



Submission to the Skills Australia Discussion Paper:

Creating a Future Direction for Australian Vocational Education and Training

NOVEMBER 2010

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ISSN 1838-0727 (Print)

1838-0735 (Online)

Creating a future direction for Australian vocational education and training – Discussion paper

Skills Australia would like to hear your views on the Discussion paper and welcomes your comments or submissions by **26 November 2010**.

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Creating a future direction for Australian vocational education and training

CONSULTATION QUESTIONS

TAFE Directors Australia welcomes the opportunity to respond to Skills Australia's discussion paper, *Creating a future direction for Australian vocational education and training*.

The Skills Australia discussion paper is wide ranging in its coverage and evidence based in its approach to developing propositions. The discussion paper is an important compendium at a point in time using as it does a rich source of data on vocational education and training.

TDA however is of the opinion that the Skills Australia discussion paper does not adequately reflect the centrality of TAFE institutes in delivering on the Government's access and participation targets. Post Bradley, the public providers are still waiting for a comprehensive and serious examination of their role in the 21st century.

Background

TAFE Directors Australia (TDA), established in 1998, represents 58 TAFE providers, offering programs in more than 1,300 locations across all states and territories. Members of TDA are the TAFE providers, represented by the TAFE Chief Executives. The TDA national secretariat is based in Sydney and is focused primarily on policy development and advocacy for TAFE providers.

The Skills Australia discussion paper acknowledges that TAFE providers nationally are the major deliverers of accredited training and education across the spectrum of the Australian Qualifications Framework¹. They are variously known as Institutes, Colleges and Polytechnics and in Australia include five dual sector universities. Delivery includes senior secondary school certificates, vocational certificates, diplomas, advanced diplomas, associate degrees, bachelor degrees and graduate qualifications. These qualifications are delivered in a range of contexts – institutional, workplace and online within Australia and off shore. They are delivered in partnership with a variety of national and international organisations, including schools, colleges, universities, enterprises and community organisations.

Australia's 58 TAFE providers offer approximately 85% of accredited training in more than 1300 locations across all states and territories. Collectively TAFE providers are responsible

¹ Creating a future direction for Australian vocational education and training (2010) p26

for 84.3% of total training delivery ² therefore it can be safely assumed that TAFE providers employ around 80% of the VET workforce.

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 providers differ markedly from many other RTOs with respect to their defining characteristics.

TAFE providers:

- are large, diverse, publicly owned 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; and
- 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.

(TAFE Directors Australia *A Blueprint for the Australian Tertiary Education Sector* July 2010).

² NCVER Australian VET: students and courses 2008, Table 14, p. 16

TDA response to “*Creating a future direction for Australian vocational education and training*”

Key Messages

1. There is insufficient examination of the centrality of the public provider in creating a future direction for Australian vocational education and training
2. TDA supports the Government’s access and participation targets and believes that the TAFE sector is vital to their achievement
3. TDA concurs with the discussion paper that there is always scope for greater responsiveness to students and employers, although not necessarily as proposed in the paper.

Improving the VET experience

Workplace delivery

1. The most worrying aspect from a TDA perspective of the ‘more workplace delivery’ proposition is that it assumes that all workplaces are effective at creating, supporting and facilitating sound learning and assessment situations, consistent with qualification requirements

Competency Based Training and Training Packages

1. While TDA affirms the importance of the nexus between vocational education training and contemporary practice in industry it argues that the construct of Training Packages, as they are implemented and regulated, has led an instrumental and minimalist approach to learning.

Re-engineering Apprenticeships

1. In broad terms TDA supports Skills Australia’s case for re-engineering the Australian Apprenticeship system.

TDA recommends:

- Clearer, less confusing use of the term apprentice
- Removal of administrative inconsistencies across states and territories
- Incentives for employers with a track record of employing and completing of apprentices
- Incentives for employers who engage in innovative training arrangements with TAFE institutes to maximize completions
- Review of qualifications related to apprentices to create clearer pathways for apprentices to upgrade their skills (See Figure 9 p49)

In addition TDA strongly supports the development of a *range* of models of apprenticeships, including:

- *Trade cadetships & Cadet Work Experience.*
- *Existing worker apprenticeships*

Lifting Performance

Performance Measures for the VET Sector

1. TDA believes that it is an appropriate time to review the performance indicators for the VET sector.

2. TDA believes that the following principles should underpin the development of performance measures:
 - Transparency
 - Minimum number of indicators
 - Indicators that reflect value that providers offer their students and employers
 - Easily collected by providers and the Commonwealth.

