



TAFEDirectors

AUSTRALIA

A BLUEPRINT FOR AUSTRALIA'S
TERTIARY EDUCATION SECTOR

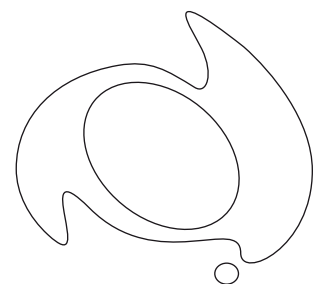
Disclaimer

TAFE Directors Australia (TDA) and Universities Australia (UA) worked collaboratively on a project to determine ways in which the connections between the vocational education and training (VET) sector and the higher education (HE) sector can be strengthened, with a view to the development of a cohesive and dynamic tertiary education sector.

On 17 March 2010, TDA and UA co-signed a letter to the then Deputy Prime Minister, the Hon. Julia Gillard MP, outlining their proposals on six key areas.

This paper further explores, from a TDA perspective, the six key areas and presents a blueprint for how the tertiary education sector might be developed in practice.

The views and proposals expressed in this document, 'A blueprint for Australia's tertiary education sector' are those of TAFE Directors Australia (TDA) and are not necessarily the views of Universities Australia (UA).



Summary

TAFE Directors Australia (TDA), established in 1998, represents 59 TAFE institutes offering programs in more than 1,300 locations across all states and territories. Members of TDA are the TAFE institutes/providers, represented by the TAFE chief executives. TDA has a national secretariat in Sydney and is focused primarily on policy development and advocacy for TAFE institutes/providers.

This paper, from a TDA perspective, presents a blueprint for how the tertiary education sector might be developed in practice.

TDA argues that the blueprint provides a broad focus that encompasses the qualifications and organisational structures to meet our domestic needs and those of the global landscape. TDA considers this is a timely and necessary step in the advancement of Australia's education system.

TDA position 1

- 1.1 TDA endorses the ten defining characteristics of TAFE institutes, that is, that they:
- > are large, diverse, publicly owned (by state and territory governments) institutions with prescribed accountability and governance arrangements which ensure quality assurance as laid down by the Australian Government's Provider Registration Requirements
 - > offer a broad student experience with individualised vocational and further learning options for a diverse range of students, both local and international
 - > invest in social inclusion/community service obligations
 - > deliver in a range of industry sectors and/or predominantly at tertiary level
 - > emphasise industry relevance, currency and regional workforce development especially insofar as TAFE training and curricula are directly guided by industry requirements
 - > are commercially orientated with dividends re-invested in education or for the public good
 - > have an increasing role in higher AQF levels, development and delivery
 - > operate primarily as state or territory based institutions

- > often have significant international operations
 - > represent low risk to government for market failure because of the longstanding processes in place to ensure the delivery of quality programs to a balanced mix of local and international students, proven market success, and robust administrative procedures.
- 1.2 TDA advocates strongly at every opportunity and level that TAFE institutes are ideally placed to deliver the key policy drivers – quality, participation, student attainment, access and pathways – which will lead to improved national productivity.

TDA position 2

2.1 TDA agrees that the definition of 'tertiary education qualifications' be:

'Tertiary education qualifications' are those at diploma level and above, including where these qualifications may embed pathways from the qualification level below' (TDA/UA Joint Statement 2010).

2.2 TDA agrees that the definition of 'tertiary education institutions' be:

'Tertiary education institutions' are those which have a broad educational mission and the capacity and capability to deliver a range of tertiary education qualifications' (TDA/UA Joint Statement 2010).

TDA position 3

3.1 TDA endorses the definition of 'a broad educational mission' as one that:

- > offers a broad student experience with individualised vocational and further learning options and pathways for a diverse range of students
- > demonstrates that excellence in teaching and learning is underpinned by scholarship
- > works to build the capability of individuals, industry and the region through strong links with industry which guide the currency of programs to meet the widest possible audience and workforce needs
- > demonstrates that significant investment occurs in social inclusion/community service contributions.

3.2 TDA endorses the view that institutions with a 'range of tertiary education qualifications' are those that deliver in five or more industry sectors/fields of study and/or predominantly at the tertiary education level.



TDA position 4

- 4.1 TDA endorses the creation of a set of more unified tertiary education protocols as identified in the TDA/UA Joint Statement 2010, that would provide:
- > due recognition for different types of organisations, permitting effective regulatory and funding arrangements
 - > better information for potential students about the institutions offering tertiary qualifications
 - > a single approval process for institutions operating in both VET and HE and appropriate follow up scrutiny (TDA/UA Joint Statement 2010).
- 4.2 TDA endorses the eight criteria identified in the TDA/UA Joint Statement 2010 which might be considered in but are not limited to devising a range of organisational types to cover tertiary education institutions:
- > financial, governance and management capacity
 - > commitment to educational outcomes for students from all backgrounds and regions
 - > commitment to scholarship and free inquiry
 - > breadth of education and training to be provided – industries and fields of education
 - > range of qualifications offered
 - > capacity to self-accredit to standards required
 - > extent of research of national and international standard, including applied research that informs product and process development in cooperation with industry
 - > whether provision of tertiary education is the core activity of the organisation (TDA/UA Joint Statement 2010).
- 4.3 TDA endorses the adoption of the eight criteria for the Protocols which will require a review of the nomenclature for tertiary institutions operating in the emerging tertiary education sector.
- 4.4 TDA endorses the setting up of a review of the nomenclature for tertiary institutions and that this review take into account international models.



