



**TAFE
DIRECTORS
AUSTRALIA**

SUBMISSION

Australian Universities Accord Panel

TDA RESPONSE TO AUSTRALIAN UNIVERSITIES ACCORD PANEL DISCUSSION PAPER

April 2023

About TAFE Directors Australia (TDA)

[TAFE Directors Australia \(TDA\)](#) is the national peak body that represents Australia's network of state and territory publicly owned Technical and Further Education (TAFE) institutes and dual sector universities. All Australian TAFE institutes and TAFE divisions of dual sector universities are [members of TDA](#). While the primary business of TDA members is vocational education and training, over half of TDA members also deliver higher education. This can be as part of a dual sector university, through third party arrangements, or their own qualifications. This means that some TDA members are regulated by TEQSA, ASQA, and if they are in Victoria, also by VRQA.

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Introduction

The aim of the Review of Australia's Higher Education System is to align higher education with current and future national needs. This consultation is seeking recommendations as to how to reach that alignment.

Australia's current higher education providers consist of 39 publicly funded universities including six that are dual sector universities with TAFE divisions, independent higher education providers and ten TAFE higher education providers. TAFE higher education providers consist of single, very large, state TAFE institutes such as TAFE NSW, to TAFEs like Holmesglen Institute, one of five Victorian TAFE higher education providers.

For the purposes of TAFE Directors Australia's (TDA) submission, the nominal tertiary education sector is defined as both higher education and vocational educational and training (VET). This tertiary education sector has evolved over time and subsequently has become fragmented with different policy directions driving higher education compared to VET.

This submission is an opportunity to provide recommendations to meet Australia's post-school educational needs now and in the future. The review of higher education sits among other reviews, including but not limited to, the migration review, VET reform, and establishment of Jobs and Skills Australia. TDA has made submissions to each review and the Ten Big Ideas contained in this submission further develop the thinking in many of these responses.

Prior to setting out TDA's perspectives, TDA recognises the positive contributions of universities in creating Australia's national identity, delivering world leading knowledge, developing economic, societal, and individual wealth, and fostering international relationships. These recommendations aim to support and enhance the role of Australian universities.

TDA also acknowledges First Nations Australians as the Custodians of the lands on which TDA and all TDA members provide learning and education. We pay respect to Elders, past and present. We will listen to our Indigenous staff, community, and students for their aspirations and responses to the proposals in this paper and seek their views on how TAFE can support Indigenous Australians to access higher education opportunities.

Technical and Further Education, 'TAFE', has been synonymous for generations of Australians as a trusted institution for gaining skills and knowledge and as integral part of local community infrastructure. TAFE is a safe place for many Australians who would not necessarily be successful at university to gain post school qualifications. Those students include people living in rural and regional areas, those with disabilities, those who have not achieved high ATARs at school, those whose learning has been interrupted, for example by needing to care for family, drug addiction, or mental ill health. The TAFE learning environment equips learners to gain the confidence to pursue higher education. There is an opportunity in this proposed Accord to reset the role TAFE can play for these Australians in higher education.

Among other recommendations, TDA proposes a single more connected tertiary education sector. TDA also recommends more must be done to meet the targets Bradley¹ set in terms of higher education acquisition for all Australians. Therefore, TDA recommends that TAFEs have a role to play for Indigenous students and other student cohorts as a place to study for their first degree.

TDA's Ten Big Ideas all fall within the 10-year horizon. This is because some of these ideas must be implemented if there is to be demonstrable change in the horizon beyond 10 years. This is particularly important in matters concerning access and opportunity, and meeting skills needs now and into the future.

This submission will contain a section on each of the three themes regarding national needs. TDA will also provide a discussion, in the fourth section, on the vital connection between VET and higher education.

TDA's position is that the connections between VET and higher education have not been maximised. TDA explores some of the reasons why the connections have not been strong, and what can be done to address that issue. TDA's recommendations are based on the lived experience of the last twenty years of an "industry led VET system" that has been dominated by compliance, micro-specification, and consistency as opposed to local solutions and innovation. However, it is critical to note in this context, that TDA supports the importance of consistency for licenced trades, but beyond that opportunities have been lost due to the failure to have a more nuanced and responsive training system.


Reflections on learning and teaching are included throughout this submission. TAFEs support their higher education students to learn through applied methodologies and to succeed by providing significant wrap around services. Recognising TAFEs' positive higher education learning experiences provides a chance for the Accord panel to address the increasing divide of opportunity that exists in Australia for access to higher education. Students should receive the same financial benefit whether they choose to study their degree at TAFE compared to a university.

TDA's Ten Big Ideas to progress a tertiary education sector are listed overpage and are expanded on further in this submission. This is the second submission TDA has made into the Review of Australia's Higher Education System. The first submission (December 2022) contained many examples of the benefits TAFE higher education courses bring to improving student access and opportunity. It is an attachment to this submission.

¹ Australian Department of Education, Employment and Workplace Relations, 2008, [Review of Australian Higher Education Final Report](#), Canberra

TDA'S TEN BIG IDEAS

1. Establish one tertiary education system where VET and higher education are equally funded and equally valued – remove use of 'higher' and 'vocational' education. Move to a single tertiary education policy direction that provides stable direction focusing on adults. Adults will need to acquire skills, knowledge, and additional accreditation throughout their working lives (about 50 years). Current policy muddles the needs of school students with adults. A post-school tertiary education focus is needed that works with Jobs and Skills Australia to address Australia's ever-increasing skills needs.
2. Improve the Australian Qualifications Framework (AQF) as part of a lifelong adult learning approach that includes qualifications that contain VET and higher education (dual qualifications), micro-credentials and accredited short courses.
3. Provide innovation funding to universities in place-based compacts between universities and TAFEs that deliver outcomes for student cohorts in their local areas. This will help meet the Bradley targets for all student groups, including those from regional areas and for specific cohorts such as First Nations students. It is consistent with TAFEs' priority for local responsiveness.
4. Supply Commonwealth Supported Places (CPSs) for any field of study for those higher education students who are studying at TAFE (public money to public organisations). Support for student preference for accessing either TAFE or University to study their bachelor degree will help deliver equity outcomes.
5. Provide innovation funding to universities as part of their compacts that must contain TAFE partnerships and a focus on industry. These compacts would be long term and would encourage education solutions, such as the creation of dual qualifications with both TAFE and university components that meet specific industry needs.
6. Invest where skills are needed – differentiate between low and high value VET markets to develop a new relationship between VET, higher education and industry in nation building or priority areas such as defence, aged care, cybersecurity, and clean energy. Such investment would encourage partnerships through new institutional arrangements in government-university compacts and incentives in the new national skills partnership. Jobs and Skills Australia would play a role.

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- 7.** Support applied research funding to Institutes of Applied Technology and Centres of excellence that are TAFE-led with university partners to drive small business responsiveness for workforce uptake of knowledge and skills, and through practical applied research.
 - 8.** Require all publicly funded universities to grant systematic credit for TAFE Diploma students (AQF Level 5) for year one of a related undergraduate degree.
 - 9.** Give TAFEs the capacity for self-accreditation of courses to facilitate student mobility and better qualification alignment between TAFE and university institutions. A more nuanced approach to VET qualifications is required so that training packages, with their limitations and onerous changes that require new mapping when change occurs to each degree, are not the products for university pathway courses. This applies to current Diplomas, Advanced Diplomas and some Certificate IVs (e.g. cybersecurity).
 - 10.** Move all TAFEs offering higher education and dual sector universities currently regulated by both TEQSA and ASQA to TEQSA as their sole regulator and leave ASQA to regulate the 3,500+ other RTOs. This might involve creating a separate TEQSA category that recognises the educational focus of TDA members to help facilitate TAFE-university connections.

1. Meeting Australia's knowledge and skills needs, now and in the future

Currently there is a divide between higher education and VET that is not optimising the potential for Australians to gain the mix of knowledge and skills needed throughout their working lives.

While a focus on school students is important to Australia's prosperity, equally so is a vibrant and well-funded tertiary education sector in which adults can continue to learn and to gain skills. Adults will be in the workplace for 50 years as opposed to the six years of learning time they spend at secondary school. No longer is it sufficient to say that schools can equip adults for the new knowledge and skills development they will need throughout their working lives, and into retirement. The constancy of change, including the demands of digital transformation, mean an adult lens is needed to examine post-school education and training.

There is therefore a need to develop full-service tertiary education institutions that can implement tertiary education policy for all Australians, for all communities, for all priority industries and for international education.

The Jobs and Skills Australia (JSA) submission to the 2023 Parliamentary Inquiry into the Perceptions and Status of VET² contained some interesting data. For example, "34.5% of employed persons across all occupations had a VET qualification as their highest education level. ...VET qualified workers are found across all broad occupational groups. They are more prominent in the Technicians and Trades Workers and the Community and Personal Service Workers occupations, but it is important to recognise that VET-qualified workers account for more than 30% of those employed in all broad occupational groups except Sales Workers and Professionals".

