, industry, education or government from participating countries. This Award provides individuals with the flexibility to design a

program that advances both their professional and personal goals. Home and host organisations also benefit from the collaboration, establishing or enhancing existing regional linkages, and providing opportunities for longer term cooperation.

The online application system guides applicants through the process, providing help at every step. Eligible applications are assessed by independent selection panels of academics and professionals in Australia. This transparent, merit-based selection process ensures the integrity of the Awards.

To ensure Award Holders gain the most from their Award experience, they receive ongoing support from a dedicated case manager. Once successfully completed, they become members of the Endeavour Awards Alumni Network through which they can maintain the personal and professional links and friendships made during their Award.

A second round for 2009 of Endeavour Executive Awards will open on 1 December 2008 and close on 31 January 2009. Further information is available on the Endeavour Awards website at <www.endeavour.deewr.gov.au>.

Outbound student mobility

The VET sector is increasing its focus on outbound mobility to address the low rate of participation. While there are some innovative programs and partnerships being undertaken, the sector and government is working through the approaches best suited to the VET environment and how to facilitate the wider adoption and sustainability of outbound mobility programs.

A recent report¹ prepared by the Queensland Department of Education, Training and the Arts

on behalf of the Australian Government noted the following benefits of outbound mobility to vocational education and training providers:

- enhanced bilateral and multilateral networks and partnerships;
- enhanced institutional positioning and demand for programs;
- increased organisational awareness of international activities and opportunities;
- professional development for educational staff;
- globally aware graduates trained with up to date international trends and practices; and
- well rounded professional and sustainable internationalised education programs.

The Australian Government with funding through the Strategic National Initiatives program, recently allocated \$60,000 towards the VET Outbound Mobility Pilot Projects. These projects aimed to encourage greater awareness of the opportunities available in the VET sector for outbound mobility and increase participation in student mobility in the VET sector.

DEEWR is currently developing the program guidelines for a new category of Awards under the Endeavour Awards banner named the Endeavour VET Outbound Mobility Program. The aim of the program is to increase the number of Australian VET students undertaking an international study opportunity and increase the level of partnership activity between Australian education and training providers and/or industry and their international counterparts.

¹ DEEWR, 2008, *Progressing Outbound Mobility in the Vocational Education and Training Sector*, unpublished.

Study overseas portal

In order to address a lack of awareness of overseas study opportunities for Australian tertiary students, their parents and educators in the higher education and VET sectors the Australian Government has developed the overseas study web portal.

The portal consolidates information about overseas study opportunities for Australian students into one easy-to-access site. Visitors will find information on topics such as: the value and benefits of studying overseas; financial assistance and scholarship opportunities; and general tips and information on travelling overseas. Visitors to the portal can also read the personal experiences of Australian students who have had the opportunity to study overseas.

The second phase of the Study Overseas portal, expected in early 2009, will incorporate: specific information on destination countries; targeted Australian provider information and more detailed information on overseas study opportunities for students in the VET sector.

Conclusion

The Australian Government, along with tertiary institutions and Australian business' are working together to build on this momentum and expand outbound mobility opportunities further to achieve the goals of Australia to remain internationally competitive.

Further information on outbound student and staff mobility is available by contacting: <outboundmobility@deewr.gov.au>.

Focus on Mobility in the VET Sector: The Global Education Network



**Jennifer Oliver, Senior Director,
Education & Training, Box Hill**

Jennifer Oliver is Senior Executive Director, Education & Training at Box Hill Institute, Melbourne. The Institute has extensive international projects and has recently won major International Export Awards for its work in international education.

The Global Education Network has been developed to enhance the quality of students' learning experiences, to ensure they acquire vocational skills, knowledge and experiences relevant to industry needs in a globalised economy and society.

There is a need for education to prepare learners to work in an increasingly complex global environment and to succeed as global citizens and workers.

In 2001, the Global Education Network, or GEN, was designed by Box Hill Institute in collaboration with Southern Alberta Institute of Technology (SAIT) in Calgary, Canada and Colorado Mountain College (which later withdrew due to changes in the College's leadership team). Kirkwood College, Cedar Rapids, Iowa joined the GEN in 2004 followed by the Institute of Technical Education (ITE) Singapore in 2006.

The GEN initially formed as a result of discussions between the three institute college presidents and chief executive officers, all of whom were members of an international network, PIN, the Postsecondary International Network. PIN is a collegiate organisation providing networking and professional development opportunities for tertiary leaders. The GEN founders saw the potential for an international organisation providing international experiences for students and for a wide variety of staff.

The vision

The vision for the Global Education Network is as a collaboration of premier post-secondary education institutions providing students with an international learning experience for employment in a global economy.

Within GEN member institutions, programs are customised to incorporate an international focus. Members aim for a quality of program delivery

of such a standard that GEN credentials would be accepted and recognised both nationally and internationally thus giving GEN graduates mobility to work globally with recognised skills and qualifications. The members, each a highly regarded institution in its home country, will seek further members among similarly recognised outstanding tertiary institutions.

The Global Education Network began by focusing on sets of educational programs and relationships revolving around key industries: Electronics, Information and Communications; Hospitality Tourism and Leisure Manufacturing, Engineering and Building. This focus has now expanded to include Business; Performing Arts, Fashion and Health and Community Services.

The intention was for the network to do more than simply deliver programs. Member institutions aimed to become part of an international learning network of industry-focused education providers, learning collaboratively as educators and supporting each other to develop high standards of curriculum, teaching and professional practice.

The founding partners believed that the internationalisation of their campuses would benefit all students. They supplied scholarship funding so that at least some low-income students could participate. There was a firm belief that even students who did not travel during their education would benefit from learning within a GEN institution. The participation of staff from member institutions in network activities and the benchmarking of curriculum and teaching would ensure that all students learn in an environment transformed by international experiences.

Similarly, it was expected that staff working in GEN member institutions would have unique

opportunities and incentives to develop a global focus in their teaching and to become part of an international professional community. The GEN aims to provide many staff with opportunities to travel to partner institutions to undertake research projects.