TDA position 5

TDA endorses the proposed single tertiary regulator framework identified in the TDA/UA Joint Statement 2010 that:

- > The dominant consideration in moving towards a single tertiary regulator should be to improve the opportunity for students to move in both directions between VET and HE study according to their capacities and aspirations at different stages of life.

TDA position 6

TDA endorses the proposition that the National VET Regulator:

- > be appropriately resourced
- > have a Board comprised of technical experts rather than be representational
- > be supported by all States and Territories with continued attempts to resolve any differences that prevent this from occurring
- > move away from a 'one size fits all' regulatory approach by implementing more timely and appropriate risk orientated processes and procedures
- > have the authority to implement intervention and preventative procedures, particularly in relation to the international market.

TDA position 7

TDA endorses the objectives for funding tertiary education identified in the TDA/UA Joint Statement 2010, that such objectives would:

- > provide funding at rates that represent a reasonable estimate of the required cost of provision
- > ensure similar amounts are provided for similar education and training outcomes
- > ensure funding supports students to choose the best course of study for their particular circumstances and aspirations, including more equitable access for VET students
- > use performance funding elements in an effective and consistent way (TDA/UA Joint Statement 2010).



TDA position 8

TDA endorses the call for:

- 8.1 in the first instance, TAFE institutes to receive funding for Commonwealth Supported Places in priority areas of national skills shortage
- 8.2 TAFE institutes offering degrees to have access to funding for Commonwealth Supported Places
- 8.3 a new approach to TAFE capital funding, moving away from an annual submission-based approach to set triennial capital funding.

TDA position 9

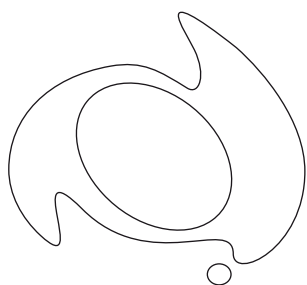
TDA endorses a unified approach to information collection which is seen as essential for measuring, rewarding and potentially comparing performance in the tertiary education sector.



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Contents

CONTEXT	10
THE POLICY DRIVERS	
Quality, participation, student attainment, access and pathways	13
RESPONDING TO THE POLICY DRIVERS	
The defining characteristics of TAFE	16
THE DEFINITIONS OF TERTIARY EDUCATION QUALIFICATIONS AND INSTITUTIONS	
Proposed for consideration	18
THE DEFINITION OF A 'BROAD EDUCATIONAL MISSION'	
Proposed for consideration	19
NEW NATIONAL TERTIARY EDUCATION PROTOCOLS	
Unified, rigorous and aspirational	20
THE TERTIARY POLICY AND REGULATORY FRAMEWORK	
Student-centred, integrated and authoritative	22
TERTIARY EDUCATION FUNDING	
Alignment of TAFE and HE	24
TDA position on tertiary education funding	25
TERTIARY EDUCATION INFORMATION COLLECTION AND DATA	
Robust evidence for decision-making	26
ADVANTAGES OF THE TDA TERTIARY EDUCATION POLICY BLUEPRINT	
Students, government and industry	28
Figure 1: An approach to national tertiary protocols for consideration	29
References	30



CONTEXT

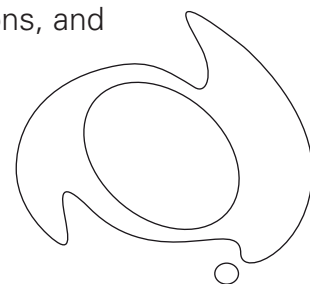
TAFE Directors Australia (TDA), established in 1998, represents 59 TAFE institutes offering programs in more than 1,300 locations across all states and territories. Members of TDA are the TAFE institutes/providers, represented by the TAFE chief executives. TDA has a national secretariat in Sydney and is focused primarily on policy development and advocacy for TAFE institutes/providers.

In 2009, 'the total number of students undertaking publicly funded training remained steady at 1.7 million, with an increase of 7.3% in hours of delivery...Of [those] 1.7 million students, just over 1.3 million studied at a TAFE or other government provider, 151 900 studied at a community education provider and 230 200 studied with a private training provider' (National Centre for Vocational Education Research [NCVER] 2010).

TAFE institutes nationally are the major deliverers of accredited training and education across the spectrum of the Australian Qualifications Framework including senior secondary school certificates, vocational certificates, diplomas, advanced diplomas, associate degrees, bachelor degrees and post graduate qualifications. These qualifications are delivered in a range of contexts – institutional, workplace and online. They are delivered in partnership with a variety of national and international organisations, including schools, colleges, universities, enterprises and community organisations (TDA 2009b, 'Response to *Skills Australia's Foundations for the future*', p. 1).

The operating revenues for the public VET system in 2008 were \$6,121.8 million, an increase of 6.3% over 2007 (NCVER 2009a, *Australian VET statistics: financial information 2008*, p. 1).