JSA went on to state that "holding at least one VET qualification is becoming more common in the labour force". This information is important to the argument for a more closely aligned tertiary education sector. As there are growing numbers of adults with at least one VET qualification, then much better connections between higher education and VET need to be enabled.

We also know that for VET, 18.17 per cent of students already hold a bachelor or higher degree plus another 2.21 per cent have an advanced diploma or associate degree³. It can be expected that this number will continue to grow as the requirements for the future of work will necessitate the mix of capabilities that are siloed in current higher education learning and VET sector arrangements. Australia will need to move away from a perception that higher education is 'higher' than vocational education if we are to provide the workforce that industries need in the future.

²https://www.aph.gov.au/Parliamentary_Business/Committees/House/Employment_Education_and_Training/VETInquiry/Submissions (Submission #81)

³ NCVER 2022, [Total VET students and courses 2021](#): Students DataBuilder, Total, Previous highest education level by Year

Additionally, we know that the age profile of learners entering TAFE are not dominated by those immediately leaving school. 53 per cent of students at TAFE are aged over 25 years old⁴. This varies to universities where more than 60 per cent of their students are immediately post-school, but increasingly they too have more mature adults.

The national economy has needs other than an unlimited supply of university graduates. Considering that the targets of the 2008 Bradley review⁵ on the aggregate attainment of higher education have been met, the discussion must now turn to a more refined and thoughtful set of targets. These new targets must reflect the real needs of students and employers rather than gross targets at qualification levels (see access and opportunity), as well as a more nuanced approach to tertiary education generally that treats and recognises the practical, applied learning outcomes gained through TAFE, either in higher education TAFE courses or in VET, as equal in value.

University non-completion rates suggest learners may not have the capacity or motivation to complete a qualification (Joseph, 2023)⁶. Equally so, first-year apprentices and trainees are more likely to not complete than one who has passed that milestone⁷. Currently, both sectors experience sub-optimal non-completion rates and a better aligned set of tertiary institutions that facilitate student mobility would be a useful response to existing barriers that serve to penalise students who may realise that their initial choice was not suitable for them.

In the apprenticeship space, we know that is fundamentally a result of what happens in the workplace and the low wages for apprentices. However, it is also a factor of the complex options faced by younger adults, including a buoyant employment market and other life issues. What does that mean? It means all those young people, whether they started first in university or VET, will need options at a later stage to acquire skills and qualifications for their life of learning and adaptive careers.

Two of Australia's leading business associations also promote the requirement for one tertiary education sector. The Business Council of Australia wrote in their submission⁸ to the 2023 Parliamentary Inquiry into the Perception and Status of VET, "as part of building a culture of lifelong learning, we must create a genuinely joined up and interoperable post-secondary system that will expand learning and career options available to Australians and provide more choice and control in the skills and education pathways they take". While the

⁴ NCVET 2022, [Total VET students and courses 2021](#): Students DataBuilder, Total, Provider type, Age group

⁵ Australian Department of Education, Employment and Workplace Relations, 2008, [Review of Australian Higher Education Final Report](#), Canberra

⁶ Joseph, R, [Exploring admission standards and falling completion rates of school leavers at Australia's universities](#), 2023, The Centre for Independent Studies Analysis Paper 44

⁷ NCVET 2022, Apprentices and trainees 2022 - March quarter DataBuilder, Contract status, Training duration by 12 month series

⁸ https://www.aph.gov.au/Parliamentary_Business/Committees/House/Employment_Education_and_Training/VETInquiry/Submissions (Submission #93)

Australian Industry Group's (AiG) Centre for Education and Training submission⁹ to that inquiry reminded those conducting the inquiry that AiG has been a "vocal proponent of a tertiary education sector that establishes both vocational education and training, and higher education on a more sure and even footing".

The formation of JSA and the expansion of their remit to embrace higher education and migration means that the structure for reviewing workforce needs now and into the future has been established. The priority that JSA is undertaking in clean energy is an example of their leadership. We know that this work will identify that Australia needs more electricians, more people with skill sets in, for example, working at heights, more engineers, more people with technical micro-credentials that are already qualified trades or university graduates. Therefore, the outcomes of the Accord review must tap into that development in terms of forming one tertiary education sector.

Given the complex funding arrangements, philosophical constructs around markets, and mix of Commonwealth and State/Territory ownership that exist, the discussions around Australia's needs are fragmented. If we are to see real change that allows for learners and industry to draw from both VET and higher education during their adult lives, then this will need to be addressed by the Accord.

The 2019 Review of the AQF¹⁰, if implemented, may be an enabler to this outcome. However, TDA has reservations about the scale of what is needed and the cost and disruption of the full implementation of the review's recommendations. Nonetheless some change to the current AQF is required to realise combined VET and higher education qualifications, the emerging micro-credentials of universities and of TAFEs, and the existing skill sets in VET.

In terms of micro-credentials, funding must be equitably allocated to university and non-university providers. If not, we are likely to see further distortion against VET generated micro-credentials. Providers must be enabled to stack micro-credentials into new qualifications that can be accredited through TEQSA. There will be opportunities for outcomes that embed suites of qualifications that are responding to local and industry needs while ensuring that student's qualifications are formally recognised.

Micro-credentials can address the need to upskill and re-skill staff. TAFE NSW, for example, in conjunction with industry, launched a micro-skills training solution to address emerging needs such as Zero Emission Electric Vehicles, construction and cyber security in 2021. There is much to be done here to enable micro-credentials to be part of the solution for future skills needs.

In terms of migration, international students have been an untapped source of skills. As per both University Australia's and TDA's responses to the Department of Home Affairs' review of Australia's migration system, the removal of the genuine temporary entrant visa to a more

⁹https://www.aph.gov.au/Parliamentary_Business/Committees/House/Employment_Education_and_Training/VETInquiry/Submissions (Submission #47)

¹⁰ Australian Department of Education, Employment and Workplace Relations, 2019, [Review of the Australian Qualifications Framework Final Report](#), Canberra

appropriate visa category is required. Equality of post-study work rights for VET graduates compared to university graduates is also needed if migration is to be a source of workers.

There is also a need to streamline pathways between VET and higher education institutions. Currently, pathways are negotiated at a provider level which limits options for international students. TDA's recommendations later in this document for systemised credit recognition between diploma graduates and university entry apply equally to international students.

The experience of TAFEs regarding 'learn while you earn' should not be dismissed in the discussion of Work Integrated Learning (WIL). While universities have responded and introduced WIL, if there were stronger partnerships with TAFEs, the negotiations with industry might be more streamlined. Incentivising industry to participate in 'learn while you earn' models has always had strengths and weaknesses. A review of industry's attitudes to WIL is called for and this would apply to non-university higher education providers as well, of which there are ten TAFEs and six dual-sector universities.

Big Idea 1

Establish one tertiary education system where VET and higher education are equally funded and equally valued – remove use of 'higher' and 'vocational' education. Move to a single tertiary education policy direction that provides stable direction focusing on adults. Adults will need to acquire skills, knowledge, and additional accreditation throughout their working lives (about 50 years). Current policy muddles the needs of school students with adults. A post-school tertiary education focus is needed that works with Jobs and Skills Australia to address Australia's ever-increasing skills needs.

Big Idea 2

Improve the Australian Qualifications Framework (AQF) as part of a lifelong adult learning approach that includes qualifications that contain VET and higher education (dual qualifications), micro-credentials and accredited short courses

2. Access and opportunity

There are different funding models for public universities compared with other higher education providers. For the latter, students carry the onus of the cost of education themselves. This is a particular barrier to increasing access to higher education offered by TAFE institutes where students must pay the total cost of their course. There are a limited number of TAFE higher education courses funded through a Commonwealth Supported Place (CSP).

TAFE students are also charged fees (20 per cent) on student loans under the FEE-HELP scheme. This is not applied to public university students. This fee acts as disincentive for students to choose TAFE, even though often it might be by far the best learning environment for them. The Productivity Commission in its recent report¹¹ suggests an even playing field and that all students should be charged a loan fee. The debate about whether there should be a loan fee or not may be needed, but the important point here is that it should be fair and equitable in that public money should be able to be spent in any public institution offering higher education.

Additionally dual sector universities and TAFEs with higher education offerings have strong track records in students progressing from their VET courses into higher education. Chisholm Institute quotes 47 per cent of their higher education students come from VET and RMIT state over 30 per cent of their Diploma of Nursing students go on to enrol in the Bachelor of Nursing degree.

These are important figures given the high likelihood that it is these TAFEs and dual sector universities where students have entered via a VET pathway. That is, they do not have social capital where their ATAR would enable them their choice of higher education provider, but they do have life and employment experiences which motivate them to enrol in a university course.

