Introduction

It is now widely accepted that as a society we need more people with higher qualifications. It makes them more employable, gives them more interesting work with better wages, and makes the Australian economy more productive and globally competitive.

This is why COAG has set ambitious targets for the VET sector to raise the qualification levels of working aged Australians. It’s also why the Bradley Review called for more young people, and especially more people from low socioeconomic backgrounds to have a degree. It is also why Prime Minister Julia Gillard has put ‘skills’ on top of the agenda for her new government announced this week.

Meeting the ambitious COAG and Bradley targets will be challenging for the tertiary sector and will require TAFEs and other tertiary education providers to work in different and more collaborative ways.

This paper will outline approaches and initiatives that are delivering higher qualifications for the workforce in NSW and comment on challenges and opportunities facing the TAFE sector in this environment.

NSW government approach

In NSW, Government targets for the attainment of higher level skills are reflected through the NSW State Plan (2006) and NSW Tertiary Education Plan (2010).

NSW boasts the highest attainment rate in skills training of any state and continues to focus on targets for more people to have higher qualifications. Achievements are published in our State Plan’s annual performance results, which demonstrate our steady growth at Certificate III and Diploma levels against the COAG targets.¹

The recently published NSW Tertiary Education Plan (2010) continues the key goal of increasing participation and attainment levels in tertiary education to boost productivity. It argues that reaching the Commonwealth’s national 40 per cent bachelor attainment targets by 2025 could contribute an additional 1.2 per cent annually to the Gross Domestic Product over the next 30 years and achieving the national VET targets could contribute an additional 1.7 percent to the GDP over the same period.²

The Plan goes further than the national target with a target of 44 per cent of 25 to 34 year olds in NSW holding a bachelor degree or higher by 2025. The Plan also supports

² KPMG, Measuring the Impact of the Productivity Agenda, February 2010.
TAFE NSW, as a higher education provider, being a major contributor in driving up participation in higher-level qualifications.

**TAFE NSW performance**

TAFE NSW Institutes are directly responsible for supporting higher-skill targets through annual purchasing and performance agreements. Results to date have shown strong growth in both government-supported and commercial offerings.

With well over half a million enrolments in TAFE NSW each year, our contribution to the state and indeed the national economy is significant.

Our enrolments at Certificate III level and above have continued to increase over the past five years, rising from 198,149 in 2005 to 239,525 in 2009, which represents growth of 21%. Over the same period, enrolments at Diploma level and above have increased from 45,177 in 2005 to 54,731 in 2009, which also represents growth of 21%.

Importantly, an estimated 30% to 35% of these students came from low socioeconomic backgrounds. Enrolments in TAFE NSW by students from regional and remote areas have increased by 19% for Certificate III and above and by 30% for Diploma and above from 2005 to 2009, while enrolments by unemployed students at Certificate III and above has risen by 71% and at Diploma and above by 68% for the same period. Stronger growth has been recorded in enrolments by Aboriginal people, with enrolments at Certificate III and above increasing by 56% and at Diploma and above by 42%.

The highest enrolments in Diploma-level qualifications are in areas of employment growth including Children’s Services, Accounting, Community Welfare, Management, IT, Hospitality, Human Resources, Property and Building Studies.

**Strategies to increase VET qualification levels**

While targets and accountabilities have been an incentive for TAFE Institutes in NSW to shift enrolment profiles to higher-level qualifications, this shift has not been without its challenges and it has required Institutes to work in different ways and encouraged new, innovative and collaborative approaches.

**Centres of Excellence**

An analysis of Diploma enrolments by some Institutes found there were as many as 95 diploma qualifications on scope, but many with less than a dozen enrolments.

Sydney Institute responded by reducing the number of qualifications offered and implementing a targeted growth strategy in a smaller number of ‘areas of excellence’, which focused on job outcomes and tertiary pathways. Market research and new marketing approaches were also introduced to target potential customers more directly, including new markets such as university non-completers.