TAFE institutes vary from community colleges primarily serving their local communities to large institutes with numerous campuses engaged in domestic and international markets and offering degrees. Some TAFE institutes have indicated an interest in reorienting their business model to that of a university college (TDA 2009a, 'Response to the Review of Higher Education', p. 8). The *Bradley Review of Australian Higher Education Final Report 2008* (Bradley et al. 2008), however, did not sufficiently acknowledge the wide diversity in the size, qualification profile and orientation of TAFE institutes across States, Territories and regions, and metropolitan/regional.



TDA affirms the notion of a 'tertiary' sector which builds on the signature strengths of the higher education sector and the vocational education and training sector. The tertiary sector, TDA argues, could be made up of VET and higher education providers with funding and other levers to encourage collaboration. The key issue is that the terms of collaboration should be jointly designed to fit local circumstances (TDA 2009a, 'Response to the Review of Higher Education').

The majority of TAFE institutes deliver tertiary education qualifications at diploma level and a small number offer degrees. In most cases, these qualifications are offered in their own right and, at times, degrees are offered through a variety of collaborative models.

TDA acknowledges that the five dual-sector universities that currently exist offer a model that has the potential to '...develop new and richer forms of tertiary education through the provision of collaborative programs; to engage significant numbers of students in both sectors; and, to provide strong support for industry in teaching, learning, research and innovation. Such distinctiveness assumes, however, that dual-sector universities operate efficiently, effectively and cohesively across this educational spectrum' (University of Ballarat and Swinburne University of Technology 2010, p. 2).

TDA/UA joint statement

In 2009 and early 2010, TDA and Universities Australia (UA) worked collaboratively on a project to determine ways in which the connections between the vocational education and training (VET) sector and the higher education (HE) sector can be strengthened, with a view to the development of a cohesive and dynamic tertiary education sector.

On 17 March 2010, TDA and UA co-signed a letter to the then Deputy Prime Minister, the Hon. Julia Gillard MP, outlining their proposals on six key areas:

- > a definition of 'tertiary education qualifications'
- > a descriptor for 'tertiary education institutions'
- > the need for new national tertiary education protocols
- > the importance of a student-centred policy and regulatory framework
- > objectives for funding tertiary education
- > the case for unified information collection in VET and HE, commencing with a common data dictionary for tertiary education.

This paper further explores, from a TDA perspective, these six key areas and presents a blueprint for how the tertiary education sector might be developed in practice.

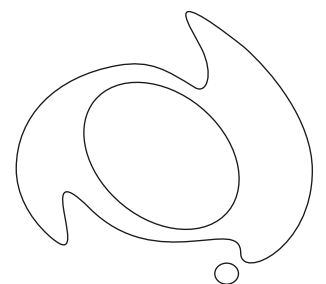
The TDA Blueprint

TDA argues that the proposals in this paper provide a blueprint for the way forward for the Australian tertiary education sector – one with a broad focus that encompasses the qualifications and organisational structures to meet our domestic needs and those of the global landscape. TDA considers this is a timely and necessary step in the advancement of Australia’s education system.

The proposals are aligned with and are intended to assist in realising government policy and goals for quality, participation, pathways and productivity. Importantly, these proposals would provide a better deal for students in a system characterised by its quality, diversity, opportunities and accessibility.

For industry, and for the community as a whole, the proposals would provide a well-educated and highly skilled workforce and so strengthen Australia’s position in the international economy. They are also consistent with the six key characteristics identified in the *Bradley Review of Australian Higher Education Final Report 2008* (Bradley et al. 2008) for an effective tertiary education system.

This paper is prompted by the commitment and preparedness of Australia’s TAFE institutes to take a greater part in ensuring Australia’s education system is world-class. TDA would welcome the opportunity to elaborate on the proposals as the tertiary education sector unfolds.



THE POLICY DRIVERS

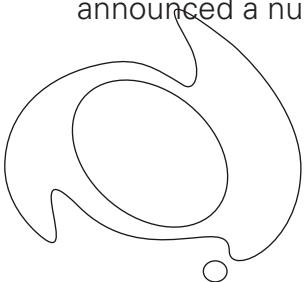
QUALITY, PARTICIPATION, STUDENT ATTAINMENT, ACCESS AND PATHWAYS

The impetus for TDA and UA to collaborate commenced with the release of the Final Report of the Review of Australian Higher Education in 2008 (the Bradley Review) which, while focusing primarily on higher education, drew attention to the importance of a unified tertiary education and training system and identified six key characteristics which would ensure its effectiveness. These characteristics are:

- > the equal value given to both VET and higher education, reflecting the importance of their different roles in the development of skills and knowledge and their contributions to our economy and society
- > the recognition that institutions may have a primary mission in one sector, but should still be able to offer qualifications in the other sector as under current arrangements
- > a shared and coordinated information base and approach to anticipating future labour market needs, industry needs and demographic trends
- > a capacity for the whole system to provide integrated responses to workforce needs for industries and enterprises, including those in specific localities and communities like outer metropolitan and regional areas where there is significant population growth, low levels of educational attainment and participation and uneven provision
- > an efficient regulatory and accountability framework
- > clearer and stronger pathways between the sectors in both directions (Bradley Review, Final Report 2008, p. 179).

The Bradley Review also supported the implementation of these characteristics by recommending uncapped places for HE institutions, irrespective of institutional type.