Flexible learning is a key ingredient of the GEN program and a unique online course will be made available through all GEN members via our GEN website. Development of this course has begun with SAIT writing and trialling online international studies modules including Introduction to Studying Abroad; Intercultural Communication and a Travel Experience Project.

What have we achieved?

A second five-year strategic plan for the GEN has been developed, implemented and reviewed with goals for:

- student international experiences,
- staff international experiences,
- 'internationalising' curriculum,
- governance,
- promotion and fund development, and
- expanding the network

We have maintained a strong commitment to the GEN over the last seven years meeting to report on and review the previous year's achievements and to establish annual plans and key performance indicators. Each institution has committed an annual budget to the GEN.

The achievements of the last seven years illustrate the positive impact of planning and budgeting on a project such as the Global Education Network. Over 380 students and 80 staff have participated in GEN international experiences have been supported by their home institution.

Student activities include study tours of 2–3 weeks duration or semester abroad experiences of 6 months duration. Box Hill Institute organises visas and liaises with the host institution with respect to enrolment and accommodation, and students are enrolled at Box Hill and the host institution (with no fees at the host institution).

Staff benefits as well

Staff/faculty visits have also had considerable impact. Staff collaboration has involved teaching and non-teaching staff. Teachers have accompanied students and supervised project work undertaken by students on exchange.

Visits by non-teaching staff have been targeted at building institutional knowledge in areas where one of the partners perceived a gap. For example, an internationally renowned expert on fund development from SAIT visited Box Hill Institute and conducted a study into our readiness to expand fund development activity. In return, Box Hill Institute shared its knowledge of attracting and managing inbound international students with SAIT by sending a Box Hill international manager to Calgary to evaluate the work of SAIT's international office. Other visits have focused on comparing information technology infrastructure; library and student management systems.

A number of special interest groups have emerged within the network. For example a team consisting of teachers, web developers and instructional designers have worked the collaborative development of an online learning resource. The resultant systems will be used in to support joint student projects. We have also piloted a Project Management course where each Institution sent a group of students, accompanied by a staff member to work collaboratively on projects involving

Frontline Management and Project Management competencies.

What have we learned?

The GEN partners have learnt that successful international educational networks can nourish learning and innovation within partner institutions. To achieve this is it necessary to be attentive to the relationships as well as formalizing the systems and practices that develop within the network.

We have been diligent about regular GEN steering committee teleconferences with our partner institutions. Communication between GEN partners and potential partners has not been easy. Time differences including daylight savings and varying academic calendars can restrict the number of days in the year and hours in those days during which it is possible to communicate.

We have learned that a degree of face-to-face activity is essential to maintain the network. For individuals involved in ongoing GEN projects, opportunities to visit the partner institutions clearly motivate those people to work more enthusiastically on GEN projects. Our annual GEN Planning Conference is hosted by each GEN member and a group from each partner attends including senior management, faculty leaders and the GEN coordinators. The annual plan for GEN together with new strategic goals and KPIs are confirmed at these meetings.

All Institutes have substantial experience in managing international projects. However, an international academic collaboration is a relationship, not a project. We have learned that the commitment needed to build the GEN collaboration involves a high degree of trust and exclusivity.

International Program

Transnational Education

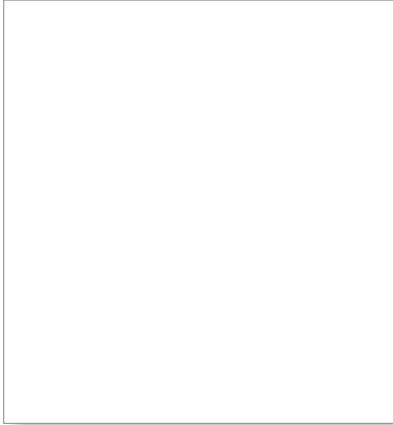
TAFE institutes have embraced international partnerships through both traditional institution to institution transnational programs and in more recent times through innovative offshore industry partnerships.

Transnational VET programs and offshore partnerships have opened up opportunities for TAFE institutes in the Middle East, China and India and throughout the Pacific. Transnational delivery represents an important component of many TAFE institutes international product offerings.

Janelle Chapman

Hugh Guthrie

Southbank Institute of Technology – a case study in offshore delivery



Janelle Chapman, Manager of International Sales, Southbank Institute of Technology, Qld

Janelle Chapman is the Manager, International Sales at Southbank Institute of Technology which lays claim to being Queensland's leading vocational training Institute, with more than 2,200 international students.

Southbank Institute of Technology (SBIT) has been in one form or other since 1863. It is Queensland's largest government owned training provider.

Southbank Institute's annual budget for this financial year is AUD \$118,000,000. We have around 27,000 enrolments each year, both full-time and part-time. Of this number there are 2,200+ international students from over 80 countries.

The Institute employs 800+ staff and delivers 400+ programs. We have international partners in China, India, Hong Kong, Korea, Indonesia and the United Arab Emirates.

Over the past couple of years, Southbank Institute has developed pathways to Queensland's best Universities from most of the Diplomas and Advanced Diplomas that we deliver. These universities include the University of Queensland, Queensland University of Technology, Griffith University, Australian Catholic University and the University of Southern Queensland.

We have also developed a new suite of Vocational Postgraduate Certificates and Postgraduate Degrees with pathways into Masters programs.

In the past few years, Southbank Institute has undergone massive redevelopment. This is the largest Vocational Training redevelopment project in Australia's history. There has been AUD\$550,000,000 invested in the campus redevelopment to ensure a fresh corporate image. Along with this, there has been a new corporate structure and development of Mode 2 learning design.

Development of offshore partnerships through traditional transnational delivery models and through new industry led partnerships, are central to the institutes international business plan.

