



**TAFE
DIRECTORS
AUSTRALIA**

SUBMISSION

Parliament of Australia

INQUIRY INTO THE PERCEPTIONS AND STATUS OF VOCATIONAL EDUCATION AND TRAINING

March 2023

About TAFE Directors Australia (TDA)

TDA is the peak national body that represents Australia's national network of State and Territory publicly owned TAFE institutes and university TAFE divisions. All TAFE institutes and TAFE divisions of universities across Australia are [members of TDA](#).

The primary business of TDA members is vocational education and training focusing on nationally accredited qualifications and skill sets, non-accredited training for bespoke employer purposes, and foundation skills development for all learners. TAFEs dominate the market in the delivery of apprenticeships, partner extensively with secondary schools for delivery of vocational education and training and prioritise support for vulnerable and less advantaged Australians. Of the 29 TDA members, ten TAFEs are higher education providers and a further six are TAFE divisions of dual sector public universities.

TDA members are the main providers of training for critical Australian industries including Electricians, Plumbers, and Enrolled Nurses. TDA members are heavily invested in supplying skills development in emerging industries such as clean energy and cyber security and have significant roles in skill shortage areas such as aged care and community services. Importantly, TAFEs' breadth of scope is reflected in TAFE-industry-employer-local community engagement in cities and suburbs, and in regional, rural and remote Australia.

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Introduction

Australia's knowledge and skills needs for the future will require more people having access to higher education and higher levels of vocational education and training (VET). While this inquiry is focused on perceptions of VET, it is TDA's position that we must move beyond the current binary nature of Australia's VET and higher education systems if we wish to change perceptions. Given TAFEs predominantly deliver to adult learners, TDA's comments have been focused on tertiary education.

Enabling the adult learner to attain both vocational and higher education outcomes, will accrue benefits to individuals throughout their working lives as well as benefits to Australia. If we are to genuinely embrace a life of learning, then VET must be considered an essential component of an adult learner's journey.

Thus, language is important. VET should be seen as part of the *tertiary education sector* which encompasses both VET and higher education. TDA encourages the inquiry to focus on what can be done to move to a more harmonised tertiary education sector which provides learners with a range of options and pathways in *tertiary* education. These pathways are not necessarily linear or hierarchical and should allow students to access and seamlessly move between both vocational and higher education.

TDA suggests that the recommendations of the Australian Qualifications Framework (AQF) Review, led by the late Professor Peter Noonan, that have not progressed, are important in addressing the value of VET compared to higher education. If the tertiary education sector is to be refreshed, equality of perception is needed.

While TDA's submission focuses on tertiary education, the same principle applies to secondary schools in the perception of VET as part of students' choices while at school.

TDA has provided further commentary below on the four areas identified in the terms of reference for this inquiry.

TDA notes that the scope of the terms of reference for this inquiry is broad, covering many different aspects of VET from career advice, to enrolment choices, to employer engagement, to VET workforce. The issues raised in this inquiry also intersect with the work being led by the Department of Employment and Workplace Relations (DEWR) under the skills reform agenda. To avoid fragmentation and duplication of effort, TDA encourages the inquiry to take into consideration existing Commonwealth reform policies and priorities when formulating its recommendations from this inquiry.

1. Information available to students about VET qualifications and related career pathways along a student's journey through secondary schools, vocational education, higher education, and work transitions, with a focus on how this combines with other sources of advice, including informal advice, to influence student choices, and how Commonwealth funded information for students about VET may be improved

Any information or advice provided to students should be presented in the context of their options within secondary or tertiary education and not a choice between VET and higher education. One pathway should not preclude another. This will be achieved through commitment to a tertiary education sector.

In addition, when examining perceptions relating to information about VET qualifications and career pathways, the focus must be much broader than school students or school leavers. Only 26 per cent of students at TAFEs are aged between 15 and 19 years old. 74 per cent of students at TAFEs are aged 20 or older, with 53 per cent being 25 or older¹. Therefore, for TAFEs, the information provided through schools or parents to school-aged students or school leavers is only one part of the overall picture.

