

THINK.
CHANGE.
DO.

THE VET POLICY LANDSCAPE: IS WINTER COMING?

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IS WINTER COMING? IS IT ALREADY HERE?

- **The labour market is rapidly changing- new jobs need degrees.**
- **The status of VET is probably getting worse – it is certainly not getting better.**
- **Apprentice numbers are on the decline again – is it a permanent shift this time?**
- **The VET FEE-HELP scandal and collapse of private RTOs is undermining confidence in the whole system.**
- **TAFE – the system’s much maligned bedrock – is struggling to adapt.**



4 COUNTER PROPOSITIONS

1. **Embracing the opportunities of labour market change** – it is not nearly as dire as the alarmists make out.
2. **Learning to love being the middle child:** Finding a new confidence in the squeeze between secondary schooling and higher education.
3. **There is plenty that makes VET exciting and attractive as a study option** – how well do VET qualifications reflect that?
4. **Labour market connections are becoming more important.** This is VET's competitive advantage over HE, but can't be taken for granted.

FORGET WINTER: THE ROBOTS ARE COMING!

- Up to 40% of all jobs in Australia are at risk of being obsolete within 15 years

(Source: Durrant-Whyte et al 2015)

- nearly 60% of Australian students (71% in VET) are currently studying or training for occupations where at least two thirds of jobs will be automated over the coming decades.

(Source: FYA 2015)

WHAT THE AUTOMATION TREND REALLY MEANS FOR JOBS GROWTH

Carl Frey and Michael Osborne kicked off a global debate about the future of employment with their 2013 paper “How susceptible are jobs to computerisation?”

For all 702 US occupations, they estimated a probability the job would be computerised, working from the list of tasks for each, focusing on:

- The level of perception and manipulation
- Creativity
- Social intelligence

From the bottom 25% (low risk)

- Childcare Workers
- Fitness Instructors
- Occupational Therapy Technicians
- Fashion Designers
- Training & Development Specialists
- Recreation Workers
- Social & Community Service Managers

From the top 25% (high risk)

- Telemarketers
- Data Entry Keyers
- Part Salesperson
- Cashiers
- **Accountants**
- Waiters
- Cabinetmakers and Bench Carpenters
- Print Binding and Finishing Workers
- Welders, Cutters, Solderers and Brazers

TOP 10 COURSES BY ENROLMENTS, 2014

Course	Program enrolments
Certificate IV in Training and Assessment	69,420
Certificate III in Aged Care	56,164
Diploma of Management	50,450
Certificate II in Business	49,042
Certificate III in Warehousing Operations	42,273
Certificate I in Construction	39,690
Certificate III in Children's Services	39,503
Certificate II in Hospitality	38,375
Diploma of Early Childhood Education and Care	34,902
Certificate II in Kitchen Operations	34,835

VET: THE FORGOTTEN MIDDLE CHILD

University is assumed to be the most desirable post-school pathway:

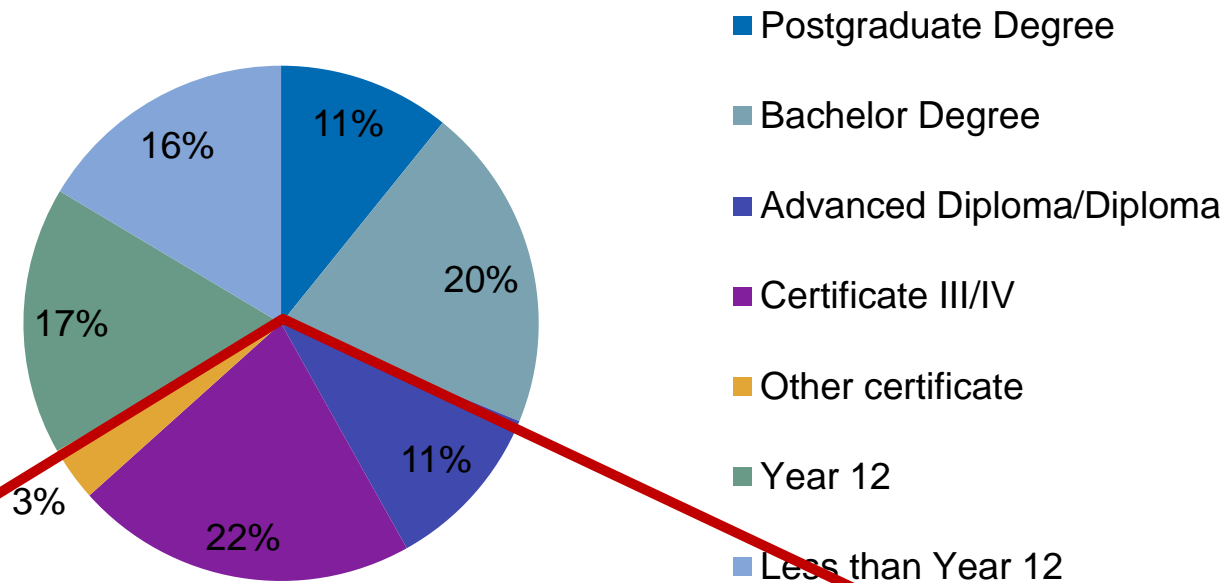
- 54.8% of LSAY Y03 cohort planned to go to university.
- Of those, only 32.1% had commenced at university 6 years later
- BUT uncapped places changing this rapidly
- Underlying question: what does a VET qual get you?

• Source: Homel & Ryan 2014



GUESS WHAT? MIDDLE CHILDREN ARE EVERYWHERE!