This paper will look at the main issues for transnational education delivery in VET, as experienced through SBITs involvement over the past five years:

Quality Assurance

We need to ensure that the quality of delivery is the same standard in both the onshore and offshore program. This can often be problematic.

Equivalence

The same benchmarking and standards must be used so that the qualification outcome is recognised the same wherever it is delivered.

Suitable staff for delivery – PD for Offshore teachers

The reality is that often those teachers who volunteer for the offshore delivery are the very ones that should not be sent as they have trouble with onshore programs. You need to encourage and give professional development to those staff who have the ability to think on their feet and are able to deal with the language and cross-cultural issues effectively.

Getting paid

The ability to be paid in Australian dollars without any risk of currency exchange issues is one of the most challenging scenarios for us. This is particularly relevant for our partnerships.

Industry links

Many offshore VET or equivalent systems do not have the high level of industry linkages that we have and that are vital for the quality outcome of the

program. Often there is a great deal of time spent educating the offshore partner about the necessity of this.

Recognition of qualifications

In many countries, we need to have government endorsement of the qualification to ensure that there is recognition of the qualification. We often use a partner or trusted agent in country to manage this process for us.

Due diligence

It is vital to do a thorough check of the institution prior to signing any agreements. At SBIT we always conduct a physical check of the institution, checking for the relevant resource requirements.

Financial viability

We have often found that after all the due diligence checks that the program is not financially viable for SBIT to deliver in this market. There have been situations where we have used a very limited revenue stream as a loss leader to stimulate the development of other partnerships in the market.

Updating resources

It is vital to ensure that procedures are in place to update any resource requirements for offshore delivery at the same time it is completed for onshore. This is generally at the time of changes to a Training Package.

Exit strategy

This should be decided at the very beginning of the discussions/negotiations. You need to have a clear exit strategy to cover your ability to withdraw from the agreement.

Identified institution staff for TNE

Each of the parties to the agreement should identify a staff member who will act as the conduit between the two institutions.

Alliance between SBIT and other RTOs

Southbank Institute of Technology has a strong desire to win larger projects by collaborating with other institutions in Australia to maximise the potential to win the business.

Student support offshore

Students offshore should receive the same level of support as the SBIT students onshore. This includes orientation, student support services, appeals and so on.

Southbank Institute of Technology is an active participant in national strategy and policy development for TNE. Janelle Chapman is a member of the steering committee for the development of online resources for risk management in TNE for VET and higher education. SBIT also received funding from NCVET as part of the TNE Good Practice in VET project in 2007.



Hugh Guthrie, Principal Research Consultant, NCVET

Currently, Hugh Guthrie undertakes a range of consultancy projects for NCVET and is also managing several projects related to offshore delivery, teaching and learning and VET workforce issues.

Offshore activity – some basic statistics

- Australian TNE operates in a wide range of countries, 34 in 2006
- Offshore Public VET 2006
 - 30,958 students offshore
 - Up from 27,842 students in 2005 (11.2% inc.) and from 23,586 students in 2004
 - More than half (61%) out of Victoria
 - About 44% of providers involved in offshore delivery are Victorian based
 - 71% of students in China, after that it is Fiji, Vietnam and South Africa
 - 34 providers working across 32 countries (22 countries in 2005)
 - 19/34 active in only 1 country
 - 349 courses offered (up from 325 in 2005). Most popular are in management and commerce
 - Nearly half studying diploma courses
 - 90.3% of students enrolled in course recognised under the AQF
 - Mainly classroom based
 - Most delivered in English or combination of English and a local language
 - Most are partnership or twinning relationship (where students begin offshore and complete program in Australia)

Our work

- 15 good practice projects
- Dissemination workshops
- Focused workshops, in particular on risk management
- Good practice guide

The 15 Good practice projects

- 15 projects on offshore education delivery in the University sector
- 15 projects on offshore delivery in the VET sector; and
- 6 projects on offshore delivery in the ELT sector.

General quality assurance:

- TAFE NSW – Northern Sydney Institute
- TAFE NSW – North Coast Institute
- Southbank Institute of Technology
- TAFEWA Consortium
- TAFE SA
- PIBT

‘Go – no go’ business decisions:

- Challenger College of TAFE

Audit 2 or training:

- Northern Melbourne Institute of TAFE

Teaching and learning processes:

- Victoria University
- Chisholm Institute of TAFE

Measuring the quality of the student experience:

- RMIT University

Vocational language development:

- TAFE NSW – Western Institute

Teacher development:

- Box Hill Institute of TAFE – teaching skills
- Humanagers and TAFE SA – vocational skills

Training Package implementation:

- Australia City College

Issues:

- degree of equivalence between programs offered on- and offshore
- appropriateness of the National Training Framework applied offshore
- critical nature of selecting offshore partners and managing risks
- appropriateness of offshore teaching staff qualifications, involvement and experience
- importance of relationship development and communication
- level of the English language skills of offshore students
- quality of the teaching and learning experience
- importance of monitoring the programs, including evaluation and auditing processes.

Key messages:

- balancing the tension between meeting client needs and expectations and the requirements of Training Packages.
- selecting an appropriate offshore institution is critical.
- developing a well-documented, flexible and fit-for-purpose quality management system is critical.
- All training and assessment provision for international students requires:
 - flexibility and adaptation in the learning and assessment approaches
 - highly skilled trainers
 - extensive contextualisation of resources to

ensure they are culturally sensitive and at an appropriate level of English language.

- The key to success offshore is careful planning, well-negotiated and comprehensive agreements, effective communication and relationship development, tolerance of difference, flexibility, and respect.