In terms of access, equity and opportunity to higher education, it is important to understand the types and diversity of students who come to TAFE institutes versus universities. An Australian Research Council project¹² on undergraduate degrees in vocational institutions found that higher education offerings in TAFEs attract specific cohorts of students, especially those of mature age and from non-English speaking backgrounds.

It also found that TAFE students enter bachelor degrees via diverse pathways, including previous study in VET and in higher education. The majority enter based on a portfolio of assessments, experiences and interviews, rather than an ATAR score and progression from year 12. Many TAFE students are 'second chance learners' (those who have not previously acquired qualifications) and require extensive support that is best provided by public institutions that are appropriately funded to do so as part of their core business. Students'

¹¹ Productivity Commission, 2023, [5-year Productivity Inquiry: From learning to growth](#), Vol 8, Inquiry Report no. 100, Canberra

¹² Australian Research Council Discovery Project DP170101885, [Vocational Institutions, Undergraduate Degrees: Distinction or Inequality Dissemination Report](#), 2020, Monash University, Melbourne

reasons for selecting higher education in TAFE institutes stress the student experience and the applied nature of higher education delivery, the close links with employers, supported pathways from VET to higher education, and small class sizes.

TAFEs also play an important role in supporting key cohorts such as First Nations, women, regional and migrant learners. In terms of the student population, the 2021 NCVER data¹³ shows that TAFEs continue to have above average representation from students who identify as Indigenous (6.1 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). In terms of socio-economic status, just over 40 per cent of TAFE students were in the bottom 2 quintiles of social-economic disadvantage in 2021.

While students in TAFE often come from lower socio-economic backgrounds, they regularly demonstrate the capability to progress to degree and post-graduate level qualifications. Chisholm Institute has delivered higher education degrees since 2011. In that time Chisholm has graduated 433 students in higher education. These students are often first in family, Indigenous, come from non-English speaking backgrounds, are mature age, and employed while trying to obtain their qualifications. They often come from backgrounds where there was little educational push, and ultimately go on to careers that benefit the community. This is typical across all TAFE higher education providers.

VET data also shows that women represent the clear majority of students studying at TAFE in the 30 years and over age bracket¹⁴ indicating that women are using TAFE later in their career/life to gain a qualification or re-train more so than men. There is significant further scope for TAFEs to develop programs and initiatives that support female higher education access and completion in key industry sectors, particularly where women are under-represented as well as designing education models that address barriers to study for women.

By supporting those students who may not otherwise have attended university, TAFEs are both enhancing the diversity of and expanding 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.

TAFE NSW has 44 higher education courses accredited by TEQSA. These include 16 undergraduate Certificates, 9 higher education Diplomas, 3 Associate Degrees, 14 Bachelor Degrees, 1 Graduate Certificate and 1 Graduate Diploma. In 2022, 2,411 students were enrolled in TAFE NSW higher education courses. The learner profile was 70 per cent female, 50 per cent international students, 66 per cent aged between 20 and 34, 2 per cent identified as Aboriginal and Torres Strait Islander, 5 per cent had a disability, 63 per cent based in

¹³ NCVER 2022, [Total VET students and courses 2021](#): Students DataBuilder, Total, Provider type, Indigenous status, Disability Status, Language other than English spoken at home, SEIFA (IRSD) by Year

¹⁴ NCVER 2022, [Total VET students and courses 2021](#): students DataBuilder, Total, Provider type, Age group, Gender by Year

Sydney, 20 per cent in Western Sydney, 10 per cent at regional campuses and 7 per cent in TAFE Digital.

TDA maintains that the student numbers at TAFEs would be significantly higher if the CSPs were available. This is a policy direction that would expand higher education appropriately to key target groups. Box Hill Institute (Box Hill) in Victoria is a good example of this.

In 2020 and 2021 Box Hill was the recipient of CSPs for undergraduate certificates and graduate certificates. Box Hill secured approximately \$3 million in CSP funding (\$1.5 million for 189 places in 2020, and \$1.55 million for 225 places in 2021). Demand for CSPs at Box Hill significantly outnumbered the allocation of CSPs to Box Hill courses. For example, in 2021 the first offer of the Undergraduate Certificate of Early Childhood Education, 22 CSPs were allocated to Box Hill and all 22 were filled with a waiting list of 230 additional students. No students on the waiting list elected to pay full fee or utilise FEE HELP to undertake the course. In another example, the Undergraduate Certificate of Biosecurity Science had three rounds of CSP allocations. In each round the allocations were filled with a waiting list. No student on the waiting list elected to enrol in the course without Commonwealth support. In a further example, the Undergraduate Certificate in Networking and Cyber Security and Graduate Certificate in Cyber Security had three rounds of CSP allocations, in each round the allocations were filled with a waiting list of over 200 students. Again, no student on the waiting list elected to enrol in the course without Commonwealth support. Historically it has been difficult convincing a student to study higher education at a TAFE without CSPs. The CSP funding in 2020 and 2021 significantly changed this dynamic.

Commonwealth funding is required to support the increasingly important role TAFE plays in broadening student choice and access, strengthening the capacity and reach of the system, particularly in regional areas where VET markets have failed, and addressing critical shortages of higher skills in the Australian economy. CSPs should be made available for any student who wishes to begin their higher education in any field of study in a supportive TAFE environment.

A separate discussion is also needed on other costs that impact students from access and equity groups. Both students and universities and TAFEs encounter a high cost to do mandatory work placements. For many years, TAFE Queensland has offered an extensive scholarship program that mature aged women in particular, can access to pay their living costs and loss of income while they are on a work placement (e.g. Diploma of Nursing). The burden of the impact and disruption of undertaking courses with high work placement components must be examined as a potential barrier to completion particularly as these are courses which are pivotal to national need, such as health and education, and which attract high numbers of women. Mature women, who constitute the majority of TAFE students in the 30 years and over age group, bear the significant burden in reskilling into these industries.

TDA proposes that employer sponsorship arrangements for migrant workers could be a source of funding to reduce these costs to these important target groups.

Generally, access to higher education is extremely difficult for those from lower socio-economic circumstances; women, migrants and refugees, disabled and Aboriginal and Torres Strait Islander people and rural and remote students. Access is difficult due to the cost of the course, the cost of supporting themselves (and their families) during study and physical

location. The recent exploration of the burden of who holds student loans, being largely women, has shed light on these inequities.

While it is acknowledged that the Bradley¹⁵ higher education target has been met, it is apparent that it has not been met in regions or for specific cohorts of students.

TAFE is geographically well placed to assist, with 550 locations including three dual sector regional universities to support target groups to access VET as well as further degree-based education. Several TAFEs already successfully implement this model.

Additionally, TAFE's admission models for higher education which focus on interviews, learning models of small groups, and high level investment in wrap around services all contribute to supporting targeted groups of students to complete higher education qualifications.

Big Idea 3

Provide innovation funding to universities in place-based compacts between universities and TAFEs that deliver outcomes for student cohorts in their local areas. This will help meet the Bradley targets for all student groups, including those from regional areas and for specific cohorts such as First Nations students. It is consistent with TAFEs' priority for local responsiveness.

Big Idea 4

Supply Commonwealth Supported Places (CSPs) for any field of study for those higher education students who are studying at TAFE (public money to public organisations). Support for student preference for accessing either TAFE or University to study their bachelor degree will help deliver equity outcomes.

¹⁵ Australian Department of Education, Employment and Workplace Relations, 2008, [Review of Australian Higher Education Final Report](#), Canberra

3. Delivering new knowledge, innovation and capability

Australia delivers new knowledge, innovation and capability through both higher education and VET. For this section TDA has not contributed to areas of discussion where we have largely been observers, such as the complex matters of university research and Job Ready Graduates. Our contribution for this national need theme relates to lost opportunities by failure to adequately include TAFE in delivering new knowledge, innovation and capability. Overseas experiences provide insight into the benefits of broader compacts between different types of providers.

TAFE is good at working with industry. It is fundamental to our course structure, which is industry led, and owners' priority that TAFE is a lever for economic and social objectives of governments. It also sits within our relationships such as direct engagement with employers of apprentices that are largely small businesses.

Regardless of the limitations of the national training packages, TAFE is locally responsive. TAFEs foster their industry partners, and indeed must consult with them to receive accreditation for courses. These are often small businesses. While there are criticisms that TAFEs do not deliver the latest industry requirements; those criticisms are largely from those who do not understand either the national training system and its industry-led products or the incentives for businesses to pay for and to deliver specific knowledge and skills for their competitive positioning.

Skills commissioners across the country have now formed a new federated group to share intelligence with each other, with Jobs and Skills Australia and with Jobs and Skills Councils. This is a new development and intersects with higher education and VET. While it will inform policy and investment it is essential that it also intersects with providers where long-term industry demand for research, knowledge and skills is included along with immediate requirements. Government must be the catalyst for encouraging collaboration between providers, and between collectives of providers and industry.

