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Charting New Terrain – Challenges for the Australian Tertiary Sector
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Introduction

I very much welcome the opportunity to contribute to this debate and provide a VET perspective on John Dawkin's excellent presentation of the issues and challenges facing the higher education and vocational education and training sectors in Australia. In presenting a VET perspective on the topic I might point out that the views I put forward today are my own and not necessarily representative of my many colleagues across the very diverse TAFE and VET sectors in Australia.

I will however claim to provide a perspective from someone with responsibility for Australia's largest and oldest vocational education and training organisation – Sydney Institute – which enrolls more than 74,000 students annually. Sydney Institute has a long and proud history of over 117 years and over that period has continued to change its profile of delivery in response to the changing needs of Australia's industry.

Higher education and VET

We have all followed with interest the robust debates over recent months about the issues and challenges currently facing the higher education and VET sectors in Australia in the context of the Bradley Review.

It is interesting to note that of the 35 questions in the review's terms of reference, only four specifically refer to cross sectoral issues¹. Much of the debate around Bradley however has focused on solutions that involve merging the higher education and VET sectors to create polytechnics, university colleges or community colleges.

The vision of a single seamless tertiary sector is an attractive one on a number of counts however despite the numerous policy disconnects in relation to funding, governance, curriculum and regulation across the sectors, I believe there are fundamental differences which should not be forgotten in proposing solutions to the issues.

John has provided us with a valuable framework to examine the issues and challenges facing us and he has quite rightly identified the learner as central in considering the challenges for the Australian tertiary sector.

In responding to some of the key challenges posed by John, I will also consider some of the fundamental differences which distinguish the two sectors and I believe need to be considered in order to avoid the risks associated with charting any new terrain.

¹ DEEWR, Review of Australian Higher Education
http://www.dest.gov.au/sectors/higher_education/default2.htm

Meeting the needs of the learner, employers and industry

One of the most distinguishing features of the Australian VET system is its core mission of meeting the skill needs of industry and its 'practice based' approach to learning, skills recognition and assessment. This I believe is what most distinguishes VET from higher education.

On either side of the stained glass doors of Sydney Institute's main administration block are the two words 'literature' and 'industry' - bringing industry and education together has always been our core mission.

The original motto of Sydney Technical College is also significant - 'manu et mente' – hand and mind, or doing and thinking. While we have now modernised our tag line to 'ambition in action', for us practice based learning is fundamental to meeting the needs of the learners, employers and industry we serve and we pride ourselves on being an industry led and industry driven system.

In contrast, while universities are unquestionably closely aligned with industry and employers, many would still see themselves as having more academic freedom and being more independent from government and industry agendas than their TAFE counterparts.

Lifelong learning needs of the population

There are also some fundamental differences in the profile of learners that the higher education and vocational education and training sectors serve that need to be considered.

While the majority of university entrants are school leavers, TAFE students are characterised by a much wider range of ages (14 to over 65 years), are in different stages of their working careers and have different educational requirements. TAFE students often return for 'top up training' throughout their working life.

The average age of a TAFE student in 2007 was 31.4² years whereas the average age of a university bachelor student was under 21³ years. In 2007, 74.9%³ of all bachelor degree enrolments in higher education were full time whereas in TAFE only 15.2%² of students were full time.

Given this profile I would argue that TAFE is more likely to meet the lifelong learning needs of the population throughout their working life than the university sector.

To further demonstrate the diversity of TAFE students, of the almost 500,000 enrolments in TAFE NSW in 2007:

- 29.6% were unemployed
- 15% were in part time employment

² NCVET data cube 2007 (Draft), <http://www.ncver.edu.au/index.html>

³ DEEWR, Selected Higher Education Statistics

- 25.5% were in full time employment
- 47.2% were from regional and remote areas
- 40.1% had not completed year 12 at school
- 32.3% were classed as disadvantaged, mainly Commonwealth benefit holders⁴

This internal analysis of TAFE NSW students is supported by national research into the socio-economic status of vocational education and training students in Australia. The Paul Foley NCVET 2007 report shows that:

- there is an over representation of students from low socio economic areas in vocational education and training
- this over representation is partly driven by the relatively high participation by students from regions outside the capital cities, which on average tend to be lower socio economic areas
- people from low socio economic areas tend to undertake lower level qualifications.⁵

In contrast, there is evidence of socio economic imbalance in the higher education sector which shows that students from low socio economic backgrounds display the lowest access and participation rates and remain under represented in virtually all fields and levels of study (Western, McMillan and Durrington 1998⁶: James 2002⁷).