NB

- importance of national branding offshore
- internationalisation of training packages; international acceptance of qualifications
- AQTF vs/complementing local regulatory requirements
- purpose of engagement
- client needs
- equivalence
- brief overview of Indian experiences (one provider active in 2006 there with about 145 students)

The dissemination workshops

- held large, national event in Melbourne
- other presentations were made at a variety of events, including the IDP and ACPET conferences
- state and territory events were held, including ones in Queensland, SA, WA and NSW. Some of these were stand-alone; others were part of other major state events (e.g. in WA & SA)
- Such workshops are not enough on their own, give information and expose people to the projects, but do not enable them to confront the issues involved in working in TNE
- And so we organised:

A series of issues-based workshops on risk management

- We developed and ran a practical professional development workshop on a key TNE issue.
- The issue chosen was Risk Management, and initial pilot scheme was approved to run practical participant-based workshops for TAFE staff in Western Australia and South Australia. This was a step on from the dissemination workshops briefly described above, because it engaged participants in a very practical way with issues – rather than just providing them with information. It also concentrated on one issue, rather than a range of them.
- In its initial conception the program involved a face to face workshop of one day, with some prior reading and work. It also made use of another product, a TNE Good Practice Guide, which AEI had funded. The initial concept for the workshop was quite simple, but people (including us) got enthusiastic and a few bells and whistles got proposed and added, assisted with AEI funding. In particular, the additional funds allowed a web-based package of resources using the Learning Management System (LMS) Moodle to be developed. This web-based product is SCORM (content is transportable from one LMS platform to another) compliant. In the first instance, ESP Production House within TAFE SA organised the web-hosting (including allocation of passwords) for up to 50 users, which has been sufficient to trial the approach. The online resources are located at <http://tne.brightcookie.com.au>.

- The web-based resource also includes a facilitator's guide. The workshop and web-based resources use a scenario/situational based learning methodology. The advantages of this methodology are:
 - The participant is able to take responsibility for their learning process. Participants investigate the information that is relevant to their learning process/organisation from the range of resources available. They can also access resources as and when needed
 - Organisations are able to customise the case study / scenario to meet their organisational needs
 - Organisations are able to add or delete information as it is relevant to the context of delivery.
- In addition to the content provided, there is also provision for discussion boards and forums. This ensures that the product can 'morph' from a training product, to one which can be used to support a community of practice. For example, in the context where TNE practitioners are working across geographical boundaries, they could use the product to keep in touch, provide support in a community of practice as well as mentor new practitioners in TNE.
- Using the additional funds AEI provided also allowed the development of an electronic risk register to complement and add value to the pilot workshops and the on-line resources. A risk list was developed as part of the TNE Good Practice Guide. This list has been reviewed and additional types of risk added in order to cover both academic activities and the management components of Transnational Education projects. The "classic" types of risk which are not

specific to TNE, but are related to all commercial activities that a VET provider may undertake, have also be included – broadening its utility. Such risks include commercial risk, legal risk, key person risk, reputation risk, environmental risk, health and safety risk, disaster recovery and business recovery. This list has been kept within reasonable bounds to avoid it becoming too large and unwieldy. All relevant fields are displayed on the one screen. Against each risk category, fields for comments have been added. These include the name of the "owner" of that particular risk, their comment on how 'under control' that risk is, the risk rating, any needed action plan, and a box to be ticked to indicate that the risk is adequately controlled. Each field allows text to be typed in. Risks have been sorted into "like type" activities to make the register more user-friendly. The Risk Analysis matrix gives advice on how to assess the probability of the risk happening, the criticality should it do so, and how to convert this to a numeric risk rating. The rating system enables the ranking of risks to help ensure that risk mitigation strategies are directed at the most critical risk factors.

- The Electronic Risk Register was circulated to 'critical friends' and AEI for their comments, and the developers have asked for honest and thorough feedback to improve this product. The final product submitted is based on that feedback.

International Program

Student Integration and Support

In the past, “student support” has been seen as supplementary to the core business of teaching and learning. Current international good practice acknowledges the interrelationships between the students’ lived and classroom experiences.

Student support now refers to services that commence with an application and visa advice and conclude when the student is an alumnus who recommends their institution and host destination to others.

Student integration considers the importance of an international students ability to successfully integrate into Australian society. Both elements of integration and support are indicators of student success.

David Bycroft

Dennis Murray

Prof Chris Nyland

A Hotbed of Discontent



David Bycroft and Sylvia Lewohl,
Australian Homestay Network
(AHN)

David Bycroft is best known in International Education for his work in promoting Overseas Student Health Cover (OSHC) compliance from 1999 (the year of deregulation of OSHC) to the current period.

Homestay should be a wonderful, safe, educational experience that provides an ideal opportunity to learn about another culture.

Each year, Australia opens its doors to thousands of new international students, many apply for homestay believing it to be the very best way to experience a new environment.

For many students the homestay experience is their first impression of Australia. An unhappy homestay experience may taint a student's perception of the whole study experience and negative reporting back to their home country has potential to damage the reputation of the education and training industry nationally. And today's unhappy student may be tomorrow's businessman or Trade minister.

At the micro-level, a bad homestay experience can potentially damage an education provider's reputation, not just in terms of the homestay service it provides, but in other education and training services. Conversely, education providers that manage a good homestay program build a favourable reputation while improving the student's experience. Regrettably, this is not always the case. Difficulties experienced by international students because of poorly managed homestays have been a common source of insecurity and distress within the international student community.

In May 2007, major concerns were highlighted at a seminar in Melbourne attended by over 60 professionals in the Homestay and International Student industry.

A summary of the major issues identified that were facing Homestay included:

- Different culture/lifestyle expectations between host and student
- Lack of resources for supervisors of Homestay

- Lack of support staff
- Poor systems / processes
- Need for nationally accredited processes, benchmarks and standards
- Need to maintain local individuality
- Changing demographics of the students
- Supply of trained hosts to deal with these issues
- Need to educate agents
- Varying levels of service provided to homestay students
- Limited choice, lack of supply and quality of hosts
- Need for better information/ resources for parents or guardians overseas

In addition, the following are recent examples of documented complaints in Victoria:

- Hot-bedding (where one or more students share a bed and sleep in shifts) Last month, Consumer Affairs Victoria told one of our members about 27 students living in one room and 'hot-bedding'
- A student forced to sleep in his car and use the shower facilities at the local swimming pool
- Another student was given information and the address of his host family. When he was delivered to that home, he was told by the host, 'You're not staying with me' and was directed to another home. The new host mother already had ten students and he was now her eleventh. The institution only found out about it when the student came to ask if this was 'normal' in Australia

- Converted garages to house a number of students is not uncommon practice with bunk beds set up to accommodate more and more
- One house had its kitchen removed and replaced with more sleeping quarters with students being given a barbecue to cook on, a portaloos was installed in the back yard.