In this context Government funding can directly invest in innovation, such as providing specific funding to universities and business. It can also incentivise business through research and development tax deductions and supporting more Cooperative Research Centres that are required to have local TAFEs as partners. Regardless, government must drive innovation and capability for the nation and consider what sort of partnerships will be most effective. Universities cannot solely respond to student demand.

How then to shift the dial on getting individuals to take up the skills in demand? Realism is needed that financial incentives, including for women, will only go some way. The essence here is in job design and that is where industry must take a lead. If industry is serious about lifelong learning they must invest. Therefore, a scheme not dissimilar to that in UK where a payroll levy is in place for industry to access themselves for training their workforce or for small business to use, needs to be considered.

Innovation relies on effective industry and provider partnerships. It must be focused on commercial, industrial, scientific purposes and national need. The capability to bring knowledge and innovation to market needs to be fostered and supported in Australia. TDA suggests that to date, Australia has failed to tap the potential of TAFE and TAFE-industry-university partnerships in developing new knowledge, innovation and capability. Industry and business are more likely to invest in research if it can be shown to be practical and have an

impact on their local operations. This is particularly relevant given that the Australian business sector overwhelming consists of small and medium sized organisations.

Research by TAFE currently occurs generally in small-scale requirements and often for small business. There is an opportunity for this applied and practical research to be funded more explicitly in similar ways to that which occurs in Canada and parts of Europe. As research universities the dual sectors are in a unique position to be able to take that capability and embrace applied research which includes key partners from industry.

TDA suggests that the focus on fostering competition to improve effectiveness that has dominated the marketisation of VET for the last fifteen years has reached the end of its value if innovation is to be a priority. The national training system has prioritised compliance and micro-specification over local innovation. This has ensured a highly regulated sector with a long tail of training providers which are driven by a for-profit motive, not necessarily for national need. It is within ten year policy horizon that this 30-year-old approach to VET markets will need to be reconsidered by the Commonwealth Government. The government has to seriously contemplate whether sustaining such an approach has delivered the innovation outcomes Australia needs.

Developing an industry funded or co-funded research effort is more likely to succeed if dedicated research centres are located in Centres of excellence that include applied research. TAFEs and dual sector universities can use their existing close links to industry/business to social and economic advantage. This could harness the shared knowledge held by employers and VET practitioners to solve a myriad of issues, including energy transition and digital capabilities, that will continue to impact on business and industry for the foreseeable future. This approach is well-established in some European countries and could also serve as the basis for locally focused innovation ecosystems that would be able to have universities join industry-relevant research conducted in the TAFE based centres of excellence and innovation.

Sometime ago the notion of trusted providers was lost. A trusted provider is one "in which confidence is placed" (Merriman-Webster dictionary accessed 10 March 2023). TAFEs and universities must be trusted to deliver for the national need, especially in industry focused partnerships. For new knowledge, innovation and capability to become paramount, TDA maintains that TAFEs must re-emerge as trusted providers and be enabled to partner with industry and with universities. This goal will need deliberate alterations to existing structures.

Big Idea 5

Provide innovation funding to universities as part of their compacts that must contain TAFE partnerships and a focus on industry. These compacts would be long term and would encourage education solutions, such as the creation of dual qualifications with both TAFE and university components that meet specific industry needs.

Big Idea 6

Invest where skills are needed – differentiate between low and high value VET markets to develop a new relationship between VET, higher education and industry in nation building or priority areas such as defence, aged care, cybersecurity, and clean energy. Such investment would encourage partnerships through new institutional arrangements in government-university compacts and incentives in the new national skills partnership. Jobs and Skills Australia would play a role.

Big Idea 7

Support applied research funding to Institutes of Applied Technology and Centres of excellence that are TAFE-led with university partners to drive small business responsiveness for workforce uptake of knowledge and skills, and through practical applied research.

4. The connection between the vocational education and training and higher education systems

There are numerous reasons why connections between VET and higher education have not been optimised. Some are attitudinal such as parity of esteem, but most are structural. To improve connection there are some fundamental changes that should occur within the next few years.

The first of these relates to the one-size fits all training product design within the national training system. To date, training packages have been developed by Industry Reference Committees (since replaced with Jobs and Skills Councils from 1 January 2023). Updates to these packages could take years given the consultation processes within these committees. Claire Field¹⁶, a higher education commentator in the tertiary education system, observes that with the advent of artificial intelligence the business training packages will never keep pace. Ms Field suggests that training packages should be limited to licensed trades and that quality RTOs should be able to self-accredit in other industry areas. One state is also experimenting with trialling non-training packages for a specific AQF Level 5 qualification. The important point here is that one of the key barriers to connection between higher education and vocational education has been because of the process and the design of training packages.

The problem with training packages is that when they change they require considerable new mapping to determine what is equivalent. This is both onerous and specific to content, rather than reinforcing the general capabilities that are fundamental to higher education learning and transferable skills.

Therefore, there are two solutions proposed to immediately fix this arrangement. The first is to determine a single approach to a diploma (AQF Level 5) for all fields of study that will ensure the level of learning will always meet the requirements of the first year of a related degree. With that work undertaken and adopted then all universities must recognise that a Diploma completed in a field of study gives automatic first year credit to the first year of a degree in that field of study. This system-wide use of credit will have the impact of enticing students to move between VET and higher education. A TAFE qualification would be accredited as the first year of university study. This transition point needs to be implemented on a nationwide basis.

The second solution is to enable TAFEs to have an even playing field with university and to be self-accrediting in non-licensed trade qualifications. Curriculum change is a slow process hampered by intensive consultation and regulatory processes in VET, whereas universities can self-accredit and be much more agile.

The first place to trial self-accreditation may be with dual sector universities which already hold self-accreditation with TEQSA. This could easily flow to VET qualifications that are not

¹⁶ Claire Field, [The AI Challenge: VET will need help to keep courses current](#), 8 March 2023, Campus Morning Mail

part of agreed licensed trades. Dual sector universities are in a unique position and the advantages of their unique construct have not been realised.

However, beyond those barriers is the actual construct of qualifications. Self-accrediting universities should be able to draw into one of their qualifications components of a VET qualification that might create a dual credential. More must be done to enable those innovative products and the funding that is required to make them effective.

Additional funding must also be given to recognise the difference in learning styles of students and the different abilities in regards general capabilities. There is a need to build options for education delivery which will deepen digital delivery of courses for example.

The proposed merger of the AQF across vocational education and higher education as part of the AQF review¹⁷ was meant to encourage lifelong learning. The operationalisation of this framework has been debated within sector wide committees without clear and consistent foci or outcomes defined for TAFE or higher education. The AQF review was published in 2019, and, as would be expected, identified that all students that obtain future qualifications would need to show skills in digital literacy, be able to react to industry demands, understand diverse cultural requirements, and transform as workplace demands change.

Despite the recent push from Government to highlight pathways from vocational to higher education, very few people outside educational institutes understand what a pathway model means and what is required for supporting transitioning vocational education students. Curriculum pathways between VET and higher education remain highly problematic and difficult to implement because of the above mentioned construct of training packages. Additionally, the student view of pathways from vocational education to higher education is blurry, ambiguous, and the message from educational providers has been weak.

Incentives for universities to partner with TAFEs on dual credentials should be encouraged. Self-accreditation for TAFEs (like universities which create their own curriculum) would go a long way in providing better responsiveness to Australian future skills and knowledge needs. TAFEs as public institutions could work with universities, industry and unions directly to create contemporary course content and design and produce job ready graduates at scale.

A strong and autonomous TAFE sector can help meet Australia's short-term skills shortages, boost productivity of the workforce and better prepare Australians for the jobs of the future. For Australia's current and future workforce needs, the AQF Level 5 (Diploma) warrants particular attention as this is the intersection point between VET and higher education. Enrolments in Diploma level qualifications have declined in recent years¹⁸ due to decreased public funding and the redirection of state funding to entry level and first qualifications which, while important, undermines commitments to lifelong learning at diploma level and above.

¹⁷ Australian Department of Education, Employment and Workplace Relations, 2019, [Review of the Australian Qualifications Framework Final Report](#), Canberra

¹⁸ NCVET 2022, [Total VET students and courses 2021](#): Program enrolments DataBuilder, Total, Level of education by Year

However, five-year projections noted by the former National Skills Commission¹⁹ show more than nine-in-ten new jobs are projected to require post-school qualifications and that occupations in high demand are more likely to be specialised and require higher level skills and formal qualifications. At the nexus of VET and higher education, the AQF Level 5 is an extremely important part of the tertiary education sector and needs to be a focus in this review. While the diploma is an important qualification as a pathway through VET to higher education, the value of the diploma for new and emerging job roles (e.g. renewable energy) should also be closely considered.