So in summary, TAFE and VET outperform higher education across all equity groups in access to post secondary education as shown in research from Karmel and Nguyen 2003⁸ – particularly in relation to NESB, Aboriginal and rural participation rates.

The Australian government has clearly articulated its social inclusion agenda which aims to ensure that all Australians are given opportunities to participate in employment and to share in our national prosperity. Given this I would argue that TAFE is better positioned to provide opportunities for people from low socio-

⁴ TAFE NSW Data Warehouse Statistics

⁵ Foley, P., (2007) The socio-economic status of vocational education and training students in Australia, <http://www.ncver.edu.au/publications/1690.html>

⁶ Western, J., McMillan, J. & Durrington, D. (1998). *Differential Access to Higher Education: The measurement of socioeconomic status, rurality and isolation*. Canberra: AusInfo.

⁷ James, R., 2002, Socioeconomic Background and Higher Education Participation: an analysis of school students' aspirations and expectations, Department of Education, Science and Training (DEST), Higher Education Group, Evaluations and Investigations Program, Canberra

⁸ Karmel, T & Nguyen N. (2003), Australia's Tertiary Sector, <http://www.ncver.edu.au/publications/1442.html>

economic backgrounds to access higher qualifications and we cannot afford to lose this capability.

It was interesting to see yesterday's article in the Australian titled, 'Class Struggle' by Jennifer Oriel and Marcia Devlin from Deakin University⁹ claimed that rather than address equity issues the Californian post-secondary education system has resulted in entrenched social exclusion in the higher education sector.

Building stronger connections

Building stronger connections across the sectors is an important priority for us all. No one would be against a case for learners being able to move more easily across sectors nor for improved credit transfer and articulation arrangements.

While there are some excellent examples of effective articulation arrangements, agreements are often expensive to negotiate and maintain and those that are negotiated and agreed at an institution level are not always honoured at a faculty level.

When the Australian Qualifications Framework was first established some 15 years ago, it promised a national framework which would facilitate pathways and cross sectoral linkages across the three sectors of schools, VET and higher education. At the time we thought the boundaries across these three sectors were fairly clear and the common framework promised great opportunities for cross sectoral collaboration and cooperation.

However issues with cross sectoral collaboration between the HE and VET sectors have been an ongoing issue and are often cited as a key driver for TAFEs offering higher qualifications. The introduction of Associate Degrees and Vocational Graduate Certificates and Diplomas to the AQF were in part a response to the need for higher order applied skills but there was much debate about who owned these new qualifications and this space is still highly contested.

The recent OECD review of the VET system in Australia *Learning for Jobs*¹⁰ confirmed the view of many in the VET sector that Training Packages are cumbersome and should be replaced by simple and much briefer statements of skills standards. Training Packages have certainly been identified as a major barrier to negotiating credit arrangements with universities for VET providers for many years.

However, we do have a wide range of dual sector arrangements in place including TAFE Institutes offering degrees and considerable collaboration across Institutions at a local level. I would argue that we need to continue to support these arrangements and that the more diverse the arrangements, the more pathways for students to access higher level qualifications.

⁹ Oriel, J. & Devlin, M., Class Struggle, The Australian, 26 November 2008, <http://www.theaustralian.news.com.au/story/0,25197,24706272-21682,00.html>

¹⁰ Hoeckel, K., Field S., Justesen, T. & Kim, M., (2008), OECD Reviews of Vocational Education and Training, Australia, Australia Learning for Jobs, http://www.oecd.org/LongAbstract/0,3425,en_33873108_33873229_41631384_1_1_1_1,00.html

It is pleasing to hear from John about the work of the new AQF Council which has set about strategically strengthening the AQF to ensure it remains robust, nationally consistent and internationally competitive.

Challenging assumptions

However I think it is important that we not get too distracted by the issue of articulation and pathways across the sectors. Rather I suggest we need to question the assumption that all TAFE students want to or should go to university and whether strengthening articulation across the sectors should really be our top priority.

NSW Higher Education Enrolments 2007

Total Enrolments	Enrolments with a previous TAFE Qualification	% of total enrolments with a previous TAFE qualification	Enrolments with a TAFE qualification granted credit	% of total enrolments with a TAFE qualification granted credit
321,754	6,257	1.9%	3,128	0.8%

Source: DEEWR Selected Higher Education statistics

TAFE NSW Enrolments 2007

Total Enrolments	Enrolments with a previous Higher Education Qualification	% of total enrolments with a previous Higher Education qualification
497,747	35,561	7.1%

Source: TAFE NSW Data Warehouse

There is clear evidence of strong demand from individuals with higher qualifications seeking more practical skills and those wanting to cross over into new skill areas are areas coming to TAFE. There is also growing evidence that employers highly value TAFE graduates as having employment ready skills.