In recent times the Australian Homestay Network (AHN) and the International Education Security Research Unit have initiated a strategic alliance.

The academics have produced three research papers. *Loneliness and International Students* (Sawir et al. 2008) found that two thirds of international students had experienced problems with loneliness and isolation. From data collected it seems that "many students report a profound sense of loss and isolation as well as anxiety, confusion and disappointed expectations".

One student reported that "when I came here just three weeks ago I met a very big problem. At the time I lived with my homestay and her house was broken by someone. I lost my laptop, cash and mobile. At that time I was very distressed. . . I lost my passport and had to go to the Chinese Embassy to get a new one. . . I had to do many things by myself". It is obvious that social inclusion is an all important issue to the success of the international student being able to complete their studies in Australia for without it the student will stumble on the challenges and generally return to their own country.

In a further paper highlighting financial difficulties, Forbes-Mewett of Monash stated that "financial difficulties are experienced by a large minority of international students and that finances are a common source of insecurity and distress within this community" (Forbes-Mewett et al. 2009, in press).

The paper concludes with the following passage: "Within Australia, international student research has tended to replicate the commercialism that has characterised the government and university sectors' approach to international students.

This must be deemed an unhappy situation given statistical data generated in the 1990s and our qualitative study both reveal that a very significant number of international students experience serious financial problems. It is true that the deficiency of data surrounding the finances on international students creates a situation where governments and universities are able to avoid calls for increased spending on international student security but from a humane perspective this is an unacceptable situation.

In a paper titled '*Cultural Diversity, Relocation and the Security of International Students at an Internationalised University*' by Helen Forbes-Mewett and Chris Nyland of Monash it is clearly seen that "culture and relocation affect security" and further, "some of the more serious challenges are due to the inadequacies within the host society".

The most basic form of welfare provision is safe and suitable accommodation, particularly when the student is under the age of eighteen and in need of Homestay or share. Presently, many students using these forms of accommodation are experiencing difficulties.

Information gathered from Homestay hosts indicates that there is a lack of training offered by education providers in spite of the fact the hosts are dealing with the welfare of international students, who are sometimes not yet eighteen years of age. Furthermore, Homestay co-ordinators have the difficult task of being an intermediary between cultures.

Coordinators are expected to understand cultural differences, training needs of hosts and expectations of hosts and international students arriving in Australia. In other words, homestay hosts are expected to provide services for which many of them are not adequately trained. Given the homestay providers are responsible for the welfare of international students, they need to ensure the homestay hosts are trained and equipped to handle any difficulties which may arise.

The **Australian Homestay Network (AHN)** has been established to address and resolve issues associated with Homestay. **AHN** has produced an online, fully compliant management system, which is extremely easy to use and gives both the student and host access to orientation material, interesting articles and chat lines.

Each student and host is fully insured and has access to telephone assistance twenty four hours a day seven days a week. Furthermore, each member is able to customise the response from the 24/7 service to reflect their own specific region.



Dennis Murray, IEAA Executive Director

Dennis Murray is a Director of Murray-Gould International Pty Ltd, a consulting company specialising in international education research, strategy and project management.

Of the various dark clouds on the horizon of international education in Australia, the issue of social inclusion on and off campus of the nearly 370,000 international students in Australia, 120,000 in VET, is likely to be of particular priority in the coming years.

Increasing adverse media coverage of the “on the street” experiences of international students is worrying in itself. Governments are clearly increasingly worried about the impact such media reporting might have on Australia’s third largest export industry (Victoria’s largest export industry).

Governments are likely to pay particular attention to the issues of social inclusion or – as we could probably better describe it – social engagement of international students. Education institutions including TAFE institutions, with their large and increasing numbers of international students, are likely to have to be more proactive about the complex web of issues involved than they are already.

What do we know about the lived experiences of international students?

The evidence from recent large scale student experience surveys conducted by organisations (such as Australian Education International, IDP Education Australia and I-Graduate) is that more than 80% of international students have a positive experience in Australia, both within their institution and in interactions with the Australian community.

However, a clear message coming through from these studies is an expressed desire by international students for greater engagement with Australian students. The desire for friendships is strong. There are many examples of deep and abiding good

relations between Australian and international students. We should take heart in these and build on them.

On the other hand, while the majority of international students report positive experiences, a significant minority indicate they experience some difficulties, at institutional or at the broader community level. These difficulties range from:

- dissatisfaction with their course,
- aspects of institutional resources and facilities,
- the perceived quality of teaching,
- with a range of broader study-life issues including accommodation, finances, the availability of part time work, and
- welfare and security matters, including in some cases, perceived discrimination and racism.

To date, the studies focus on perceptions. Perceptions are important, and easily misconstrued by media in Australia and overseas, so it is important to understand better what these perceptions are. At the same time, and to achieve balance, evidence about the actual incidence and scale of problems affecting international students as compared with other groups (of the same age, ethnicity, etc.) is not readily available. Perceptions and comparative evidence are the two thrusts of IEAA's proposed research activity on social engagement¹.

Moreover, the exact nature and specificity of perceived "problems" is not clear. There is increasing evidence (from Victorian police data for instance) that problems with personal safety and security in Melbourne affect some locations (e.g. inner city transport hubs), some international student groups, some genders and some age ranges in particular. Problem instances may be related to some degree

to behaviours which are not unique to international students alone.

Whether, in fact, there is a particular Melbourne "syndrome" needs to be better understood. Anecdotally, the Association has been told that problems faced by some international students and by some particular student groups are different in different locations around Australia. We lack the evidence.