Dual sector and TAFE higher education providers have demonstrated some success with pathways between VET and higher education. Students who commence in a VET qualification with one provider are able to stay on in a familiar and well supported environment with that provider for their higher education. For example, Melbourne Polytechnic reports that many students who do not meet the university entry requirements for the Bachelor of Education and who start in the Diploma successfully transition to the Melbourne Polytechnic Bachelor of Education. This includes many under-represented cohorts.

Additionally, TAFE higher education providers can combine both VET and higher education courses to meet local skill shortages. An example is the Chisholm Institute Bachelor degree in Psychology accredited by TEQSA and the Australian Psychology Accreditation Council (APAC). APAC accreditation allows students to go on to post-graduate study with the opportunity to become registered Clinical Psychologists. The accredited pathway degree consists of a VET diploma with work-ready elements in counselling, community services, mental health, alcohol and other drugs. The second phase delivers the Associate degree with the research, statistical and theoretical understanding of psychology and psychological disorders. Students have the option to leave at the conclusion of year two with a recognised Diploma and Associate Degree in Psychology. The final year completes the Bachelor degree and students exit with a Diploma and a Bachelor Degree in Psychology.

The South East of Melbourne and Mornington Peninsula are areas from which the majority of Chisholm students reside. These areas are also known for low-socioeconomic status, high youth unemployment, mental health, and drug and alcohol issues. The area is currently in need of a workforce with practical experience and strong theoretical, literacy and numeracy skills to work in the allied health field. When consulting with industry partners in the development of Chisholm's Psychology degrees, a consistent issue arising was that students with strong theoretical backgrounds rarely had the experience in industry to perform at the required standard in a reasonable timeframe. Industry said that this pathway would provide them a workforce that consisted of students who had engaged in work placement as part of their diploma, while also providing the literacy, analytical, critical thinking and numeracy skills that were needed to perform at high levels and the opportunity for career progression. The accreditation of the bachelor program by APAC allowed students to become Clinical Psychologists meeting a major future workforce demand and estimated shortfall in the number of required psychologists. Traditional Psychology programs across Australia require

¹⁹ National Skills Commission, [State of Australia's Skills 2021: now and into the future, five-year employment projections](#), 2021

high ATAR scores for entry and the pathway model allows students who would otherwise be unable, to enter Psychology as a profession.

The discussion on connecting the VET and higher education sectors needs to go beyond pathways and look at the creation of new (joint/integrated) qualifications. Incentives for universities to partner with TAFEs on dual self-accredited credentials should be encouraged.

TDA member institutes delivering both VET as well as higher education are regulated by both TEQSA and ASQA. For large providers, such as TAFE NSW, these regulatory standards, while similar, require a significant investment in administration. The re-registration audits conducted by both agencies examine similar and overlapping business functions, for example: marketing of courses, financial management, access to and use of facilities, and issuing qualifications. ASQA and TEQSA have different processes in place for the registration/adding to scope of courses which incurs additional costs for TAFE providers.

Furthermore, the introduction of TEQSA full cost recovery and associated evidentiary requirements is far more onerous than for self-accrediting organisations. ASQA also operates on a full cost recovery model but regulates in a different way to TEQSA with the latter focusing on quality and the former on compliance. While ASQA's self-assurance process is an improvement, the two regulators operate within unique contexts driven primarily by the number of providers to be regulated, and for VET, the national training packages. New thinking and a different approach to tertiary regulation is required.

Bradley²⁰ recommended one regulator. TDA does not recommend one regulator but does distinguish between a public educational institution such as TAFE and a private training organisation that has a small number of competencies and delivers for a specific industry purpose. TAFEs need a streamlined set of regulatory requirements, a single re-registration process and a determination of low-risk provider status, to drive efficiencies and reduce costs. This would deliver dual sector universities and TAFEs with higher education simpler regulatory processes.

²⁰ Australian Department of Education, Employment and Workplace Relations, 2008, [Review of Australian Higher Education Final Report](#), Canberra

Big Idea 8

Require all publicly funded universities to grant systematic credit for TAFE Diploma students (AQF Level 5) for year one of a related undergraduate degree.

Big Idea 9

Give TAFEs the capacity for self-accreditation of courses to facilitate student mobility and better qualification alignment between TAFE and university institutions. A more nuanced approach to VET qualifications is required so that training packages, with their limitations and onerous changes that require new mapping when change occurs to each degree, are not the products for university pathway courses. This applies to current Diplomas, Advanced Diplomas and some Certificate IVs (e.g. cybersecurity).

Big Idea 10

Move all TAFEs offering higher education and dual sector universities currently regulated by both TEQSA and ASQA to TEQSA as their sole regulator and leave ASQA to regulate the 3,500+ other RTOs. This might involve creating a separate TEQSA category that recognises the educational focus of TDA members to help facilitate TAFE-university connections.

REVIEW OF AUSTRALIA'S HIGHER EDUCATION SYSTEM

Submission to the Department of Education – December 2022

Meeting Australia's knowledge and skills needs, now and in the future

TAFE Directors Australia (TDA) on behalf of its members, both those which offer higher education and those who do not (50:50), welcome the opportunity to contribute thinking and examples into this early stage of the *Review of Australia's higher education system*.

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. Therefore, this review is fundamental for providing individuals with the education they need for life, strengthening communities, improving productivity, and positioning Australian industry globally.

Language is important in the context of this review. Vocational education and training (VET) is part of the tertiary education sector. It is TDA's position that the binary nature of Australia's VET and higher education systems must be removed if we are to meet Australia's knowledge and skills needs, now and in the future. Policy, regulation and funding all contribute to this separation. A focus on the student, in particular nurturing the student to attain higher education outcomes, will accrue benefits to individuals as well as to Australia.

In the TDA newsletter www.tda.edu.au on 28 November 2022, the CEO of TDA stated, "2023 bodes well for the creation of high-quality dual qualifications that are built for students. ... (The Review) should consider both new qualifications and financial support for a student who chooses TAFE for their higher education study."

Additionally, TDA supports the position of Tom Karmel, director of the Mackenzie Research Institute in *What about diplomas?* (Mackenzie Research Institute, September 2022). 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.

Professor Glyn Davis, Secretary to the Department of Prime Minister and Cabinet, in his presentation to the TEQSA conference in November 2022 also called for a new type of institution. Davis suggests these institutions should preference teaching over research. TAFEs also meet this criterion.

Professor Greg Craven, past Vice Chancellor of the Australian Catholic University wrote in the Weekend Australian on November 12-13, there should be "strong incentives for universities

to partner with TAFE for valuable, mutually advantageous dual credentials. This involves hard work, not flowery commitment". Innovative solutions are possible, but they are often not systematised or sustainable. For example, many dual credentials fall apart when the champion in either provider leaves. TDA suggests more is needed to move from exemplars to mainstreaming dual credentials.

In these introductory remarks, TDA suggests that the work on the AQF led by the late Professor Peter Noonan, which has not progressed, is important in addressing the value of VET compared to higher education. If the tertiary education sector is to be refreshed, equality of perception, and, to use Professor Peter Dawkins' term (Interim Director Jobs and Skills Australia), a more harmonised sector, is needed.

Currently, within the VET sector all 3,500+ Registered Training Organisations (RTOs) are treated the same. 29 only are TAFEs or dual sector universities with TAFE divisions. And yet, their size, ownership, purpose, complexity, business operations vary dramatically. TDA suggests that TAFEs as public providers, and as highlighted by Minister O'Connor, are not just the heart of the VET sector, but also critical parts of the tertiary education sector. As educational entities the potential for TAFEs' contribution in higher education has been untapped. Supportive policy is needed to maximise opportunities for students and to create a continuum for lifelong learning that is neither linear nor hierarchical.

TDA looks forward to being part of the discussion on how policy, funding and regulation can enable a future that maximises the Australian taxpayers' and individual students' investments in higher education to meet Australia's future requirements for knowledge and skills.

Access and opportunity

An understanding of the types of students who come to TAFE institutes versus universities and the diversity of the TAFE student population is important in terms of access and opportunity to higher education. An [Australian Research Council report on undergraduate degrees in vocational institutions](#) found that higher education offerings in TAFEs attract specific cohorts of students, especially those of mature age and from non-English speaking backgrounds. It also found that TAFE students enter bachelor degrees via diverse pathways, including previous study in VET and in higher education. The majority enter based on a portfolio of assessments and experiences, rather than an ATAR score and progression from year 12. Students' reasons for selecting higher education in TAFE Institutes stress the student experience and learning style, alongside identifying the relevance of the degree for their chosen field of employment.

TAFEs focus on those seeking to gain skills and qualifications either for their first job or for increased participation in the workforce through improved skills to achieve higher level jobs. Many TAFE students are 'second chance learners' (those who have not previously acquired qualifications) and require extensive support. TAFEs play an important role in supporting key cohorts such as First Nations, women, regional and migrant learners. In terms of the student population, the [2021 NCVET data](#) shows that 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%).