The people who are enrolling in TAFE institutes are extremely diverse. Many have already been in the workforce but are looking for a start in a clearly defined career pathway, or they are looking to re-skill, upskill, or are returning to work after a prolonged absence. Many TAFE students are 'second chance learners' (those who have not previously acquired qualifications) and require extensive support. TAFEs also play an important role in supporting key cohorts such as First Nations, women, regional and migrant learners as well as those with low levels of numeracy and literacy. In terms of the student population, TAFEs continue to have above average representation from students who identify as Indigenous (6 per cent), who identify as having a disability (7.6 per cent) and who speak a language other than English at home (19.1 per cent)². As lifelong learning increases in importance for all adult learners, VET will increasingly be important in their selection of where and what to learn.

Recommendation 1

Change perceptions by embracing tertiary education. Encourage consistent use of 'secondary' and 'tertiary' education systems in Australia to promote lifelong learning and a more harmonised VET and higher education landscape.

Recommendation 2

Commonwealth funded information about VET should take into consideration the different profiles of people using the VET system and whether they are secondary or tertiary education learners and be targeted appropriately to each demographic.

¹ [National Centre for Vocational Education Research \(NCVER\) Total VET Students and Courses 2021](#)

² [National Centre for Vocational Education Research \(NCVER\) Total VET Students and Courses 2021](#)

2. Perceptions and status of the VET sector and how this may be impacting student enrolment choices, employer engagement, and recruitment and retention of the VET educator workforce, and how perceptions and status of the VET sector can be improved. International best practices in relation to VET perception and qualifications status should be examined

In terms of influencing enrolment choices, industry must take greater responsibility for learner demand. Low wages, poor working conditions and negative perceptions of a particular industry are more likely to influence enrolment choices than the perception and status of VET. Additionally, employers who understand that when they hire a new graduate they have a role to play in finessing their entry to work, are to be commended. RTOs, as education providers, have limited impact in terms of addressing declining enrolment numbers for careers where pay and conditions are not attractive or work in that industry is not valued.

In terms of employer engagement, there is sometimes a perception that TAFEs are not flexible and responsive enough to industry needs, and that qualifications that they deliver are outdated. This stems from a fundamental lack of understanding of how the national training system, with its nationally endorsed training packages, works. TAFEs operate in a complex policy, funding and regulatory environment. In the current national training system, TAFEs have limited autonomy. TAFEs for the last decade have been at the receiving end of the supply chain rather than at the table for the creation of appropriate training solutions for employers. To receive funding, TAFEs must use the national training packages that have been developed by industry committees. In an attempt to lift quality, these training packages have become increasingly prescriptive. An unintended and unfortunate consequence has been that they have stifled innovation in VET.

A local employer may advise a TAFE of its needs. However, a TAFE is limited by what it can do with accredited training to respond to these needs given they are required to deliver training and assessment that is consistent with national training packages. In theory these national training packages have been developed by industry committees, although that is often not the perception of local employers.

Australia must create an environment which fosters innovation and enables immediate solutions for skills development for existing and new industries. Current VET qualifications are developed for industries of today not industries of tomorrow. To date, the current process of training package development has not encouraged (nor funded) involvement by those with deep education capability, nor local employer knowledge, to enable tailored outcomes. It has also not made VET and higher education combined solutions easy.

Self-accreditation for TAFEs (like universities which create their own curriculum) would go a long way in providing better responsiveness and relevance of vocational education and training to Australian employers. TAFEs as public institutions could work with industry, higher education partners, and unions directly to create contemporary course content and design and produce work ready graduates at scale. For example, recent announcements by the Prime Minister in Wollongong of funding for the University of Wollongong and TAFE NSW in the Illawarra in clean energy would be strengthened if TAFEs had greater ability to develop, with higher education providers, courses for such specific needs. As reported "The Energy Futures Skill Centre will run skills development programs with courses jointly designed by the

University of Wollongong and TAFE NSW³. For this ambition to be realised TAFE NSW would need much greater autonomy to design courses. A strong and flexible TAFE sector can help meet Australia's skills shortages, boost productivity of the workforce and better prepare Australians for the jobs of the future.

There are examples of TAFE responsiveness to employers and the subsequent development of courses outside of the national training system. For example, a successful new qualification developed by TAFE Queensland and Central Queensland University to meet future skill needs in partnership with BHP Mitsubishi Alliance was the development of a suite of outcomes which included micro credentials and a new Certificate II in Autonomous Technologies. These training products were developed outside the current construct of the national training package environment and were in response to specific employer demand.