Supporting Professional Practice

1. TDA gives in principle support to the need for a national database on the characteristics of the VET workforce including qualifications.

2. The current arrangements for assuring the quality of VET teaching are not satisfactory. The Cert. IV TAE is not adequate preparation for the role of the VET teacher in the TAFE environment due to the complexity of curriculum/training packages being taught (AQF 1 – 7), the diversity of learner cohorts and the likelihood that delivery may occur across education sectors
3. A rigorous evaluation should be undertaken immediately of the suitability of the Cert. IV TAE as an entry level qualification for VET teachers. The place of teacher practice in the delivery of the courses should be a feature of any such review.
4. Industry currency is a vital issue in the quality of teaching and a common understanding of industry currency must be agreed and communicated.
5. It is recommended that consideration of extension of the Teaching and Learning Performance Fund be extended to the TAFE sector.

Better Connections across sectors

1. TDA maintains that the VET sector currently has too many providers for the scope of activity involved and insufficient regulatory resources to ensure quality.
2. In broad terms, TDA endorses the Bradley Review recommendation; however, TDA recommends that in the first instance, TAFE institutes receive funding for Commonwealth Supported Places in priority areas of national skills shortage.
(Blueprint p 25)

Establishing Strong Foundations for Growth

TDA expresses its concern at the steep decline in state and territory funding of vocational education and training. The rhetoric about the importance of skills development for productivity and social inclusion rings hollow.

1. TDA members have voiced support for exemptions from fees for students changing careers especially in areas of skills shortage.
2. TDA supports Government purchase by outcomes (module load completion) rather than enrolment.
3. TDA argues that industry training levies seem to be most successful when industry designed and industry focused eg building & construction.

Improving the VET experience

Workplace delivery

A major proposal in the Skills Australia paper is that there is too much focus on institutional delivery and insufficient delivery in the workplace. The paper maintains that “only 14 % of subject delivery occurred solely in workplaces in 2009”. The paper argues that workplace delivery where possible is more effective for student learning and employer engagement (p36). TDA is not aware of any recent Australian research to support this claim.

TAFE institutes engage in partnerships with employers to offer training in workplaces in a range of programs, most notably apprenticeships. TDA argues however that the issue of workplace delivery needs to be interrogated. Skills Australia has argued in consultation that 70% of VET delivery is campus based. Who does this figure relate to? How many of these students are unemployed and without access to a workplace?

The most worrying aspect from a TDA perspective of the more workplace delivery proposition is that it assumes that all workplaces are effective at creating, supporting and facilitating sound learning and assessment situations, consistent with qualification requirements.

TDA is not convinced that there is a culture within Australian workplaces for successful workplace education and training.

TDA maintains that workforce development should be the primary responsibility of industry and employers.

The value of competency based training and Training Packages

While TDA affirms the importance of the nexus between vocational education training and contemporary practice in industry it argues that the construct of Training Packages, as they are implemented and regulated, has led an instrumental and minimalist approach to learning, as has government purchasing.

TDA supports the intent of recent National Quality Council changes to Training Package rules noted in the Skills Australia discussion paper (p37), but is not convinced that they will go far enough in permitting TAFE institutes to respond to students and employers with flexibility and responsiveness to the different circumstances of individuals and employers.

One large TAFE provider observes that “while Training Packages support national consistency, “the training package model and its associated development processes and timelines do not allow over-regulated and compliance driven large RTOs to effectively meet

rapidly occurring market demands and changes”. “Development of new content through to endorsement and implementation is far too slow to meet 21st century work practices....”

TDA argues that while competency based training has some virtues at Certificate I and II levels, it can be too narrowly focused on current occupational requirements or specific workplaces. The specificity of required competencies, especially in regulated trades is recognized by TDA, but so also is the requirement to have a good general educational base. It is incongruent with the increasing tendency and necessity of individuals to change careers.

TDA maintains that all vocational education and training should allow for the incorporation of knowledge that is more general and enables students to upgrade their qualifications through clear pathways between qualifications and is transferable to different contexts and occupations in a rapidly changing labour market.

Despite employers affirming the importance of employees with employability skills, the structure and nature of Training Packages has posed problems for the incorporation of these skills.

TDA supports the work of IBSA (p 38) in its call for “a new architecture for higher level VET qualifications that involves a hybrid of knowledge-based and competence-based units” (p 38).

TDA is of the view that the potential for skills sets to be seen as building blocks within qualifications particular in the case of existing workers wanting to upgrade their skills. TAFE institutes in rural and regional areas argue that skills sets meet the needs of workers in these areas who are responding to fluctuating seasonal and economic circumstances across industries.