In its response to the Bradley Review, *Transforming Australia's Higher Education System* (DEEWR 2009) and subsequently, the Australian Government has announced a number of initiatives that advance the formation of a tertiary education



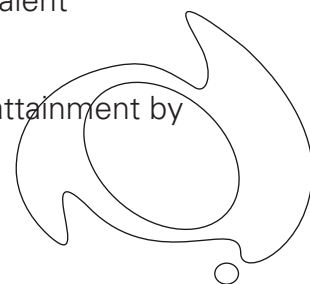
sector, which has rapidly gained momentum even before it has been fully debated or defined. This would seem to indicate the timeliness and indeed, the urgency of the concept. These initiatives include but are not limited to:

- > the formation of a single Ministerial Council for Tertiary Education and Employment (MCTEE), replacing the former Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) and the Ministerial Council for Vocational and Technical Education (MCVTE)
- > the review of the Australian Qualifications Framework (AQF), with particular attention to improving articulation and connectivity between the sectors
- > the inclusion of VET in the Education Infrastructure Fund, previously only available to HE
- > expansion of the ambit of Skills Australia to include provision of advice on workforce development and industry needs to cover both the university and VET systems
- > the review of Regional Loading in Higher Education
- > the establishment of the Tertiary Education Qualifications and Standards Agency (TEQSA), the National VET Regulator and the National Quality Council (NQC)
- > support from projects that facilitate stronger connections between the HE and VET sectors through the Structural Adjustment Fund
- > the Baird Review of the Education Services for Overseas Students (ESOS) Act 2000.

A common theme underlying each of these initiatives is the drive for quality in tertiary education, by whatever definition, and this drive is strongly endorsed by TDA.

In addition, the Council of Australian Governments (COAG) endorsed the following targets:

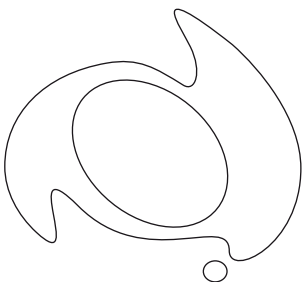
- > halve the proportion of Australians aged 20 to 64 years without a Certificate III qualification
- > double the number of higher qualifications completions (Diplomas and Advanced Diplomas)
- > raise the proportion of young people achieving Year 12 or equivalent qualification to 90% by 2010
- > halve the gap for indigenous students in Year 12 or equivalent attainment by 2020.



Complementing these targets, in response to the Bradley Review, the Australian Government announced its goals that:

- > by 2025, 40% of all 25 to 34 year olds will hold a bachelor degree level qualification or above
- > by 2020, 20% of HE enrolments at the undergraduate level will be of people from a low socio-economic background (low SES).

These targets support increased participation, student attainment, access/social inclusion and pathways, likewise strongly endorsed by TDA.



RESPONDING TO THE POLICY DRIVERS

THE DEFINING CHARACTERISTICS OF TAFE

There are currently over 4,500 Registered Training Organisations (RTOs) in Australia. While TAFE institutes are relatively few in number, together they are responsible for 84.3% of total training delivery (NCVER 2009b, *Australian VET: students and courses 2008*, Table 14, p. 16). The proliferation of RTOs was evident when, in the recent Federal Budget, it was acknowledged that the top 100 VET providers deliver 95% of publicly funded training and have an increased role in higher education qualifications.

Although TDA considers that acknowledgment of a wider range of different types of tertiary providers is desirable and necessary, there is concern that a small number of overseas providers have a comparative advantage as they do not have to comply with the stringent National Protocols criteria to be established as a local 'university'.

TAFE institutes also differ markedly from many other RTOs with respect to their defining characteristics. TAFE institutes:

- > are large, diverse, publicly owned (by state and territory governments) institutions with prescribed accountability and governance arrangements which ensure quality assurance as laid down by the Australian Government's Provider Registration Requirements
- > offer a broad student experience with individualised vocational and further learning options for a diverse range of students, both local and international
- > invest in social inclusion/community service obligations
- > deliver in a range of industry sectors and/or predominantly at tertiary level
- > emphasise industry relevance, currency and regional workforce development especially insofar as TAFE training and curricula are directly guided by industry requirements
- > are commercially orientated with dividends re-invested in education or for the public good
- > have an increasing role in higher AQF levels, development and delivery
- > operate primarily as state or territory based institutions



- > often have significant international operations
- > represent low risk to government for market failure because of the longstanding processes in place to ensure the delivery of quality programs to a balanced mix of local and international students, proven market success, and robust administrative procedures.

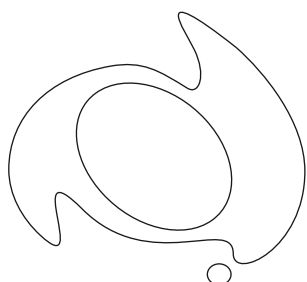
TDA maintains that TAFE institutes are therefore ideally placed to deliver on the key policy drivers – quality, participation, student attainment, access and pathways – ultimately leading to improvement in national productivity.