The [2021 NCVER data](#) also shows that women in particular use TAFE later in their career/life to gain a qualification. There is significant further scope for TAFEs to develop programs and initiatives that support female higher education access and completion in key industry sectors, particularly in those where women are under-represented as well as designing education models that address barriers to study for women.

In relation to the work of the National Centre for Student Equity in Higher Education (<https://www.ncsehe.edu.au/>) TDA believes there could be significant opportunities for mutually beneficial partnerships between TAFEs and universities in the pursuit of equity across both sectors.

TDA members operate in over [550 locations in Australia](#), including regional, rural, and remote locations and deliver to hundreds of thousands of students. The skills and training needs in one part of Australia may not be reflected in another region of Australia. TAFE is well positioned to provide this local place based learning and advice, consistent with the priorities of their State and Territory Governments.

Chisholm Institute, Victoria

VET experience supports student progression

Chisholm Institute reports that generally students who enter higher education programs from vocational education at Chisholm Institute come with strengths and weaknesses. Students who have completed a Diploma with Chisholm in a cognate discipline come with applied knowledge of the field, a strong theoretical understanding of the concepts taught, and are familiar and comfortable within the Institute. However, students also often lack the skill for self-directed learning including reading and writing skills, ability to research and find appropriate literature, associated software skills including using the office suite of programs, and there is often difficulty making the transition from competency-based assessments to those found in higher education programs. This requires resourcing and teacher understanding of how to build skills through formative feedback and deliver content through pedagogical approaches that bridge the gap between vocational education graduates and their second-year higher education peers. This finding at Chisholm is also supported more broadly in the sector by research on Advanced Standing from vocational education (Symmons, Kremer, & Rendell, *NCVER*, 2016).

TAFE Queensland

Opportunities for Aboriginal and Torres Strait Islander communities

TAFE Queensland offers the Remote Area Teacher Education Program (RATEP) which is a joint initiative between TAFE Queensland, James Cook University and the Queensland Department of Education, in liaison with Aboriginal and Torres Strait Islander communities. RATEP is a community-based primary education and early childhood education program that provides a direct pathway for Aboriginal and Torres Strait Islander people to become registered teachers, qualified teacher aides or early childhood educators. RATEP courses include the Certificate III in Aboriginal and Torres Strait Islander Education, Certificate III in Early Childhood Education and Care, Diploma of Aboriginal and Torres Strait Island Education and the Diploma of Early Childhood Education and Care. RATEP is an initiative which respects the culture and knowledge of Aboriginal and Torres Strait Islander people, values the contribution they can make to the education of all young Australians and delivers from a range of regional and remote locations across the state.

TAFE SA

Providing regional and remote access

TAFE SA's Aboriginal Access Centre (AAC) provides support for Aboriginal and Torres Strait Islander students and offers a variety of programs from regional and remote locations. An example of this partnership is with the Port Wakefield to Port Augusta Alliance (PW2PA) and Interact Australia. This partnership delivers a 16-week Certificate II in Civil Construction. Sixteen Aboriginal people took part in the training which was delivered on site at Port Wakefield and as a result, 14 are now employed by construction companies. TAFE SA is also working to enhance its regional presence in 2023, as well as increase accessibility of education and training opportunities across regional, rural, and remote South Australia through the establishment of eight Regional Skills Advisory Committees.

TAFE NSW

Regional and remote Connected Learning Centres

TAFE NSW continues to improve access for rural and regional learners through improved learning platforms and innovative facilities. In 2021, there were over 118,600 enrolments by learners living in regional or remote areas, comprising 28.8 % of total enrolments. TAFE NSW continues to expand regional and remote access to education and training by establishing Connected Learning Centres (CLCs) across regional NSW. These centres provide multi-purpose, digitally enabled learning spaces in accessible locations to provide regional areas with skills critical for the NSW economy.

Charles Darwin University, NT

Higher costs of delivery for equity students

Supporting students from disadvantaged backgrounds to attain higher and vocational education leads to better outcomes for those individuals and society more broadly. Barriers to engagement, participation and attainment persist and require various interventions and supports. Supports available to students are critical for their success, and include pathways programs, mentoring, additional numeracy, literacy and language support and financial support for cost prohibitive course requirements such as placements or block study. Students with cumulative disadvantage from the Northern Territory often face multiple barriers that require additional support. CDU uses the Equity Initiatives Framework to plan support for equity cohorts across the student lifecycle: pre-access, access, participation, and attainment/transition out. An example is the Intensive pathway programs that includes industry mentoring components. These have proven to be a successful entry to further study for First Nations students. Over the past 3 years CDU has implemented pathways programs in discipline areas of Business, Law, Health, Arts and STEM aimed at First Nations students. The programs require resources to plan and design a program that specifically addresses cultural needs and connects with industry and further VET/HE course opportunities. Given the geographical expanse of the NT and the unique needs of vulnerable equity cohorts, the higher costs associated with scaffolded and relevant support are genuine challenges faced by regionally located universities.

Investment and affordability

Expansion of Commonwealth Supported Places (CSPs)

TAFE Higher Education Providers attract a diverse range of learners including school leavers, students articulating from VET, young and mature aged workers, students from a wide range of equity groups, and students who are first in family to participate in higher education. Characteristics of higher education in TAFE that attract these students include the applied nature of higher education delivery, the close links with employers, supported pathways from VET to higher education, and small class sizes. 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 Commonwealth Supported Place (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.

Commonwealth funding is required to support the increasingly important role TAFE plays in broadening student choice and access, strengthening the capacity and reach of the system, particularly in regional areas, and addressing critical shortages of higher skills in the Australian economy.

CSPs should be made available for any student who wishes to begin their higher education in a supportive TAFE environment. The policy that restricts access for these students to government subsidised places continues to be fundamentally unfair.

FEE-HELP Loan Fees

TAFE higher education students are also charged fees (20%) on student loans under the FEE-HELP scheme. These fees are not applicable to university students. This creates an immediate inequity and unfairly penalises higher education students enrolled with non-university providers. The Higher Education Loan Program should not draw artificial lines between public universities and public Institutes of Higher Education or create perverse incentives to enrol in one or the other. The perception of the loan can lead students to move away from TAFE to university.

Micro-credentials

Similarly, funding for micro-credentials needs to be equitable for both the VET and higher education sectors. Micro-credentials are a new and burgeoning area in higher education. TAFEs have been delivering stackable micro-credentials for years in the forms of units of competency and skill sets. There are notable offshore opportunities for providers to deliver micro-credentials to build combined VET skills and higher education knowledge for future study and work in Australia.

Addressing Emerging Industry Skills Needs through Micro-credentials

The ways industries operate, and the skills required for the future are rapidly evolving. This is driven by accelerated digitalisation in workplaces, adoption of innovative technologies, changing economic landscapes and shifting social behaviours and consumer expectations. TAFE NSW regularly adapts its course profile and delivery approaches to anticipate and respond to these changes. To ensure future industry demand is met, TAFE NSW is building the supply of new workers trained in emerging areas and the latest technologies, enabling worker mobility through reskilling in future-proofed and in-demand areas and upskilling existing staff in emerging skills. For example, in partnership with industry, TAFE NSW launched its Micro Skills training solution to address emerging needs including Zero Emission Electric Vehicles in 2021, construction and cyber security. The development of the Electric Vehicles micro skills was funded by the NSW Government and Industry and the NSW Government funded enrolments. Construction and Cyber security development are jointly funded by TAFE NSW and Industry.

Holmesglen Institute, Victoria

Access to CSPs makes a difference

In 2005, Holmesglen Institute became one of the first TAFE institutes to offer and confer higher education awards, building on nearly two decades of partner-provider relationships with higher education institutions, including a range of Australian universities in delivery of degree and sub-degree pathway programs. Their strategy for developing and delivering their own higher education programs was focussed on improving access to bachelor degree study, particularly for under-represented cohorts within their communities. Analysis of equity indicators at Holmesglen Institute in Victoria demonstrates Holmesglen's success in expanding participation by under-represented groups in the Bachelor of Nursing. Stand out results have been achieved for first in family participation. Over the 2018 to 2022 period, 60% of commencing local students in the Bachelor of Nursing program are the first in their family to study higher education (based on neither parent having attained a qualification at bachelor's level or above, excluding not stated or known data). VET pathways have also been shown to positively influence this participation. Over the same period, 44% of their commencing learners have entered with advanced standing from a VET pathway. The trend in both measures is increasing. Based on Holmesglen's achievements in expanding opportunities for under-represented groups, they were awarded a short-term boost in Commonwealth Grant Scheme places for the Bachelor of Nursing. Making Commonwealth Supported Places universally accessible to public providers of higher education programs would significantly address the inequities in higher education participation.

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 micro-credential 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 Shipbuilding..