The term VET degree is not one that TDA accepts. An increasing, although at this stage still relatively small, number of TAFE providers offer accredited **higher education degrees**.³

³ There are 97 institutions in Australia that are registered to provide both VET and HE qualifications. 23 are self-accrediting institutions, which includes the 5 dual-sector universities, and 1 other public institution that is self-accrediting, but not a university. Of the remaining 74 institutions able to offer both, 12 are TAFE (which includes all the TAFEs in New South Wales that were considered as one institution for the purposes of registration as a HE provider there are 10 TAFEs in NSW so in theory all of these TAFEs are now HE institutions).

Re-engineering apprenticeships

TDA maintains that a skilled workforce is critical to Australia's productivity and the Australian apprenticeship system is a key enabler to building skills and knowledge, however TDA supports the Skills Australia position that there is a case for a revitalization of the Australian apprenticeship system.

TDA recognizes that Australian Apprenticeships are embedded in State and Territory legislative frameworks. TDA also recognises that the quality of the learning experience for the apprentice is tied to the quality of the host workplace.

TDA however recommends:

- Establishment of national vision and direction for the Australian Apprenticeship system
- Improved completion rates through improving the career path information and employment conditions of apprentices
- Clearer, less confusing use of the term apprentice
- Removal of administrative inconsistencies across states and territories that create a bureaucratic challenge for employers, particularly those operating across borders
- Encouragement of industry groups and employers to embrace competency based training in preference to a 'time based' approach
- Incentives for employers with a track record of employing and completing of apprentices
- Incentives for employers who engage in innovative training arrangements with TAFE institutes to maximize completions
- Incentives for employers who take on young employees (less than 24) who have successfully completed a qualification related to an apprenticeship
- Review of qualifications related to apprentices to create clearer pathways for apprentices to upgrade their skills (See Figure 9 p49)

In addition TDA supports the development of a range of models of apprenticeships. In particular TDA supports recent initiatives, including:

- *Trade cadetships*, as recently announced by the Government. TDA supports the development of National Trade Cadetships (Foundation and Pre-Apprentice), particularly where they are offered by trade training centres in collaboration with TAFE institutes. TAFE can provide the industry expertise and the pathways.
- TAFE agrees with the statement in the Government's media release that "*There is evidence that students who have a good understanding of what will be involved in an*

apprenticeship and good foundation skills are more likely to finish their apprenticeship”.

Additionally TDA supports the Government's *Cadet Work Experience* program.

- *Existing worker apprenticeships* – The Minerals Council of Australia in conjunction with employers, the ISC, SkillsDMC, Polytechnic West, SkillsTech and a group training company are developing an innovative National Apprenticeship Program for the Minerals and Petroleum Resource sectors.

Lifting performance

Performance measures for the VET sector

TDA believes that it is an appropriate time to review the performance indicators for the VET sector. Indeed TDA has begun that process in response to a number of current initiatives, most notably the Quality Skills Incentive announced in the 2010 Federal Budget.

The three main areas where improvement is sought in VET via the Quality Skills Incentive:

- a) Higher standards and performance in teaching quality
- b) Higher completion rate for modules and qualifications
- c) Better access for disadvantaged Australians.

Members of the TDA Board and senior managers from NSW DET participated in a forum in Sydney, on 3 August to discuss a TAFE position statement on the Quality Skills Incentive.

Since the joint forum there have been a number of significant pieces of work that will affect the way TAFE defines performance indicators:

- The Productivity Commission's study of the VET workforce – The final report due end November 2011; TDA submission www.tda.edu.au
- The quality of teaching in VET; Lead researcher Associate Professor Leesa Wheelahan; TDA submission www.tda.edu.au
- Skills Australia "Creating a future direction for Australian Vocational education and training"
- NCVET AQTF Quality Indicator Review; TDA Submission www.tda.edu.au
- Legislation to establish the National VET Regulator, November 2010
- Legislation to establish the Tertiary Education Quality and Standards Agency (TEQSA), November 2010
- My Skills and My University websites (MCTEE is considering development of institutional indicators for these websites)
- \$550 million performance funding framework for Higher Education providers. The Government is proposing a suite of proposed indicators with improvement targets set against three broad categories: social inclusion; student experience; learning quality (The HES 'Australian' 3 November 2010)

TDA believes that the following principles should underpin the development of performance measures:

- Transparency
- Minimum number of indicators
- Indicators that reflect value that providers offer their students and employers
- Easily collected by providers and the Commonwealth.

TDA notes that currently TAFE institutes are often overwhelmed by requests for information and from various bodies. At times it is not clear how the data are used and feedback to TAFE providers is often too slow to be used for planning or evaluation purposes.