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3 TAFE NSW Data Warehouse 2010.  
4 TAFE NSW Data Warehouse 2010.
Diploma to degree

Growth in Diploma to Degree programs in partnership with universities has also been used as a strategy by a number of Institutes to support increased enrolments in higher-level qualifications. Over the past seven years, Riverina Institute has expanded its University Study Centre model for cross-sectoral partnerships linking schools, TAFE and university study with job opportunities. This program includes three partnering universities to increase regional communities’ and employers’ access to paraprofessional and professional careers.

Focus on completions

Another initiative, introduced earlier this year across all 10 TAFE NSW Institutes, is a series of action research projects, which are identifying and evaluating strategies designed to increase the completion of qualifications. Many Institutes are tackling completion projects on higher-level VET qualifications, particularly because of the impact low completions in these courses has on joint TAFE-university programs and pathways.

Two examples are Illawarra Institute’s *Upping the Ante* project, which is targeting dual TAFE/uni programs in business and IT, and Riverina Institute’s *Staying the course* project, which aims to increase completions of Certificate III and IV level courses by Aboriginal students and involves consultation with community groups. The outcomes of these projects are being shared across TAFE NSW to support ambitious targets to increase qualification completion rates.

VET FEE HELP

TAFE NSW has also been successful in increasing enrolments and completions in higher-level qualifications through the introduction of VET FEE HELP, particularly through its flexible and distance delivery division of Western Sydney Institute, OTEN. Enrolments in 2010 have more than tripled compared to 2009, growing from 1,731 to 5,355. It is interesting to note that the vast majority of students accessing VET FEE HELP (77%) are female and most are under the age of 40 (70%) with the highest enrolment numbers to be found among the 20 to 29 year old age groups.5

TAFE as a higher education provider

TAFE NSW has recently joined other TAFEs around the country in registering as a higher education provider and will deliver its first Bachelor Degree program from 2011.

TAFE NSW is uniquely positioned to support higher education attainment targets for young people from all communities across NSW due to our many advantages including:

- long standing linkages with industry and employers across all industry sectors
- a strong track record of supporting people from disadvantaged communities
- a wide geographic footprint with 130 college locations throughout the state

5 TAFE NSW Data Warehouse, 10 September 2010
- significant student reach – with 100,000 enrolments in Certificate IV and above
- a broad range of applied qualifications in areas of high skill need
- close ties with schools and universities.

The TAFE NSW Higher Education Strategic Plan 2011 to 2013, Enhancing Opportunities sets out an approach that builds on TAFE’s capability in both niche and applied areas of learning, and supports partnerships with universities to strengthen tertiary pathways and open up more opportunities.

Our new TAFE NSW Pathway Degree concept builds on the successful UK and Californian models of foundation and vocational degrees and proposes a partnership approach with industry, TAFEs and universities collaborating to offer students flexible employment-based learning options to achieve higher-level and bachelor degree qualifications.

**Conclusion**

The TAFE sector is well positioned to support the Government’s ambitious targets to lift qualification levels for working-aged Australians. Our future economic and social wellbeing depends on this important priority.

TAFE has a strong track record of working with industry to deliver the skills needed to keep our economy strong. We also have a great social inclusion capability and record. Our links with industry keep us relevant – and an essential part of the national effort to improve skills and productivity.

In this environment it is disappointing that the ‘quality’ of the VET and TAFE brand is being questioned by so many. TAFE has nothing to hide. We welcome greater transparency in outcomes and the opportunity to benchmark our performance across the VET and other education sectors.

As a higher education provider, TAFEs are assessed by academics from our leading universities against national standards. As VET providers, we are subject to stringent audits by our regulators and the NCVER.

Our contribution to building the skill levels of people from all communities across Australia needs to be more widely recognised and valued.

The real test of quality is, of course, the employability of our graduates and our reputation with employers.

In keeping with the Year of the Tiger theme, I would suggest TAFE needs to grab the higher-level skills tiger by its tail – take the chance and show what we can deliver.