Governance, accountability and community

TDA member institutes delivering both vocational education and training as well as higher education are regulated by both TEQSA and ASQA. For large providers, such as TAFE NSW, these regulatory standards, while similar, require a significant investment in administration for those delivering both VET and higher education courses. The re-registration audits conducted by both agencies audit similar and overlapping business functions, for example: marketing of courses, financial management, access to and use of facilities, and issuing qualifications. ASQA and TEQSA have different processes in place for the registration/adding to scope of courses which incurs additional costs for TAFE providers. Furthermore, the introduction of TEQSA full cost recovery and associated evidentiary requirements is far more onerous than for self-accrediting organisations.

ASQA regulates in a different way to TEQSA with the later focusing on quality and the former on compliance. While ASQA's self-assurance process is an improvement, the two regulators operate within unique contexts driven primarily by the number of providers to be regulated, and for VET, the national training packages. New thinking and a different approach to tertiary regulation is required.

Bradley recommended one regulator. That may be the solution, if it delivers considerable reduction in red tape and a system that is less binary between VET and higher education. Regulators changing their processes according to risk and provider type may also be a solution. Future governance and regulatory arrangements need to address any imbalances between the sectors and between different providers.

TAFEs operating in both environments need a streamlined set of regulatory requirements, a single re-registration process and a determination of low-risk provider status, to drive efficiencies and reduce costs. This would deliver dual sector universities and TAFEs with higher education simpler regulatory processes.

TDA is supportive of the establishment of Jobs and Skills Australia (JSA) and is pleased that higher education is now included in its remit. To avoid fragmentation, JSA should have a wide remit. For example, TDA sees no reason for a tertiary education commission. Such a body may further complicate the complex governance and regulation environment that exists.

Additionally, TAFEs are well connected with the newly formed Jobs and Skills Councils (JSCs) and TDA will be supporting the JSCs to engage with TAFE. These industry linkages are important in terms of future partnerships in higher education.

An individual TAFE's breadth and scope of delivery is reflected in TAFE-industry-employer-community engagement in our cities and suburbs, and in regional and remote Australia. As public providers, TAFEs play an important role in contributing to sovereign capability, security and supporting local communities. TAFE connections with local employers provide significant opportunities for deeper industry partnerships thus impacting future skills and knowledge.

TAFE NSW

Community focus

TAFE NSW Redfern campus delivered a successful IPROWD (Indigenous Police Recruitment Our Way Delivery) program. In 2021-22, 22 participants completed the program, with many either gaining employment or going onto further study. Three participants joined the Policy Academy and seven participants followed on with meaningful employment, including as Probationary Constables, others going into Disability Care, the Australian Federal Police, Department of Defence and NSW Transport while others went into further study at university or other programs.

The connection between the vocational education and training and higher education systems

There are currently nine TAFE Institutes delivering higher education in Australia, which sit alongside the TAFE divisions of the six dual sector universities that are also members of TDA. These educational institutions have a lot of insight on navigating the cultural differences between the VET and higher education systems.

While most TAFEs partner with universities there are considerable barriers to the success of these partnerships. The most important of these barriers is the nature of the training products TAFE are funded to use. Their constant changes put at risk the development of joint qualifications. Competency based training at the Diploma level is also questionably not the best approach for fostering pathways as per the recent NCVER report *Adding value to competency-based training* (NCVER, December 2022). An example is provided of the experience of Edith Cowan University and North Metropolitan TAFE, Western Australia below.

The proposed merger of the Australian Qualifications Framework (AQF) (<https://www.aqf.edu.au/>) across vocational education and higher education was meant to encourage lifelong learning. The operationalisation of this framework has been debated within sector wide committees without clear and consistent foci or outcomes defined within the TAFE or higher education sector. The [AQF review](#) was published in 2019, and, as would be expected, identified that all students that obtain future qualifications would need to show skills in digital literacy, be able to react to industry demands, understand diverse cultural requirements, and transform as workplace demands change. A very recent, but pertinent push from the Australian Government has been the recognition of "Pathway Options", where students can study in one of many educational styles, while ultimately progressing to degree level qualification, job outcomes, and appropriate remuneration.

The student view of pathways from vocational education to higher education is blurry, ambiguous, and the message from educational providers has been weak. The number of students entering higher education from any entry point has increased from 8% in 1994, to over 50% in 2021, despite many students not meeting the requirements to enter higher education from High School education

Despite the recent push from Government to highlight pathways from vocation to higher education, very few people outside educational institutes understand what a pathway model means and what is required for supporting transitioning vocational education students. A diploma constituting the first year of a degree program through recognition of workload and academic skills has not been systemised.

Another aspect of successful pathways are many students who can start in one provider with VET stay with that provider for higher education. For example, 30 per cent of RMIT enrolled diploma students go onto a RMIT associate degree and then a bachelor degree. Another example is at Melbourne Polytechnic which reports that many students who do not meet the university entry requirements for the Bachelor of Education and who start in the Diploma successfully transition to the Melbourne Polytechnic Bachelor of Education. This includes many under-represented cohorts.

Current challenges for the VET student include:

- There are no systemic arrangements in place for credit for the first year of a degree for students with an AQF Level 5 Diploma. Credit transfers are not easily developed with universities, resulting in inadequate transfer information being available for the student pathway at time of enrolment
- Lack of a formal collaboration of teaching teams across institutions to support the transition between the different styles of delivery and assessment inherent in different qualifications
- While pathway options may be available, they may not be well known or utilised extensively.

The concept of lifelong learning means that pathways are not always linear. There are significant numbers of higher education graduates who take up a practical skills-based qualification post attaining their degree. To enhance this model, innovation is needed so that students can select from both sectors simultaneously. Currently, funding, policy and regulation do not make this easy. The discussion on connecting the VET and higher education sectors needs to go beyond pathways and look at the creation of both new qualifications. Incentives for universities to partner with TAFEs on dual credentials should be encouraged.

Self-accreditation for TAFEs (like universities which create their own curriculum) would go a long way in providing better responsiveness to Australian future skills and knowledge needs. TAFEs as public institutions could work with universities, industry and unions directly to create contemporary course content and design and produce job ready graduates at scale. A strong and autonomous TAFE sector can help meet Australia's short-term skills shortages, boost productivity of the workforce and better prepare Australians for the jobs of the future.

For Australia's current and future workforce needs, the AQF level 5 (Diploma) warrants particular attention as this is the intersection point between vocational education and training (VET) and higher education. According to [2021 NCVER data](#), enrolments in Diploma level qualifications have declined in recent years.

However, five year projections noted by the [National Skills Commission](#) show more than nine-in-ten new jobs are projected to require post-school qualifications and that occupations in high demand are more likely to be specialised and require higher level skills and formal qualifications. At the nexus of VET and higher education, the AQF level 5 is an extremely important part of the tertiary education sector and needs to be a focus in this review.

While the diploma is an important qualification as a pathway through VET to higher education, the value of the diploma for new and emerging job roles (e.g. renewable energy) should not be underestimated. A range of studies have been completed looking at the employment needs of Australia’s growing renewable energy industry, and all have found there will be a significant increase in renewable energy related jobs in the short to medium term. The University of Technology Sydney (UTS) estimates that the growth in renewable energy in Australia alone will require 20,000 new jobs over the next 5 years, with 75% of these jobs being distributed across regional and rural Australia (Briggs 2020).

Importantly, whilst many of these new positions may have an underlying trade or professional qualification, they will require unique knowledge and training specific to the renewable energy industry. Today, the Clean Energy Council found there are shortages of people with relevant skills and backgrounds in electrical technology, wind turbine maintenance, solar installation and construction management. These priority industry needs should be considered within this review.

Australia’s tertiary education system requires future pathways that incorporate the applied and theoretical nature of complex higher level capabilities integrating VET and HE subjects to form courses.

TAFE NSW

Educating for the clean economy

TAFE NSW Higher Education currently has a Diploma in Renewable Energy and an Undergraduate Certificate (UGC) in Renewable Energy Engineering (a Higher Education Short Course). The UGC was offered as a fee free course in Semester 2 of 2022. In Australia, renewable energy currently makes up approximately 23% of our electricity generation, and this is expected to increase to over 50% in the next 10-15 years. This will require the design, installation, and maintenance of hundreds more wind and solar farms, thousands of wind turbines and millions of solar panels. Additionally, large amounts of supporting infrastructure, from hydro and battery storage systems to weather monitoring and electricity transmission facilities, will be needed. With the continuing demand for appropriately skilled and experienced employees is clear, the proposed TAFE NSW Higher Education Diploma of Renewable Energy Engineering is a way for an individual with an existing relevant trade or professional qualification to move over to the renewable energy industry, building on their underlying professional experience with renewable-energy unique skills or knowledge or to enter the industry.