TDA position 1

1.1 TDA endorses the ten defining characteristics of TAFE institutes, that is, that they:

- > are large, diverse, publicly owned (by state and territory governments) institutions with prescribed accountability and governance arrangements which ensure quality assurance as laid down by the Australian Government's Provider Registration Requirements
- > offer a broad student experience with individualised vocational and further learning options for a diverse range of students, both local and international
- > invest in social inclusion/community service obligations
- > deliver in a range of industry sectors and/or predominantly at tertiary level
- > emphasise industry relevance, currency and regional workforce development especially insofar as TAFE training and curricula are directly guided by industry requirements
- > are commercially orientated with dividends re-invested in education or for the public good
- > have an increasing role in higher AQF levels, development and delivery
- > operate primarily as state or territory based institutions
- > often have significant international operations
- > represent low risk to government for market failure because of the longstanding processes in place to ensure the delivery of quality programs to a balanced mix of local and international students, proven market success, and robust administrative procedures.

1.2 TDA advocates strongly at every opportunity and level that TAFE institutes are ideally placed to deliver the key policy drivers – quality, participation, student attainment, access and pathways – which will lead to improved national productivity.



THE DEFINITIONS OF TERTIARY EDUCATION QUALIFICATIONS AND INSTITUTIONS

PROPOSED FOR CONSIDERATION

In the Joint Statement, TDA and UA proposed that a definition of 'tertiary education qualifications' be:

'Tertiary education qualifications' are those at diploma level and above, including where these qualifications may embed pathways from the qualification level below' (TDA/UA Joint Statement 2010).

This definition is generally consistent with current applications both internationally and nationally and with the approach adopted by the Organisation for Economic Co-operation and Development (OECD) (2008). TDA argues that consistency with international applications is important when comparing Australia's relative economic performance and position.

Further to the proposed definition of 'tertiary education qualifications', in the Joint Statement, TDA and UA proposed the following for 'tertiary education institutions':

'Tertiary education institutions' are those which have a broad educational mission and the capacity and capability to deliver a range of tertiary education qualifications' (TDA/UA Joint Statement 2010).

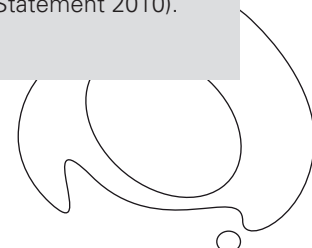
TDA position 2

2.1 TDA agrees that the definition of 'tertiary education qualifications' be:

'Tertiary education qualifications' are those at diploma level and above, including where these qualifications may embed pathways from the qualification level below' (TDA/UA Joint Statement 2010).

2.2 TDA agrees that the definition of 'tertiary education institutions' be:

'Tertiary education institutions' are those which have a broad educational mission and the capacity and capability to deliver a range of tertiary education qualifications' (TDA/UA Joint Statement 2010).



THE DEFINITION OF A 'BROAD EDUCATIONAL MISSION'

PROPOSED FOR CONSIDERATION

Envisioning a dynamic tertiary education sector, TDA considers that it is important to have a common understanding of what is meant by 'a broad educational mission' and 'a range of tertiary education qualifications'.

TDA asserts that an institution with 'a broad educational mission' is one that:

- > offers a broad student experience with individualised vocational and further learning options and pathways for a diverse range of students
- > demonstrates that excellence in teaching and learning is underpinned by scholarship
- > works to build the capability of individuals, industry and the region through strong links with industry which guide the currency of programs to meet the widest possible audience and workforce needs
- > demonstrates that significant investment occurs in social inclusion/community service contributions.

TDA further considers that institutions with a 'range of tertiary education qualifications' are those that deliver in five or more industry sectors/fields of study and/or predominantly at the tertiary education level.

An important implication of the above is that it is possible for a provider to offer tertiary qualifications without necessarily being regarded as a tertiary education institution. This is consistent with the diversity and convergence occurring in education in Australia today.

TDA position 3

3.1 TDA endorses the definition of 'a broad educational mission' as one that:

- > offers a broad student experience with individualised vocational and further learning options and pathways for a diverse range of students
- > demonstrates that excellence in teaching and learning is underpinned by scholarship
- > works to build the capability of individuals, industry and the region through strong links with industry which guide the currency of programs to meet the widest possible audience and workforce needs
- > demonstrates that significant investment occurs in social inclusion/community service contributions.

3.2 TDA endorses the view that institutions with a 'range of tertiary education qualifications' are those that deliver in five or more industry sectors/fields of study and/or predominantly at the tertiary education level.

NEW NATIONAL TERTIARY EDUCATION PROTOCOLS

UNIFIED, RIGOROUS AND ASPIRATIONAL

Having proposed a definition for a tertiary education institution, in the Joint Statement, TDA and UA also suggested that the current national protocols for HE do not accommodate the diversity required in the new tertiary education sector. TDA is mindful of the volatility of the sector, including the growing global marketplace.

As stated in the Joint Statement, TDA and UA proposed that:

The creation of a set of more unified tertiary education protocols would provide:

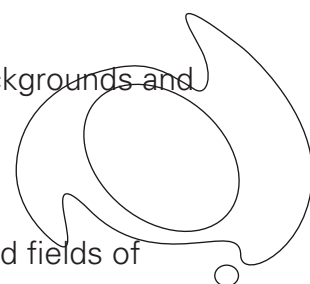
- > due recognition for different types of organisations, permitting effective regulatory and funding arrangements
- > better information for potential students about the institutions offering tertiary qualifications
- > a single approval process for institutions operating in both VET and HE and appropriate follow up scrutiny (TDA/UA Joint Statement 2010).