There is a further level of complexity. We have no hard evidence about whether problems relate more to particular education sectors, to private as opposed to public providers, or to the regional as well as to the metropolitan centres.

The Association also believes there is likely to be a degree of underreporting by international students of problems they may face "on the streets". But we don't know.

Our ignorance means we are hamstrung in identifying solutions and who should be responsible for them. We are in real danger of failing to do the right thing by failing to take account of what we don't know. A targeted, priority action research program is critical if we are to inform policy and practice at all levels and to allocate responsibilities appropriately among the stakeholder groups.

An action program

The need is for a targeted and effective action program involving all stakeholders, but especially the education institutions. The issues involved are complex, interrelated and not amenable to simplistic solutions.

Neither will effective solutions be necessarily short term. A longer term program of research and policy action, some of it ongoing, will be needed,

with responsibility lying with the major Victorian stakeholders. An action program should involve:

- Clarification and prioritisation of the issues
- A priority action research program to inform decision making
- Identification and dissemination of good practices
- An associated program of industry professional development targeted at the matters and if necessary the sites of greatest concern
- Support to foster the self-managed development of international students
- An active public relations strategy to ensure balanced treatment of the issues in the Victorian media and to disseminate evidence about the incidence and scale of any perceived problems affecting international students in Victoria.

Stakeholder involvement: who should be concerned?

A wide range of stakeholders should be involved:

All education institutions and education sectors

Institutions have a primary responsibility which should extend beyond the campus in clearly understood circumstances.

All institutions should actively provide a context and tangible support for their international students, encourage viable and representative international student groups and provide bridges to the wider community. Many do so already. Much could be learnt from an audit of current practices and the

identification and dissemination of good practice.

At the very least, institution staff should be skilled and trained to effectively advise international students about the wide range of matters affecting their off-campus well-being, especially their safety and security. Obviously, this is potentially sensitive. Students should not be made unnecessarily apprehensive. It is crucial any advice fairly weighs up Victorian realities based on hard and comparative evidence. This where the Association's research program will be useful.

Representative international student groups

International students themselves have a crucial role to play. Strong and effective international student groups able to sensibly advise and materially support their student members would considerably improve the likelihood of international students, particularly those who have recently arrived in Victoria, having positive on and off campus experiences.

The demise of Voluntary Student Unionism (VSU) within the universities, a policy push of the previous Commonwealth government, has been disastrous for the provision of services to all students on campus but has particularly hit hard the international student groups.

Australian and international students have worked successfully for many years to foster close contacts between all students, but these efforts were seriously damaged by the demise of VSU. We need to engage with and support international student peak groups with the new context they face and to ensure their ongoing viability.

Relevant local communities, including local government and relevant ethnic communities

A further link should be made involving the local community groups, including those representing the countries from which many international students come. This is a largely untapped resource. Some education institutions and some student/community groups, in and beyond Melbourne, are already effectively engaged and their example and experience could be built on and extended more widely.

Local civil authorities

Local civil authorities already have responsibilities and involvements. There should be a concerted engagement with them, again based on valid and reliable evidence of the needs and the issues. These authorities are often the front line beyond the education institution in the community interface with international students.

The social and cultural stance and needs of international students are sometimes not well understood by these authorities. Education institutions, professional groups and peak bodies such as IEAA, and governments should work jointly to develop a strategy to communicate with relevant civil authorities (including relevant local governments in metropolitan Melbourne and in selected country regions) and to link them into the broader programs which need to be started.

Industry peak bodies and professional groups

IEAA and other education peak bodies having members and responsibilities in Victoria should also be actively engaged in a program to foster social engagement by international students.

IEAA has a variety of roles to play, including co-ordinating/conducting relevant action research, designing and delivering professional development and participating in public policy discussion and public relations campaigns and to disseminate good practice examples and relevant research evidence. The other peak bodies, e.g. TAFE Directors Australia, ACPET, Universities Australia, English Australia, also have a role.

Local business

Many Australian businesses benefit from the presence of international students in the Australian community. They also have a direct interest and a role to play in fostering effective social engagement by international students. Again, a strategy needs to be devised to communicate with relevant business groups and to link them into the broader research, public policy and program initiatives which need to be started.

Commonwealth, State and local governments

Finally, the roles of the Australian, State and relevant local governments is crucial, to initiate and support the required actions. Governments, including city councils, have a crucial interest and a clear responsibility to consult the relevant Victorian stakeholders, to take account of their experience necessary program initiatives emerging from the action research.

The Australian and State Governments also have a responsibility to encourage education institutions to be active in their support of social engagement by international students within the framework of a comprehensive State strategy. Regulation of some providers may be necessary in selected cases, where this is statutorily appropriate.

I believe we have a long term task ahead of us. IEAA aims to work closely with the VET sector as well as with other stakeholders over the coming year to properly understand the complex of issues affecting successful social engagement on and off campus by international students and to act effectively in responding to them.

¹ *The IEAA Research Committee, in conjunction with lead academic researchers has developed a comprehensive, coherent program of research and practical policy advice designed to improve the well-being of international students and their active engagement in the Australian community. This includes a wide range of sub-projects involving international students:*

- finances including incomes, expenditures and loans;
- the nature of paid work they undertake, remuneration, exploitation and abuse at work;
- housing availability, safety and security and landlord-tenant relations;
- health problems, health care and insurance arrangements;
- discrimination and racism, targetted abuse and violence, and community handling of those problems;
- student relations with communities in Australia that share common cultural origins;
- relations with police, other civil authorities and community organisations outside campus;
- intercultural relations with and integration into the community, including strategies (successful and unsuccessful) used in particular localities; good practice in social inclusion on campus.

This research is planned and funding support is being sought by IEAA from a wide range of education institutions, peak bodies, philanthropic groups, Australian business and research funding bodies to initiate priority projects.