TDA maintains that there is a need to re-examine the current methods of measuring VET workforce performance by capturing more than just the volume of workforce inputs and outputs to include their quality, scope and potential to improve productivity. A useful response to workforce issues may be to develop metrics that have a direct line of sight to creating effective organisations.

The joint TDA/DET NSW position paper on appropriate performance indicators will be available in the near future.

Supporting professional practice in VET teachers and trainers

TDA and the Victorian TAFE Association in their joint submission to the Australian College of Educator's project on the Quality of VET Teaching built on their earlier submission to the Productivity Commission inquiry into the VET workforce.

In essence, TDA/VTA argued that given TAFE providers continue to be the dominant providers of VET any effective policy interventions and increased investments geared to improving the VET workforce should focus on the developmental needs of VET practitioners, VET professionals and general staff working in TAFE settings.

The key messages in the TDA/VTA submission were:

- The current arrangements for assuring the quality of VET teaching are not satisfactory. The Cert. IV TAE is not adequate preparation for the role of the VET teacher in the TAFE environment due to the complexity of curriculum/training packages being taught (AQF 1 – 7), the diversity of learner cohorts and the likelihood that delivery may occur across education sectors.
- As a minimum, the huge disparity among RTOs between delivery and assessment models of the entry level Certificate IV qualification must be addressed.

- There is merit in distinguishing between categories of teachers based on their level of responsibility. Establishing VET teaching as a profession with transparent career paths linked to qualifications is important to enhancing the quality of teaching in institutions.
- TDA supports acknowledgment of the different roles of VET teachers and the qualifications required to deliver quality teaching
- TDA does not support the development of new master practitioner roles as described in the Options paper 'The Quality of VET Teaching' (page 12).
- The proposed options for cross-sectoral teaching are not feasible but the idea has merit and different models for cross-sectoral teaching should be explored further.
- TDA gives in principle support to the need for a national database on the characteristics of the VET workforce including qualifications.
- Institutions and jurisdictions should both have a responsibility to support teachers to undertake study as a condition of teaching.
- There is qualified support for a qualifications framework for VET teaching that includes the nesting of entry level qualifications in high level qualifications where TAFE providers across jurisdictions are not disadvantaged by such changes.
- A rigorous evaluation should be undertaken immediately of the suitability of the Cert. IV TAE as an entry level qualification for VET teachers. The place of teacher practice in the delivery of the courses should be a feature of any such review.
- Industry currency is a vital issue in the quality of teaching and a common understanding of industry currency must be agreed and communicated.
- A strategy to support industry currency is needed and should be supported through a specialist/dedicated fund.
- Further work should be undertaken around the creation of work teams and how to support them as examples of good learning and teaching practice
- There is no consistent view on the benefits of registration for VET practitioners and other professionals. A self-regulating professional association designed to promote 'professional practice' may be a better focus for raising the professional status of those who work in the VET sector.

Better connections across sectors

TDA agrees with the Skills Australia discussion paper that the boundaries between the educational sectors have become increasingly blurred- many universities now offer VET qualifications, schools offer VET in schools, and private providers offer both.

TDA argued earlier in the paper that post the Bradley review, there is a need for a vision for VET. “ Training needs its own Bradley review to establish its vision and purpose and relationship with higher education on the one hand and schools on the other” (Wheelahan 2010).

The Government (and Skills Australia) have argued for an increase in workforce participation and has set targets for its achievement.

The market reigns withal governments Federal, State and territory increasingly introducing competition and contestability into their funding arrangements for vocational education and training.

The market place

TDA maintains that the VET sector currently has too many providers for the scope of activity involved and insufficient regulatory resources to ensure quality. The following brief comparisons support these arguments:

- The latest listings for the VET sector show that there are 5,001 Registered Training Organisations (RTOs) across Australia of which 58 are public sector TAFE institutes. At 1% of the total number of providers, TAFE institutes account for about 85% of accredited training in the sector. In 2009, the total number of students undertaking publicly funded training was 1.7 million. 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. By an admittedly crude calculation, this means there are around 4,942 providers for 15% of accredited.
- The 5001 RTOs are currently registered and audited by the relevant state and territory regulatory authorities. For example, the Victorian Registration and Qualifications Authority employs 50 staff for its registration, accreditation and quality assurance functions that cover schools, VET and Higher Education. The VRQA is responsible for around 1200 RTOs of which 17 are TAFEs. Even if all the VRQA's

resources were devoted to regulation of RTOs which they are clearly not this would be a ratio of one staff member for every 24 providers.