Melbourne Polytechnic, Victoria

Good academic governance is essential for pathways

Melbourne Polytechnic strategically supports pathways and qualifications that are relevant for Australia, by directing these to meet industry requirements. Their qualification governance has embedded mechanisms to ensure the dynamic updating of qualifications, so they continue to remain relevant as industry requirements change. Melbourne Polytechnic learners are typically from non-represented cohorts that have diverse learning requirements. These are very different from the student cohorts that pathway straight from school. Melbourne Polytechnic has developed a wide range of supports for this cohort to ensure their success, including low teacher to student ratios. Melbourne Polytechnic successfully pathways students from the Diploma to the Bachelor degree.

North Metropolitan TAFE, Western Australia

Barrier to successful partnerships

The Cyber Security pathway partnership between North Metropolitan TAFE and Edith Cowan University (ECU) shows students that there is a strong connection between VET and higher education. A student can complete a Cert IV in Cyber Security and an Advanced Diploma of Cyber Security with North Metropolitan TAFE in two years. Their VET qualifications will then give them eighteen months of recognition of prior learning with Edith Cowan University, allowing them to gain a Bachelor of Science (Cyber Security) in eighteen months, rather than three years. This North Metropolitan TAFE and ECU pathway program works well for the student as it allows them to complete three qualifications in three and a half years, rather than five years. Additionally, students can study full time (with flexible study options through both institutions) and work part time with cyber security industry partners, that work with both organisations. The collaboration between North Metropolitan TAFE and ECU allows students to gain valuable experience throughout their studies and leads them to employment opportunities with leading cyber organisations when they graduate. However, frequent changes to VET courses can be disruptive to higher education, making them reluctant to engage in pathway programs as it requires additional time and effort to map out the new courses and complete the recognition of prior learning process. This lack of cohesion is detrimental to students who expect the program to stay constant for the duration of their studies.

TAFE Queensland

From school to TAFE to a degree

Starting with TAFE at School and powering all the way through to a fashion degree, TAFE Queensland students are 'doing uni differently'. One of TAFE Queensland's students was torn between a love of the arts and aspirations to design theme park rides as a mechanical engineer. It was a disinterest in maths that led the student to enrol in a TAFE at School fashion course in Years 11 and 12. Seeing a connection between fashion and engineering, the student completed a Certificate II and III in fashion before enrolling in a Diploma of Fashion after graduating high school. After completing the diploma, the student enrolled in a Bachelor of Applied Fashion offered by TAFE Queensland in partnership with the University of Canberra.

Quality and sustainability

TAFEs like universities have been challenged during the last three years. For example, TAFE international students faced several challenges during COVID-19. These included accessing financial support to meet their overall cost of living. This was due to the fact they were not included in federal government financial support and were unable to work during lockdown periods. Some students struggled to transition from face-to-face to virtual classroom learning and many reported struggling mentally during this time.

All TAFEs implemented a number of measures to support international learners during COVID-19. For example, emergency food assistance through charity groups and tuition fee instalment plans to ensure support for continuation of study when employment opportunities were lost. In terms of offshore enrolled students, TAFEs focused on digitally, enabled learning under the COVID-19 flexible delivery arrangement. International students impacted by COVID-19 travel restrictions were case managed to ensure retention and a smooth transition to onshore study.

TAFEs play a critical role in promoting equity and access to education. For example, as public VET providers, most TAFEs have an obligation to their State and Territory governments to serve the people and communities of that jurisdiction, including those who face significant barriers to education and employment. As per previous sections, TAFEs provide additional support to Aboriginal and Torres Strait Islander learners, learners with disability and other learners experiencing disadvantage.

Overall enrolments and completions were impacted in 2021 by the closure of campuses and reduced face to face training caused by the pandemic. For example, TAFE NSW delivery in Correctional Centres was severely disrupted due to COVID-19 health regulations which restricted entry into centres. Some students' completions were delayed due to a reduction in available student work placements particularly in Health, Aged Care and Childcare settings.

Delivering new knowledge, innovation and capability

TDA members undertake practice-based innovation and applied research as part of industry collaboration between researchers, industry, and government. This activity can be theoretical research, which leverages intellectual property for downstream commercialisation. It can also be the acquisition and assimilation of knowledge, and transformation and exploitation of knowledge as TAFEs across Australia engage with local industry and employers, and communities.

TAFEs know how to work with businesses of all sizes and at all stages of their development. Applying that sound understanding to collaborative applied research problem solving and idea development is an essential TAFE pathway for successful applied research for industries, firms, SMEs and family businesses, and for TAFE students. Many TAFE educators and trainers already demonstrate practice-based innovation and applied research in their own teaching practice for and with industry and community partners.

The Canadian applied research model must be considered in this context. It is funded by government and fosters place based, small scale local tertiary education partnerships with industry or community.

To date, Australia has failed to tap the potential of TAFE and TAFE-industry-university partnerships in developing new knowledge, innovation and capability.

Holmesglen Institute, Victoria

Leading in applied research

Established in 2016, the Holmesglen Centre for Applied Research and Innovation acts as an important driver of our relationships with industry and the community. It provides a supportive environment for Holmesglen researchers and is an important complement to our teaching and learning programs.

Holmesglen has led the way in developing research opportunities through its partnerships with industry, in particular health industries related research and research collaborations with the building construction industry and VR (virtual reality) related research and innovation. Examples of Holmesglen research projects include:

- **Building 4.0 CRC** - Along with 29 other organisations across the commercial, university, industry and government sectors, Holmesglen is collaborating in research projects aimed at changing the building industry through research and innovative technologies. For Holmesglen, research outcomes are focussing on the development of training programs in the use of new technologies (including digital technologies and robotics); innovations to work processes; and policy and regulations improvement. The CRC will also utilise our extensive workshop facilities and trained technical staff to support trials of improvements to the key building phases.

- **Hospital falls** - Holmesglen was selected to work with national and internationally acclaimed researchers to secure a prestigious National Health & Medical Research Council Grant to investigate falls in Australian Hospitals. Our research has benefited health professionals locally and internationally by educating them on falls prevention. We made a case for disinvestment from falls risk scoring tools in hospital settings by establishing this does not reduce falls and takes valuable time. Our Falls Virtual Community of Practice has improved the capability and capacity of health care workers in Australia and our work has contributed to the newly published World Falls Prevention Guidelines.
- **Jasper^{VR}** - Over a two-year period, an innovative virtual reality (VR) program was produced, implemented and trialled with nursing students at Holmesglen. The aim was to create and investigate authentic VR scenarios and a bespoke software application. Each was compared to traditional simulated learning in a randomised controlled trial. Outcomes of this study revealed significantly positive outcomes on the capacity of the VR experience to impact positively on student learning and to prepare them for future work.

These projects demonstrate Holmesglen's capacity and capability to make significant contributions to solving real-world industry problems, assisting in the commercialisation of industry products and processes, and improving learner outcomes and work readiness. However, Holmesglen's ability to extend the impact is often limited by the availability of funding or ineligibility to apply for existing grant schemes as a non-university higher education provider.

TAFE NSW

Institutes of Applied Technology

The 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 has 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 programs).

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.

As part of embedding scholarship into learning and teaching, TAFE NSW Higher Education students engage with industry on applied research projects where possible, which have real world application.

The following applied research projects were completed in Semester 1 of 2022 by students enrolled in the Bachelor of Information Technology (Cyber & Network Security). Some projects have a real-world application in which students engaged with industry with the potential for commercial application.

- **TrollGuard** is designed as a web-based asset monitoring and management system for physical retailers to keep track of their shopping trolleys with the aim of reducing the number of abandoned trolleys which cause environmental issues and cost retailers millions each year to recover or replace. The system sends an email notification to the nominated authority or person if a trolley is not in its designated area. The project is based on front-end and back-end web servers and also AWS Web Services technology.
- **ANDCaT** is designed for automation of switch configuration with the aim of automating a skilled yet menial task done by network engineers. The system gathers key information about switches, their port configurations and the endpoints plugged into them. This task when carried out manually can take valuable time away from more creative work by network engineers such as design and implementation. In preparing for any major network deployment, having all relevant information taken as a point in time snapshot can aid in troubleshooting or assist in rollback if issues arise during implementation. In general operation the system provides end users with access to the relevant configuration information which helps to streamline the support process.

The following applied research projects were completed in Semester 1 of 2022 by students enrolled in the Associate Degree of Applied Engineering (Renewable Energy Technologies)

- Sydney Trains Elevated Solar Cycleway Feasibility Study and Proposal where students enrolled in the Associate Degree of Applied Engineering (Renewable Energy Engineering) engaged with Transport for NSW on a concept overview and technical /environmental /financial /social analysis.
- Identification and Ranking of Wind Energy Opportunities for Small Wind Turbines for Diffuse Energy where students enrolled in the Associate Degree of Applied Engineering (Renewable Energy Technologies) identified potential locations for wind turbines.