Another example includes TAFEcyber – a consortium of TAFEs from across Australia which focuses on the education and training of skills for the increasingly in-demand cyber security workforce. The TAFEs themselves identified the significant gap in cyber training in the national system and developed their own course content and qualifications. TAFEcyber is backed by key government and industry partners including AustCyber and Ionize. TAFEs now offer cyber security training ranging from Skillsets to the Advanced Diploma of Cyber Security. In 2021, over 85 per cent of enrolments in the Certificate IV in Cyber Security are at TAFE⁴.

In terms of the TAFE workforce, TDA encourages collaborative discussions between providers, industry and unions, to address the shared problem of a capable and adequate TAFE workforce. If TAFE is at the heart of VET, more control must be given to TAFE CEOs to be able to attract industry practitioners to their workforce. This will mean a TAFE workplace will be a blend of industry specialists collaborating with professional educators.

The Certificate IV in Training and Assessment (TAE) requirement is a barrier to entry into teaching in VET, particularly for those who already hold qualifications in education. While it is important that new teachers to the VET sector are provided with skills and knowledge in competency-based training and assessment, the perception and the reality is that the TAE, with its constant changes is one of the factors limiting supply of the TAFE workforce. For existing professional educators this constant change to the qualification is creating unnecessary processes that take away from students learning.

Additionally, the role of a TAFE educator is complex; they must be industry current, they must be good educators, they must deliver foundation skills, they must be able to use technology to deliver training online and they must work within complex organisations (often having previously been in small business). Thus, retention of the TAFE workforce in a full employment market is also an increasing problem, especially when salaries in industries are booming. Some of the issues specific to the TAFE trainer workforce include an aging

³ Brookes, J., InnovationAus.com 24 February 2023

⁴ [National Centre for Vocational Education Research \(NCVER\) Total VET Students and Courses 2021](#)

workforce, and the (lack of) competitiveness of TAFE employment conditions in comparison with other sectors and inadequate funding for TAFE overall. Increased funding, collaboration with industry and more flexibility in how providers can engage staff would help to improve this issue.

In the overall context of perceptions of VET, it is also worth noting that there are 3,500+ Registered Training Organisations (RTOs) in Australia which are all treated the same. 29 of those are TAFEs or dual sector universities with TAFE divisions. And yet, their size, ownership, purpose, complexity and business operations vary dramatically. The role and purpose of a TAFE institution which offers a broad range of qualifications and extensive support at the student and community level is completely different to that of a small, private RTO delivering one or two units of competency or qualifications as a business. Public and private providers all make an important contribution to VET in Australia but a one-size-fits-all approach to policy, regulation and funding is not maximising the comparative advantages of the different players in the sector, nor is it necessarily using public money for public good.

Perceptions around data are also important particularly when looking at the comparative contributions that the different types of RTOs make to the VET sector. The National Centre for Vocational Education Research reports that there were 4.3 million students enrolled in nationally recognised vocational education and training in 2021⁵. This data counts each student the same, regardless of whether they were enrolled in a complex qualification or trade taking a year or more to complete or a single unit of competency such as "First Aid", "CPR" or "Responsible Service of Alcohol" which a person is often required to complete as part of their employment within a very short time.

The data shows that the students who study at a TAFE are there to obtain a nationally recognised qualification or skill set (84 per cent of students), with a smaller percentage of students (16 per cent) enrolled in subjects which are not delivered as part of a nationally recognised program (such as the stand alone subjects as mentioned above). The trend is reversed for private providers who deliver predominantly to students who are not enrolled in a nationally recognised program. Therefore, the volume of students alone does not give the full picture.

Recommendation 3

Allow more flexibility for TAFEs in managing the skills mix of their own workforce. This could be achieved through the current review of the Standards for Registered Training Organisations (RTOs). The appropriateness of credentials for the VET Workforce could also be explored through consultations on the development of the VET Workforce Blueprint being led by DEWR, that to date has not differentiated between complex and large workforces such as TAFE with other RTOs.