- By comparison, there are currently 192 Higher Education Providers with the 39 universities (20%) accounting for 95% of the student load. The current Australian Universities Quality Agency (AUQA) employs approximately 45 staff, a ratio of around one staff member for every four providers.
- According to the National Education Directory 2010, there are 9,831 schools in Australia, including all primary and secondary schools and covering government, Catholic and independent, to service the whole of the school age population. In 2008, these schools catered for around 3.3 million students, 1.9 million primary and 1.4 million secondary, the vast majority of which are full-time.

While TDA appreciates governments' desires to promote competition, the situation is clearly out of control and proved to be a major contributor to the collapse of the international education market.

The tertiary sector

Eleven TAFEs are now registered to offer higher education and the whole NSW TAFE system is now a registered HE provider. TAFE offers higher education in every state except Tasmania and in the Northern Territory where it is part of the dual-sector university.⁴

The expansion of Australian TAFE providers into delivery of bachelor degrees mirrors similar overseas developments in the UK, USA, Canada and New Zealand.⁵

The Changing Tertiary Landscape: A Wider Range of Organisational Types

The Review of Australia's Higher Education System, 2008 (Bradley Review) outlined a vision for an Australian tertiary sector by outlining six '*Key Characteristics of an Effective Tertiary Education and Training System*' (page 179). Further, in recommendations 43 – 46, the Review specifically outlined some initial steps required to make it a reality. This raised widespread expectations that, as the recommendations of the Review were implemented, a tertiary sector would evolve. Not surprisingly, much has happened since with many

⁴ Associate degrees are being planned in Tasmania

⁵ The 'special mission' of further education colleges in the UK is to widen access for disadvantaged people and raise the country's skill levels through foundation degrees, which are two year, short-cycle vocationally oriented higher education qualifications. About 16 states in the United States have now authorised their community colleges to offer degrees, up from 10 just a couple of years ago.⁵ Canada has authorised community colleges in three provinces to offer degrees, and polytechnics deliver degrees in New Zealand. (Wheelahan 2010)

providers in both Higher Education and VET developing more flexible approaches to delivery that blur the distinctions between the sectors.

Even in the short time since TDA released its *Blueprint* in May this year, there have been considerable new developments that might be regarded as progress towards the tertiary sector that Bradley envisaged.

Examples of developments in TAFE include:

- The profile of Polytechnic West, announced in late 2009, and its role in Higher Education has gained ground.
- Having been granted registration as a Higher Education Provider, TAFE NSW announced in August that it would be offering its first degree in 2011 with more to follow.
- The University of Ballarat (UB) developed a partnership with a number of regional TAFE Institutes in Victoria enabling them to offer UB degrees (and not be reliant on developing their own).
- Both the NSW and Victorian Government have developed tertiary education plans, which recognise the role of TAFE in the provision of Higher Education.
- The ACT Government has established a Tertiary Taskforce which will develop a 'connected tertiary system' for the ACT.
- In September, the South Australia Government announced a \$125m state-of-the-art facility at Tonsley Park which will bring together TAFE, universities and industry, facilitating pathways between TAFE SA and universities and linking training providers to the latest developments in research and development.

In the Higher Education sector, the following developments demonstrate further blurring of the sectors:

- The University of Canberra announced its intention to become an 'omniversity', encompassing all stages of the education process and including private providers under the university umbrella.
- In September, Queensland's Premier Bligh approved a new dual sector university through the amalgamation of Central Queensland University with Central Queensland Institute of TAFE.
- Monash University, a Go8 university, has signed agreement with three Victorian TAFE institutes.

TDA's Blueprint for Australia's tertiary education sector

TDA 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.

- 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.

Subsequently TDA published a blueprint for Australia's tertiary education sector that further explored, from a TDA perspective, these six key areas and presented a blueprint for how the tertiary education sector might be developed.

The Blueprint can be accessed at ww.tda.edu.au.

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 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. (Blueprint p 25)

Establishing strong foundations for growth

Funding sources for growth

TDA expresses concern for the dramatic reduction in “the contribution to VET expenditure by state and territory governments... has reduced from nearly 57% in 2001 to just over 50% of the total in 2008 (p8).

How to increase VET funds without discouraging participation of those least able to pay?

- TDA members have voiced support for exemptions from fees for students changing careers especially in areas of skills shortage.
- Increased ‘fee for service’ activities by providers may be a challenge in an entitlement model
- TDA supports Government purchase by outcomes (module load completion) rather than enrolment.
- TDA argues that industry training levies seem to be most successful when industry designed and industry focused eg building & construction.
- Governments have capped training delivery & then bemoaned the decline in enrolments!