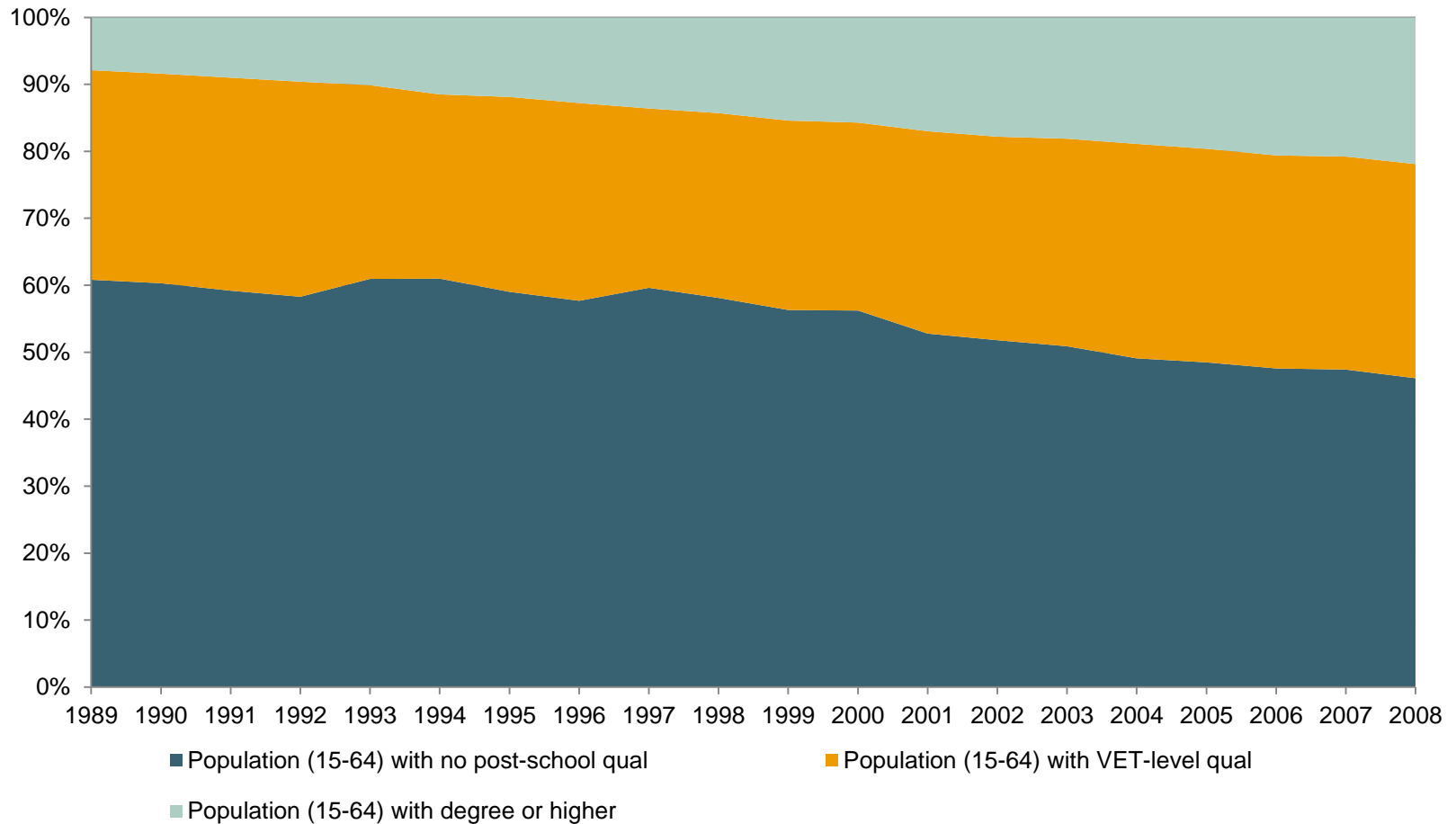
Employed Australians aged 15-74, by highest qualification



Source: Australian Bureau of Statistics, Education and Work, May 2015

HOW (RAPIDLY) IS THIS MIX CHANGING?

Australians aged 15-64, by highest qualification, 1989-2008



Source: Australian Bureau of Statistics, Education and Work, May 2015

WHAT THIS MEANS:

- Increasing competition for the best students with higher education
- Different student mix – challenges with standards of literacy and numeracy
- Changing mix of courses

WHAT IT DOESN'T MEAN:

- Demand for VET courses is going to disappear

BEING A MIDDLE CHILD ISN'T SO BAD

Middle children are:

- Open to new ideas
- Patient
- Great innovators and team leaders
- Excellent negotiators

Source: <https://www.psychologytoday.com/blog/field-guide-families/201210/the-secret-powers-middle-children>

TIME TO ASSERT A MORE DISTINCT ROLE FOR TAFE:

VET (and particularly TAFE as the public provider) needs to push back against mission creep (and mission blur):

- Narrow qualifications make no sense in a fast-changing labour market – use vocational streams instead, consolidating structure, curriculum & content. Offer more with less**
- Industry/vocationally focused qualifications cannot tackle foundation skills any more than degree programs can – need to develop a new tier of Foundation Quals outside TPs that are funded properly and owned by TAFE & ACE**
- TAFE should be sceptical of higher education programs outside niche industry-focused areas – unis have more experience risk-taking and being entrepreneurial.**

CONCLUSION: A BEST CASE SCENARIO FOR TAFE

- 1. Higher Education stabilises**
- 2. Confidence is restored in the funding model & oversight arrangements**
- 3. The sector embraces the opportunities of labour market change**
- 4. Qualifications become more substantial**
- 5. Clearer set of reduced expectations around vocational training & foundation skills**
- 6. The sector embraces its Middle Child status**



QUESTIONS

FEEDBACK

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RECENT TRENDS IN VET ENROLMENTS