⁵ [National Centre for Vocational Education Research \(NCVER\) Total VET Students and Courses 2021](#)

3. **Successful partnerships between VET providers and employers that have demonstrably created career pathways and secure employment opportunities for students, considering the best practice elements of these successful partnerships, and how more partnering may be encouraged among VET providers and employers**

TAFEs work best when they are enabled to work together with industry. TAFE-industry partnerships benefit students in terms of creating career pathways and future employment opportunities. TDA members across Australia have well established partnerships with their local industries – this is an area where TAFEs excel. TDA has provided a small subset of examples below.

In many of these examples, innovation occurred when TAFEs developed with industry bespoke solutions.

Recommendation 4

Set a pathway towards self-accreditation for TAFEs and quality RTOs that will enable Australia’s vocational education and training system to be more industry responsive, locally adaptive, flexible and innovative, improving employer perceptions of VET, enabling strong VET and higher education and industry partnerships, and fostering innovation.

TAFE Queensland partnership with The Greenslopes Private Hospital

The Greenslopes Private Hospital (GPH), owned by the Ramsay family, and TAFE Queensland Diploma of Nursing ‘Grow Your Own Workforce’ partnership commenced in April 2008. The partnership program has seen over 900 students graduate and become Enrolled Nurses, with over 98 per cent employed after the program. This partnership has significant benefits for students and the organisation. Students who apply for the program want employment with GPH. From day one, students are treated as part of the ‘Ramsay family’ and integrated as team members. Hospital staff put significant investment into students as they know they will become colleagues, so there is a significant return on investment. TAFE Queensland and GPH highly regard this program, and the two organisations work collaboratively as partners in all decision-making. GPH Enrolled Nurse recruitment is directly from the program as a true collaboration on growing their own workforce.

Ebuses are driving TAFE NSW and Volvo partnership

TAFE NSW and Volvo are leading the development of skills needed to work with zero emission buses. The partnership has helped drive this clean environment initiative, as New South Wales legislates to replace diesel fleets with electric buses over time.

The acceleration towards Ebuses needed new training and certification processes to be developed quickly, as nothing existed in the market. Safety is a key driver as the positivity around emissions reduction will disappear if an accident dealing with voltage occurs.

Innovative product development

Volvo's goal was to engage their industry state-wide, including competitors. TAFE NSW consulted extensively with peak bodies, government agencies, public and private bus operators, manufacturers and their networks. Together they determined that a standardised base of industry-wide training was needed, along with brand specific additions.

Volvo's product and technical experts worked closely with TAFE NSW designers to design and develop electric vehicle Microskills which can be delivered online or facilitated face to face, suited to many different bus related roles and learner groups.

Leadership in relationships

The partnership has relied on collaboration, openness and shared goals. Investing the time of project staff and product experts, as well as active involvement of executives, paid dividends.

TAFE NSW are hoping to use a similar approach with other industries, like hydrogen. There is also scope to come up with new partnerships using this model - helping industry to co-innovate and co-design new training models, as part of leading their sector. Furthermore, all of Australia could benefit from this work. TAFEs in other jurisdictions could work together to leverage what has already been done, as Zero Emission Buses roll out in their States.

South Metropolitan TAFE (WA) Defence Industries Pathway Program

In 2022, the Australian Government launched a \$10 million program to provide West Australian high school graduates with a fully funded, 12-month traineeship to help grow WA's defence industry workforce.

The Defence Industry Pathway Program, developed in partnership with South Metropolitan TAFE and Western Australia's maritime defence industry, is a "taster" course designed to set participants on a path to an exciting defence industry career. This innovative program exposes young people to a range of careers in the defence industry, and 25 defence industry employers in WA are currently hosting trainees, with many graduates already gaining employment in the industry.

The program provides funding for the trainee's pay, work attire and a Certificate III in Defence Industry Pathways which was a bespoke qualification developed by South Metropolitan TAFE in collaboration with the defence industry and the Training Accreditation Council (TAC) which is Western Australia's VET regulator. This is an example of a TAFE leading an agile, local solution to meet a local workforce need. Defence industry partners provide supervision, mentoring and on-the-job training and South Metropolitan TAFE provides trainees with on-campus study to undertake the academic modules of the traineeship.