International student security: Human Lives in the Global Education Market



**Prof Chris Nyland, Monash
University**

Chris Nyland is a Professor of International Business at Monash University. His teaching and research interests centre on the social implications of global business regulation and international trade policy.

The international education market has broadened its Australian focus from a singular focus on higher education to include the VET sector.

This repositioning is accompanied by continuing expansion. However, it appears that marketers, educationalists and governments have become overconfident of the market to an extent where attention is not being paid to issues that are being addressed in major competitor countries.

Student security continues to emerge as an important issue for students and parents when deciding on an international education destination. The fact that Australian Education International (AEI) reports 25% of international students indicate they do not feel safe is a matter of concern both for what this means to these students and because negative reporting back to the student's home country is likely to induce prospective students to study elsewhere.

The safety and security of international students has not been addressed by Australian governments at the federal level and only in Queensland has the topic been deemed a subject worthy of significant attention. Furthermore, very little has been done by the international education industry to discuss or research the areas of housing, employment, income and physical safety of international students in Australia.

The *International Education Security Research Unit*, made up of researchers from Monash and Melbourne universities, is in the final stages of an ARC-funded project investigating the safety and security of international students in Australia. The findings reveal the realities of international student experience.

The publication of journal articles and a forthcoming book using the data generated by interviewing 200

students from nine Australian universities will paint a rich but at times problematic picture of the safety and security of international students.

The research has found that while most international students who come to study in Australia successfully navigate their way through their Australian education and community, by building social and academic networks in order to remain safe and secure, these students face a wide range of challenges throughout this experience.

While most international students graduate and either return to their home country or gain permanent residency in Australia, a significant minority experience difficulties. The extent and nature of the difficulties varies according to cultural, social and economic circumstances of the student, and often the type of education provided in Australia. Student issues relate to housing, employment, academic progress, mental and physical health and very often language level issues that permeate these issues as well as hinder students from achieving academic success. With vastly increasing numbers being attracted to the VET sector, the issues may vary and intensify further. Identifying these issues by the VET sector, governments and indeed the students is a matter of relative urgency for the following reasons:

- international students are recruited to Australia on the understanding that we can provide them with a safe environment and they have a right to expect we will deliver on this promise;
- safety is the issue of most concern to international students when they decide where to study, whereas quality of education is the most important attractor;
- the international education industry provides \$13.7 billion to the Australian economy

and significant benefits to the Australian population. In 2004, the Victorian government estimated 'that direct spending alone from the sector created an additional 15,000 jobs in Victoria' (Global Pathways Report, Victorian Government 2004). Other sources have suggested that up to 50,000 jobs have been created in the higher education sector across Australia because of the international student presence – an outcome that may now shift to the VET sector;

- Despite the importance of this industry, Australia has not developed a reputational management strategy that goes beyond hoping that no one will raise the issue of international student safety lest this deter students from coming to Australia;
- the British Government has thrown off the fear of debating safety and is now very actively marketing itself as a safe environment for international students. The underlying message being *come to the UK because we can offer an environment that is safer than is available in the USA and a quality of education that is higher than can be obtained in Australia. If this marketing effort is successful and the British pound continues to devalue it is likely to have a very negative impact on our capacity to recruit high quality international students;*
- the print and television media over the past 12 months have become increasingly critical of the large gaps in the safety and security of the international students and the failure of Australian governments to openly debate and explore the safety of international students;
- the Chinese and Indian Governments have both made it clear in 2008 that they are dissatisfied

with the level of safety that is provided to their student citizens who study in Australia. A similar development occurred in New Zealand in 2003 and was not given due attention by the government in Wellington. As a consequence the Chinese Ministry of Education created a website and advised prospective international students that it was not safe to study in New Zealand. As a consequence the number of Chinese students studying in New Zealand collapsed.

Education providers and increasing those in the VET sector and Australian governments need to pay attention to the safety and security of the 400+ thousand international students currently studying in Australia. Initiatives such as the Victorian state government task force set up to address international student issues are welcome; however, it is critical that these initiatives produce tangible outcomes and not marketing tools as occurred so disastrously in New Zealand. If the latter occurs it may well have devastating impact on both the reputation of Australian education providers and Australia as a host nation.

Future initiatives to be undertaken by the *International Education Security Research Unit* involve both broad quantitative and indepth qualitative studies, which will be informed by specialists with expert knowledge. The Unit has recently been supported by the Australian Research Council which has provided one of its member by funding a four year grant to examine the international student experience in the VET sector.

Participants for this study and other investigations to be undertaken will be drawn from across the sector, local and state government representatives including embassy officials, and non-government

organisations that provide support services and protection for international students. The project aims to provide greater understanding of how best to provide for international student security and capacity to successfully adapt to the Australian education and social environment and thus consolidate the positive aspects of studying in Australia for both students and education and service providers.

International Program

Focus on Aid and Development

In 2008–2009 Australia will provide development assistance worth \$3.7 billion to developing countries, focussed on the Asia Pacific region.

A major part of this aid is allocated towards education, including vocational education and training. The market environment is very competitive, and for TAFE organisations taking part it requires comprehensive planning and long term commitment. Risk assessment is essential and should examine, among other factors, financial, contractual, currency, staffing and statutory requirements both in Australia and off-shore.

The aid development market can provide a revenue stream, professional development for staff, build a TAFE institution profile and act as a pathway for developing partnerships and strategic alliances with off-shore providers and government organisations.

Finding suitable staff to undertake off-shore consulting work in the VET sector via Australian Management Contractors can be difficult and correspondingly, finding

replacement staff can also create problems for TAFE organisations.

While individual plans in this sector lie with institutions, TDA can consider leading a national approach to aid development and management. By calling on the resources of the Australian TAFE sector, TDA could act as a more effective co-ordinating body for Australian Management Contractors to work with.

Ross Hepworth

Peter Leahy

Angus Barnes

Antoine Barnaart

Focus on Aid and Development: Tips and Tricks for Participants

Australian TAFE institutes are active contributors in delivering training and consultancy services for aid and development projects in Asia Pacific and beyond.