TDA takes the view that neither the current National Protocols for Higher Education nor the proposed Bradley Protocols (Bradley et al. 2008, Table 12, p. 126) fully recognise the role of dual sector institutions, being silent on their often significant role in TAFE. In addition, neither of these Protocols is aspirational in intent.

Moreover, TDA considers that a review of the nomenclature for tertiary institutions needs to be carried out and for that review to take into account international models.

While not actually developing new draft protocols, in the Joint Statement TDA and UA did jointly specify several criteria which might be considered in devising a range of organisational types to cover tertiary education institutions. The criteria should underpin consideration of types of tertiary institutions, and should include but not be limited to:

- > financial, governance and management capacity
- > commitment to educational outcomes for students from all backgrounds and regions
- > commitment to scholarship and free inquiry
- > breadth of education and training to be provided – industries and fields of education
- > range of qualifications offered



- > capacity to self-accredit to required standards
- > extent of research of national and international standard, including applied research that informs product and process development in cooperation with industry
- > whether provision of tertiary education is the core activity of the organisation (TDA/UA Joint Statement 2010).

Utilising these criteria and in consideration of the defining characteristics of TAFE institutes as well as other issues outlined in this paper, TDA offers Figure 1 (see p. 29) as a descriptive, but not prescriptive, tool to illustrate the possible range of Australian tertiary education institutions that have the capacity to offer a range of tertiary qualifications.

The intent is for the new Protocols to unify the tertiary education sector, be rigorous and be aspirational. The protocols provide for tertiary education institutions that arguably do not yet exist, but would enable institutions to grow and develop and so provide more options for students and government.

TDA position 4

4.1 TDA endorses the creation of a set of more unified tertiary education protocols as identified in the TDA/UA Joint Statement 2010, that would provide:

- > due recognition for different types of organisations, permitting effective regulatory and funding arrangements
- > better information for potential students about the institutions offering tertiary qualifications
- > a single approval process for institutions operating in both VET and HE and appropriate follow up scrutiny (TDA/UA Joint Statement 2010).

4.2 TDA endorses the eight criteria identified in the TDA/UA Joint Statement 2010 which might be considered in but are not limited to devising a range of organisational types to cover tertiary education institutions:

- > financial, governance and management capacity
- > commitment to educational outcomes for students from all backgrounds and regions
- > commitment to scholarship and free inquiry
- > breadth of education and training to be provided – industries and fields of education
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- > whether provision of tertiary education is the core activity of the organisation (TDA/UA Joint Statement 2010).

4.3 TDA endorses the adoption of the eight criteria for the Protocols which will require a review of the nomenclature for tertiary institutions operating in the emerging tertiary education sector.

4.4 TDA endorses the setting up of a review of the nomenclature for tertiary institutions and that this review take into account international models.

THE TERTIARY POLICY AND REGULATORY FRAMEWORK

STUDENT-CENTRED, INTEGRATED AND AUTHORITATIVE

Recent failings in the regulatory framework for VET and the reputational damage that has been caused internationally are cautionary lessons in moving to a tertiary education sector regulatory framework where there is no room for compromise on quality.

In the Joint Statement, TDA and UA proposed that:

The dominant consideration in moving towards a single tertiary regulator should be to improve the opportunity for students to move in both directions between VET and HE study according to their capacities and aspirations at different stages of life (TDA/UA Joint Statement 2010).

With this in mind, the two organisations drew attention to the risks associated with the separate development of the proposed Tertiary Education Quality and Standards Authority (TEQSA) and the National VET Regulator, where the intention is that they be combined in 2013. Two incompatible models would impact on the goals of students wishing to move across sectors and would, as well, hinder institutions operating in both sectors. In the Joint Statement, TDA and UA therefore called for TEQSA and the National VET Regulator to work closely together from the outset to achieve harmonised legal and policy structures and for some early organisational arrangements to be put in place that would assist integration such as overlapping Board membership, compatible statutory objectives and consistent conditions of service.

TDA argues strongly that TEQSA and the National VET Regulator ought to be integrated into the single tertiary regulator at the earliest opportunity.

TDA position 5

TDA endorses the proposed single tertiary regulator framework identified in the TDA/UA Joint Statement 2010 that:

- > The dominant consideration in moving towards a single tertiary regulator should be to improve the opportunity for students to move in both directions between VET and HE study according to their capacities and aspirations at different stages of life.

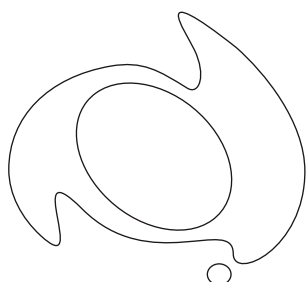
In addition, TDA has called for the National VET Regulator to:

- > be appropriately resourced
- > have a Board comprised of technical experts rather than be representational
- > be supported by all States and Territories with continued attempts to resolve any differences that prevent this from occurring
- > move away from a 'one size fits all' regulatory approach by implementing more timely and appropriate risk orientated processes and procedures
- > have the authority to implement intervention and preventative procedures, particularly in relation to the international market.

TDA position 6

TDA endorses the proposition that the National VET Regulator:

- > be appropriately resourced
- > have a Board comprised of technical experts rather than be representational
- > be supported by all States and Territories with continued attempts to resolve any differences that prevent this from occurring
- > move away from a 'one size fits all' regulatory approach by implementing more timely and appropriate risk orientated processes and procedures
- > have the authority to implement intervention and preventative procedures, particularly in relation to the international market.