The program is a collective effort between State government, industry and TAFE to build a future pipeline of highly-skilled, highly-valued defence industry workers. While the pilot will take place in and around the Australian Marine Complex in Henderson, it could be adapted for implementation in other Defence industry sites across Australia.

South Metropolitan TAFE, WA was awarded the Academic Institution of the Year Award at the Defence Connect Australian Defence Industry Awards in September 2022 for this program. This national award recognises an academic institution that has driven demonstrable growth while supporting the strengthening of Australia's defence and national security capabilities through their participation in the defence industry.

Victorian Tunnelling Centre builds major infrastructure skills

Together, CYP Design and Construction (CYP) and Holmesglen Institute have created the Victorian Tunnelling Centre (VTC), a one-of-a-kind skilling facility based on international best practice. This follows the partnership's earlier work on MetroHub, a jobs and training centre for Melbourne's Metro Tunnel Project. CYP is a joint venture of John Holland, Lendlease and Bouygues delivering the Metro Tunnel Project's rail tunnels and underground stations.

MetroHub was conceived during the early stages of CYP's tender process. It provided training and employment to thousands of Victorians, helping CYP meet the State's Major Projects Skills Guarantee. A highly collaborative and joint commitment to agreed objectives was formed from the outset. Working with construction companies on their training model well in advance, during the pre-tender phase, is the new norm of how business is done, helping employers understand the real cost of skilling. Building robust, mature, trusting relationships that allow all stakeholders to understand what is happening in the industry is key.

Holmesglen drew on their partner's expertise in major tunnelling projects globally, with CYP providing technical advice and oversight for the VTC. Holmesglen listened to what they needed and offered a combination of accredited and non-accredited programs that align with their organisational practice. Then industry pick and mix what they need to ensure that workers are fit for the roles they are undertaking.

Members of CYP's training and recruitment team co-located with Holmesglen staff at MetroHub. And it's common for VTC staff to be recruited from major construction firms. The centre is now supporting many other major infrastructure projects, including Melbourne's current West Gate Tunnel and Northeast Link Project. The VTC is considered to be a quantum leap in preparing people for working underground. It is upskilling a new generation of construction professionals.

Holmesglen Institute has become more practically focused in understanding the needs of the tunnelling industry, gaining deep insights into what's required at various stages of major projects. With a decades-long pipeline of major construction projects to be delivered in Victoria, there are many opportunities to prove that, when established properly, collaborating with industry has positive outcomes for all.

TAFE NSW Institutes of Applied Technology

The TAFE NSW Institutes of Applied Technology (IATs) at Meadowbank and Kingswood will deliver a new model of education, where TAFE NSW is not only partnering with industry, but also with universities to provide a fully integrated and unique learning and training environment for students. The IATs will allow for transition between TAFE NSW and university, offering a full range of qualification levels. The proposed educational offerings for IAT Digital Tech and IAT Construction are:

- **Micro-credentials:** Stackable micro-credentials are a key feature of the Gonski-Shergold review (NSW) and have been identified through industry consultation as a critical educational offering that will address the limitations of rigid training packages.
- **Traineeships and Apprenticeships:** including the exploration of a three-way partnership between industry, high school and further education (both VET and Higher Education).
- **Further Education:** Networking events, masterclasses and credentialing programs (e.g., Industry Certification).

TAFE NSW have established partnerships for both IATs with UTS, Macquarie University and Microsoft for the IAT in Digital Tech; and Western Sydney University and CPB Contractors for the IAT in Construction.

TAFE SA: Micro-credentials and industry partnerships

TAFE SA is collaborating with high value, high growth and emerging industries to research and develop programs to meet new skills needs to ensure industry demands can be met when they are needed. As part of this work, TAFE SA launched a suite of micro-credentials in 2022. An example of this work is a microcredential in Hydrogen Fundamentals which offers students' knowledge of the Australian hydrogen energy sector. Other examples are:

- Boosting Revenue in Tourism
- Cyber Security for Small Business
- Drones in Agriculture
- Introduction to Naval

BHP FutureFit Academy: A partnership between BHP, North Metropolitan TAFE (WA) and Central Queensland University.