With perspectives from a provider (Sunshine Coast Institute of TAFE) an international program (Australia Pacific Technical Colleges) and two leading Australian Managing Contractors (SKM and GHD) participants focused on the issues and opportunities associated with including aid and development in their international mix.

The dot points below are a summary of the tips and tricks suggested by this experienced panel.

Ross Hepworth Institute Director, Sunshine Coast Institute of TAFE

- In the develop aid market is hard to find people with experience. It's a long term investment.
- PNG, Somoa and Fiji – \$80 million AusAID project.
- You have to do Market Analysis not only on the country but also AusAID to understand their direction, especially if it is not your main business. You may not be up to date on everything; you can easily make a mistake if you don't do this.
- Build up your reputation even if only in niche areas to build credibility so people understand you are capable.
- Do the early ones really well, and be prepared to take some hits.
- Promote in house as well so staff are confident. Seize opportunities to build credibility.
- Once you build credibility you can than establish partnerships, using particular tenders and contracts already executed as a means to open those doors
- It's really hard work; workload is very diverse from negotiating million dollar contracts and to negotiating with students.

- Can be difficult when you are not a statutory authority and the State government is required to sign an \$80 million contract. Involves a lot of reporting and risk analysis.
- There's a dramatic effect on your institute when you win one. Have to find staff to run it. It took about 80% of our great minds, so the Institute suffered dramatically as a result of that.
- SURPRISE – always be prepared for anything to come up: we've had to deal with issues such as malaria, riots over pay, local Doctors giving people drugs for 6 months they should only have for 6 days.
- Be careful that you don't lose your margin; you have to be ready for a lot of things to pop up that you don't know about.
- Costed properly it can be very financially rewarding.
- It is an adventure every day and we wouldn't miss it for the world!

Peter Leahy, International Development Consultant GHD

Aid and Development: Peter Leahy is the Program Development Manager for GHD Hassall in Canberra. GHD Hassall is the international development division of GHD Pty Ltd, a major Australian professional services firm with operations in 15 countries throughout Asia, the Pacific, the Middle East, the UK and North and South America.

Highlights from the presentation and how TAFE can enter the market are below:

- Started at AusAID full of challenges, risk, opportunities and rewards.
- Structure of AID and suggested how institutes can get involved in the aid market.

- Why should TAFE get involved – financial, gain market share (profile) and professional development for your staff? It is often personally and financially rewarding.
- Series of changes last 5 years. Used to be 4 or 5 specialized providers most of pulled out. .
- Get staff involved.
- Great way to get started in the market is subcontract your staff.
- Given that aid and development is not TAFE's core business, suggest a public private partnership model with AMCs like GHD/SKM.

Angus Barnes, Client Manager, International Development Assistance Sinclair Knight Merz

Aid and Development: Angus Barnes heads up the AusAID work with Sinclair Knight Merz (SKM). Angus advised on best practise to being involved with AusAID:

- Development effectiveness, AusAID will want to know why you will need to keep them.
- Sustainability: Environment and project. How are you translating the knowledge to the counterparts in the program?
- Is it appropriate to the market they are in? Will the Australian qualifications translate?
- You need to show where there is Government support, where you are making a difference in the community.
- Usually we're talking about 15 year contracts but often now 5 years, although they are generally in increments of three.
- Want you to be involved in the future of their sector and coordinate an approach.

It's the role of TDA to work on that, says Angus.

Antoine Baarnart, CEO, Australia Pacific Technical College

Aid and Development: Antoine is the General Manager of the Australian Pacific Technical College (APTC), a position he has held since April of this year. Highlights of Antoine's presentation which focused on a subcontractor's point of view are below:

- As a TAFE body you will have to hire subcontractors and give out your staff for subcontracting.
- APTC manage their own contracts, each of those are different.
- If you are going to supply a person from a TAFE college then make sure they know they will have to be very different to how they are in their own college.
- You are only as good as your last 4 weeks, it's a tough, rewarding environment.
- Important questions to ask: Accommodation, car – can you use it all the time? Etc, leave allowance, mobilisation and demobilisation, medical and emergency and evacuation coverage.
- If you are not set up as a TAFE it will be hard and it will be hard to get people.
- People can be gone for up to 5 years so it can be hard to recruit.
- Careful staff understand what they are doing, be flexible, and work with team, things that may have seemed important in the TAFE college aren't important offshore.
- Include incentive.
- There is a shortage of TVET specialists around.

- Take barriers one by one.
- If you don't have the expertise, buy in the expertise, don't make assumptions you can do it yourself.

Members of the panel and participants agreed the need to explore further ways to contribute to advancing the thinking around the TAFE's role in aid and development – and in raising the level of engagement and partnership between TDA and AusAID as a first step.



Catherine Laffey; Kelvin Thompson MP



Jim Barron, Marie Persson, Colin Adrian, Senator Kate Lundy



xxx, Martin Riordan

National Secretariat

Street Address:

Canberra Institute of Technology

Southside Woden Campus

Block E, Ainsworth Street

PHILLIP ACT 2606 Australia

Postal address:

TAFE Directors Australia

Southside Campus Woden

GPO Box 826

CANBERRA ACT 2601 Australia

Phone: +61 2 6205 4600

Facsimile: +61 2 6205 1288

Email: secretariat@tda.edu.au

Website: www.tda.edu.au



The solutions to the
challenges facing
your business are
out there.

You just need
to know where
to look.

Sometimes it's hard to know where to start. At PricewaterhouseCoopers we have a team of experienced Advisory professionals who provide industry focused services to leading companies — both locally and internationally.

We focus on your key business issues, providing you with innovative strategic solutions, positioning your business at the top of the league.

To find out more about our services, visit www.pwc.com/au or talk to:

Ian Hall

Advisory Partner

+61 7 3257 8708

ian.hall@au.pwc.com

PRICEWATERHOUSECOOPERS 