TERTIARY EDUCATION FUNDING

ALIGNMENT OF TAFE AND HE

In the Joint Statement, TDA and UA proposed that the creation of more unified tertiary education protocols would provide the Government with a mechanism to expand its student entitlement funding system. They proposed that:

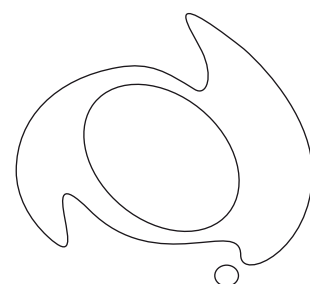
The objectives for funding tertiary education would be to:

- > provide funding at rates that represent a reasonable estimate of the required cost of provision
- > ensure similar amounts are provided for similar education and training outcomes
- > ensure funding supports students to choose the best course of study for their particular circumstances and aspirations, including more equitable access for VET students
- > use performance funding elements in an effective and consistent way (TDA/UA Joint Statement 2010).

TDA position 7

TDA endorses the objectives for funding tertiary education identified in the TDA/UA Joint Statement 2010, that such objectives would:

- > provide funding at rates that represent a reasonable estimate of the required cost of provision
- > ensure similar amounts are provided for similar education and training outcomes
- > ensure funding supports students to choose the best course of study for their particular circumstances and aspirations, including more equitable access for VET students
- > use performance funding elements in an effective and consistent way (TDA/UA Joint Statement 2010).



TDA POSITION ON TERTIARY EDUCATION FUNDING

TDA has previously sought parallel funding arrangements for TAFE and HE, consistent with the Bradley Review recommendation that 'the Australian Government will progressively extend the tertiary entitlement to the vocational education and training (VET) sector commencing with higher level VET qualifications' (Bradley et al. 2008, p. xiv).

In broad terms, TDA endorses the Bradley Review recommendation mentioned above, however, TDA recommends that in the first instance, TAFE institutes receive funding for Commonwealth Supported Places in priority areas of national skills shortage.

There is substantial evidence to suggest that TAFE Diploma course students articulating into degrees are successful. The inclusion of VET in the Education Infrastructure Fund is an example of success in this regard as is the recent Federal Budget announcement of Performance Funding for VET. However, there is more to be done in this regard if the COAG Skills Deepening targets and the Australian Government's HE goals for participation are to be achieved. For example, the Government announced in *Transforming Australia's Higher Education System* the introduction of uncapped places for undergraduate domestic students in public universities from 2012. TDA notes that, under the Bradley recommendations, this would have applied more broadly.

With the best interests of students at the forefront, TDA calls for:

- > in the first instance, TAFE institutes to receive funding for Commonwealth Supported Places in priority areas of national skills shortage
- > TAFE institutes offering degrees to have access to funding for Commonwealth Supported Places
- > a new approach to TAFE capital funding, moving away from an annual submission-based approach to set triennial capital funding.

TDA position 8

TDA endorses the call for:

- 8.1 in the first instance, TAFE institutes to receive funding for Commonwealth Supported Places in priority areas of national skills shortage
- 8.2 TAFE institutes offering degrees to have access to funding for Commonwealth Supported Places
- 8.3 a new approach to TAFE capital funding, moving away from an annual submission-based approach to set triennial capital funding.

TERTIARY EDUCATION INFORMATION COLLECTION AND DATA

ROBUST EVIDENCE FOR DECISION-MAKING

Effective decisions about Australia's tertiary education sector must be underpinned by comprehensive and integrated data and information.

An important related step has already been taken in the decision to expand the ambit of Skills Australia so that it encompasses the full scope of Australia's labour market needs in its advice about workforce development and industry needs covering both the VET and HE sectors, as referred to earlier.

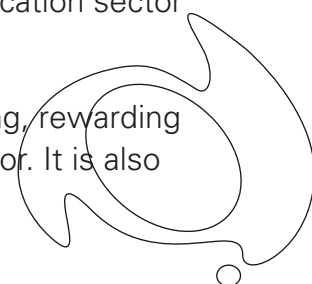
The next logical step is to integrate the information collection for the HE and VET sectors because, for as long as both sectors have separate information collection and analysis systems, the resulting information cannot be reliably aggregated or compared.

As stated in the Joint Statement, TDA and UA see the need for a unified approach to information collection for HE and TAFE and, recognising that this may take some time to be implemented, call for a common 'data dictionary' to be developed and applied in both sectors.

TDA asserts that improved information collection is critical for accurate and transparent measurement of achievement of the COAG targets.

TDA also notes the announcement in the Federal Budget of the allocation of \$4 million to create My Skills, a website to provide information about training providers and mirroring the introduction of the My School website in the schools sector. In a system that includes over 4,500 RTOs of widely varying capability, TDA strongly endorses the need for consumer protection through greater transparency of information. However, given the diversity of the student cohort in VET, caution is necessary in developing performance measures that can truly be seen as robust and valid. TDA anticipates close involvement in the detail of the operations of My Skills to ensure its fitness for its intended purpose. Even more importantly, My Skills would ideally be an interim step only towards a website for the tertiary education sector which could be used for both domestic and international purposes.