Addressing Government priorities

A further challenge outlined in John's paper was addressing Government priorities.

A key to Australia's future competitiveness, particularly in the current context of the global financial crisis and climate change, is lifting the proportion of the population with post school qualifications.

The VET sector is under increasing pressure to respond to this objective through increased flexibility and responsiveness and meet the COAG targets by 2020¹¹ of:

¹¹ Council of Australian Government, National Agreement for Skills and Workforce Development

- halving the proportion of the working aged population without Cert III and above and

- doubling the number of higher qualification (diploma and advanced diploma) completions.

At last week's Ministerial council meeting in Darwin, Ministers recognised that barriers to effective educational pathways between universities and training providers remain and agreed to seek COAG agreement to re-align its responsibilities to include higher education. It was agreed that an expanded role for the Council would provide for better coordination and linkages for articulation between the VET and Higher Education sectors while continuing to address issues such as skills shortages.

Better coordination and linkages for articulation will certainly help those students completing higher VET qualifications and wishing to undertake degree programs. It won't however do much to help those without any post school qualifications. In order to meet the COAG target of halving the working aged population without a Certificate III level qualification, we will need to upskill an estimated 7 million Australians over the next decade.

I would suggest that this target will never be achieved through the creation of community colleges or polytechnics delivering two year degree programs. I contend we need to maintain a robust TAFE sector with capacity to build foundation and access skills in order to deliver on this ambitious target and lift the skill profile of our workforce.

Competition and contestability

Governments through the COAG process have also made their expectations clear about how skilling the Australian workforce will be achieved and embraced competition and contestability as the key to increasing participation and productivity.

However the principle of competition and contestability is based on a level playing field of providers and there are concerns that the playing field is anything but level at the moment. In opening the market to further competition we need to consider that TAFE institutes:

- operate in remote and regional areas
- service thin markets
- have less control over costs than private providers
- service a higher proportion of socially disadvantaged clients.

To date, the allocation of the additional Productivity Places Program training places under fully contestable arrangements has seen a drive to a reductionist agenda whereby low cost and low skill training outcomes have prevailed.

TAFE is well positioned to directly respond to these government priorities, however it is interesting to note in the context of the current debate that universities are not

subject to the same level competition and contestability as is currently being proposed for TAFE.

Conclusion

In conclusion I would emphasise that the differences between the VET and higher education sectors in Australia are much more than policy disconnects of funding, curriculum and regulation. There are fundamental differences in purpose, culture, values and approaches to teaching and learning.

NCVER data consistently suggests high levels of student and employer satisfaction with TAFE. The OECD report *Learning for Jobs* identified the many strengths of the VET system in Australia including its high level of support from industry and the systems flexibility in meeting many different needs in different points in people's lives whether they are preparing for their first career, seeking additional skills for work or catching up on educational attainment. The Australian VET system is recognised by many as world class and the envy of many other countries.

In the current climate there is a danger that in trying to fix the problems of one sector we create a much bigger one, or even worse, we will destroy something that is working well that we can't afford to lose.

I believe that the proposition that merging the sectors into large mega institutions will somehow address the problems we face is flawed. Rather than fix the problems of today this is more likely to cause a huge disruption to our post secondary education system and put us even further behind other OECD countries in the race to achieve a higher skilled workforce and sustained economic growth.

VET has legitimate outcome in own right – increasingly being recognised and valued by industry and in our community. The last thing we need in the current global financial crisis is to lose our focus on addressing skill shortages and create an even bigger skills crisis down the track.

Rather than merging the two sectors, we need an integrated and diverse tertiary sector that supports and encourages cooperation and collaboration and recognises and builds on the strengths of both sectors in Australia. We need better alignment of policy, funding and regulatory frameworks which encourage and support real articulation and pathways for students, support socially and economically disadvantaged groups as well as a greater focus on upskilling the existing workforce.

All education sectors need to 'lift the bar' in delivering higher level skills but maintaining a distinctive HE and VET sector is essential if we are to achieve our key objective of building an internationally competitive workforce.

At a recent debate on this topic in Sydney chaired by Adam Spencer of ABC Sydney Radio, panellists were asked to describe the ideal relationship between higher education and vocational education and training. John Ross, journalist and one of the panel members responded that they should be sharing a house together but living in different rooms and have different friends. Perhaps we also need to consider socialising a bit more, having a few parties, even an occasional sleep over, but not to lose our true identities.

References

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