



from the president
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What is the *real value* of TAFE?

A report was recently commissioned on the value of TAFE NSW. It set out to quantify the value of TAFE to the NSW economy, and estimated that over the next twenty years, TAFE NSW's contribution to the state economy will be \$196 billion.

The Allen Consulting Group, who undertook the report, calculated that for every dollar invested in TAFE, TAFE returns benefits worth \$6.40. This is a 640% return on investment over the next twenty years.

Whilst this report is aimed specifically at NSW, the same sort of conclusions could be drawn for every state or territory, and for Australia overall – which is a point that we as teachers and unionists have been trying to make for some time now.

The report notes the benefits of TAFE to skills growth, professional development and social learning, or in other words to the economy, the individual and the community in general – also points that we have been highlighting. The report projects that without TAFE NSW:

- state productivity would steadily decline,
- wages would fall,
- employment would weaken, and
- regional economies would be disproportionately harmed.

This is a very different view from the one expressed day after day by the Federal Government, and particularly by Gary Hardgrave, the Minister for Vocational and Technical Education. Not only does he continually criticise TAFE and the work of TAFE teachers, but he also seeks to pigeonhole VET as no more than a training system for apprentices and trainees. Rather than acknowledging the benefit of TAFE to the economy and people of Australia, this Federal Minister will go down in history as the Minister who squandered public funds in duplicating and seeking to work outside TAFE at every possible opportunity.

The NSW report goes on to say: “[The value of TAFE NSW] is not merely a function of incumbency (i.e. longevity and government patronage). The complete package that TAFE NSW provides is a conscious management decision rather than simply an accident of history.”

As the TAFE Futures Inquiry undertook its forums across the country, it heard the incredible TAFE stories that make up the complete package that is TAFE. In particular, regional communities

talked of TAFE being able to affect all aspects of their lives and all adult members of their families. Not only did TAFE provide education and training, but also supported economic growth in country towns and enabled young people to gain a career and stay in their communities.

Another recent report from the NSW Board of Vocational Education and Training (BVET) to the Productivity Commission research study into public support for science and innovation highlights the “pivotal role played by innovation in enhancing the competitiveness of Australian industry, and the role and significance of vocational education and training within Australia’s innovation system”. It goes on to say that, “... the VET sector has a more explicit economic development role than universities, a greater focus on meeting the needs of firms in their region, and greater flexibility with the potential to offer short-term customized training”.

Once again, this is a very different view of TAFE’s flexibility to the short-sighted view of the Federal Government. It supports the experiences of the TAFE Futures Inquiry, which heard stories in all locations about TAFE’s flexibility in meeting the needs of its customers and clients.

The BVET report goes on to outline a number of ways in which VET could work more effectively in terms of innovation and research. It says: “Funding should be made available for collaboration on incremental innovations, the application of

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new production processes and extension of work between VET teachers, industry and government research agencies.” The report looks at ways in which the current value of TAFE could be expanded for the further benefit of the economy. It recognizes the need to invest in TAFE, as does the Allen Consulting Group report, a point that should be taken up by the Federal Government.

Interestingly enough, work done for the Federal Government’s own Department of Education,