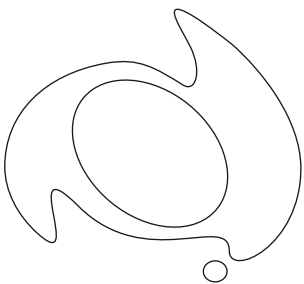
A unified approach to information collection is essential for measuring, rewarding and potentially comparing performance in the tertiary education sector. It is also



a prerequisite for an effective risk-based approach to a new tertiary regulatory framework as envisaged by TEQSA.

TDA position 9

TDA endorses a unified approach to information collection which is seen as essential for measuring, rewarding and potentially comparing performance in the tertiary education sector.



ADVANTAGES OF THE TDA TERTIARY EDUCATION POLICY BLUEPRINT

STUDENTS, GOVERNMENT AND INDUSTRY

TDA maintains that the approach to the Australian tertiary education sector outlined in this paper has clear advantages for all the key stakeholders.

For students, it would:

- > in a demand-driven system, give more choice and clearer options at the tertiary education qualification level
- > provide a transparent evidence base from which to choose between institutions
- > enhance pathways between institutions in both directions
- > offer greater certainty of the quality of institutions.

For government, it would:

- > promote a more diverse, accessible and aspirational tertiary education system
- > assist in ensuring that government funding is directed to reputable, well-managed providers
- > facilitate moves towards a single regulatory approach
- > achieve transparency in measuring and comparing performance and outcomes
- > by supporting the successful achievement of the COAG targets, boost national productivity.

For employers and industry, it would:

- > support immediate access to graduates with 'fit for purpose' skills
- > improve medium to longer term access to workers with high level skills
- > assist in improving the status of VET and VET-related careers in the workforce
- > give greater clarity, choice and quality in the selection of training providers.

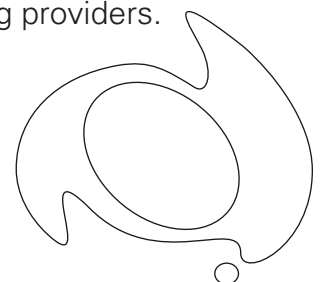


Figure 1 AN APPROACH TO NATIONAL TERTIARY PROTOCOLS FOR CONSIDERATION

AUSTRALIAN TERTIARY INSTITUTIONS Tertiary institutions have a broad educational mission and the capacity to deliver a range of tertiary qualifications i.e. at Diploma level and above including where these qualifications may embed pathways from the qualification level below				
A	B	C	D	E
Comprehensive universities, including dual-sector universities	Specialist Universities	Higher Education Providers (inc. TAFE institutes) – Masters Degree offering	Higher Education Providers (inc. TAFE institutes) – Bachelor Degree offering	Tertiary institutes – non-degree offerings
Required to create new knowledge (research) and disseminate knowledge (scholarship)	Required to create new knowledge (research) and disseminate knowledge (scholarship)	Required to disseminate knowledge (scholarship)	Required to disseminate knowledge (scholarship)	Required to implement established knowledge
Deliver HE qualifications including research higher education degrees in at least three broad fields initially ...	Deliver HE qualifications including research higher education degrees primarily in one or two broad fields	Deliver Masters degree qualifications in at least three broad fields of study	Deliver Bachelor degree qualifications in the number of fields	Deliver a wide range of accredited programs
Undertake sufficient research in at least three broad fields initially ...	Undertake research in all broad fields in which coursework degrees are offered	Applied research conducted/facilitated in conjunction with industries serviced	Product research and development, aligned with industry	Product research and development, aligned with industry
Undertake sufficient research in all narrow fields in which research higher degrees are offered	Undertake sufficient research in all narrow fields in which research higher degrees are offered	May offer research higher degrees	No research higher degrees offered	No research higher degrees offered
Demonstrate scholarship in all broad fields of study in which degrees are offered	Demonstrate scholarship in all broad fields of study in which degrees are offered	Demonstrate scholarship in all broad fields of study in which Masters degree qualifications are offered	Demonstrate scholarship in all narrow fields of study in which Bachelor degrees are offered	Demonstrate quality learning processes in all programs
May deliver VET qualifications	May deliver VET qualifications	Deliver VET qualifications in at least five industry sectors or predominantly at tertiary level	Deliver VET qualifications in at least five industry sectors or predominantly at tertiary level	Deliver VET qualifications in at least five industry sectors and tertiary qualifications in some industry sectors
		Have formal links with industry in course design and delivery	Have formal links with industry in course design and delivery	Have formal links with industry in course design and delivery



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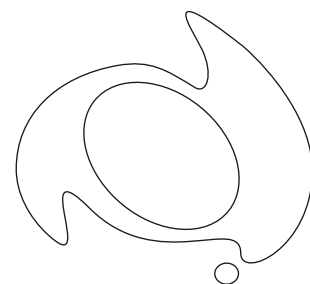
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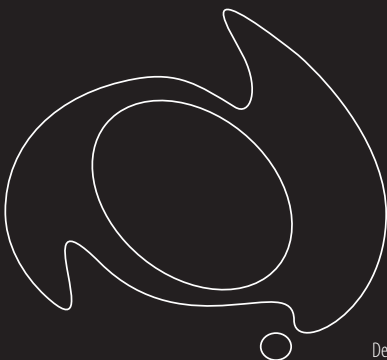
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