An excellent example of innovation in the apprenticeship and traineeship space is the BHP FutureFit Academy. This is a partnership between BHP, Central Queensland University and North Metropolitan TAFE in Perth which creates career pathways and secure employment opportunities for students. The BHP FutureFit Academy is a training facility offering paid training pathways into mining for those without any previous mining experience, at any stage of their life. Members of the Academies are permanent BHP employees from their first day. The Academies provide immersive learning experiences for students using the most current teaching methods and education technology and with all learning conducted in the centres, rather than through traditional 'on-the-job training' at BHP's mining operations.

The BHP FutureFit Academy is also supporting and promoting BHP's inclusion and diversity agenda. They are providing fast tracked trade apprenticeships and traineeships designed with new-to-industry individuals in mind. 80 per cent of FutureFit students are female, 20 per cent are Indigenous, the average age is 30 years old, and retention is at 83.4 per cent.

Federation University partnering with industry for renewable energy training

Federation University in Ballarat, Victoria opened Australia's first renewable energy training tower in March 2022. The 23-metre-high tower is Stage 1 of the Asia Pacific Renewable Energy Training Centre (APRETC). Renewable energy companies Vestas, ACCIONA Energia, GPG and Tilt Renewables provided \$1.8 million for APRETC with the initial business case funded with \$50,000 from the Victorian Government.

With the opening of the wind turbine training tower, Federation TAFE is now delivering Global Wind Organisation (GWO) Standard Basic Safety Training and Basic Refresher Training. Federation expects to eventually train over 600 people a year, providing a pipeline of skilled workers for the fast-growing wind energy sector.

4. Commonwealth programs which could influence the above, and intersections with state and territory, industry, and philanthropic efforts, including any structural barriers to improvement.

There are a number of Commonwealth programs in train which are aimed at addressing many of the issues raised in the terms of reference for the inquiry, in particular the Skills Reform agenda, which is being led by DEWR. These reform efforts include the new industry advisory arrangements which came into effect on 1 January 2023. They also include the review of the Standards for RTOs, qualifications reform, development of a VET Workforce Blueprint, VET data streamlining, and the National Training Register enhancement program. The Australian Skills Quality Authority (ASQA) which is the national VET regulator, has also undergone reform in recent years to move from a compliance to an outcomes-based approach, promoting self-assurance and continuous improvement within the VET sector.

These reforms are also taking place within the broader context of the negotiations on the National Skills Partnership and the Universities Accord. This presents a unique opportunity and moment in time to develop principles that could help to create a cohesive tertiary education system that is accessible by all adults. However, parity of esteem can only be achieved by parity of funding. Mitchell Institute [research](#) shows that universities receive almost twice the amount of revenue per domestic students as a vocational institution, such as a TAFE.

This is also evident in Commonwealth Supported Place (CSP) funding. By supporting those students who may not otherwise have attended university, TAFEs are enhancing the diversity of the tertiary education sector through the provision of new and innovative pathways into higher education. The delivery of higher education by TAFE directly contributes to the achievement of Commonwealth targets for social inclusion in higher education. However, most TAFE higher education students are ineligible for CSP funding. This inequitable exclusion means they have no option but to pay full fees even although a significant portion of students come from low socio-economic and other disadvantaged backgrounds. This contrasts to universities, where the CSP funding scheme substantially subsidises students to study 'HECS' courses in undergraduate qualifications.

Additionally, TDA supports the position of Tom Karmel, director of the Mackenzie Research Institute in [What about diplomas? \(Mackenzie Research Institute, September 2022\)](#) which notes that higher education has expanded at VET's expense. Karmel identifies the need to address the declining enrolments in VET diplomas. Karmel suggests a new type of tertiary education is needed to increase practice-based education. TAFE institutions, as educational entities, are well placed to fulfill this role. Karmel also states that students should be able to obtain bachelor degrees from a range of institutions, including ones that are predominantly VET focused. Again, TAFEs are such institutions.

Recommendation 5

To improve the quality of VET, Commonwealth reforms must be coordinated and coherent with realistic implementation timeframes. Stakeholder consultation must take into consideration the views of those who will be impacted by these reforms, especially those responsible for implementing them on an ongoing basis i.e. TAFEs and RTOs.

Recommendation 6

Consider the creation of dual qualifications, maximising the use of TAFEs as educational entities, supported by parity of funding to promote a more harmonised tertiary education sector.