



# **ANTA Strategic Plan: Shaping Our Future**

## **AEU Response**

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## 1. Introduction

The Australian National Training Authority, as the major national body with responsibility for advising on and managing the frameworks that underpin the development of an effective national education and training system, is losing direction and suffering national consistency fatigue, evidenced in the draft national VET strategy 'Shaping Our Future'.

The major national reforms in the early 1990s were implemented within an environment of fully funded enrolment growth and a commitment by all governments and the industry parties to development of an accessible, seamless national education and training system.

All parties recognised the fundamental proposition that provision of quality vocational education and training should be a national responsibility because it is related to developments in the national economy and society.

Within this national system TAFE, as the public provider, stands at the intersection of two major areas of policy development; economic and social policy. In general TAFE fulfils its economic role through education and training programs for school leavers seeking further training and those re-entering the labour market, as well as those already participating in it.

Complementing its economic role, TAFE fulfils a social obligation as an arm of government, by providing second chance and recurrent education for socially and economically disadvantaged Australians. In essence, TAFE is a key player in providing the tools for people to actively contribute to the creation of a sustainable economy and a tolerant, diverse and cohesive society.

TAFE's challenge is to both meet the skills and education needs of those in new and emerging industries, and those in traditional industries and occupations. In other words, TAFE is in the business of assisting people to acquire knowledge and skills central to active labour market participation and citizenship. Having paid work underpins independence, self-respect and well-being, and is therefore a key to people's overall quality of life.

TAFE's advantage derives from its capacity to reach large numbers of Australians through its geographical accessibility, its inclusiveness and ability to engage with local communities, its understanding of and closeness to local and national industry and its commitment to high quality education. TAFE is also at the 'education institution' intersection through the development of partnerships with schools and higher education institutions and adult and community education providers.

Under the Keating Government Australia's vocational education and training (VET) system involved cooperative partnership arrangements between the various stakeholders including Commonwealth, State and Territory governments, industry associations and unions and community groups.

From 1996 the location of power has shifted so that employer associations have the major input into decisions about the sector at the expense of other parties including trade unions, teacher unions and their representatives and community groups.

These developments alongside the Commonwealth cuts to ANTA funding from 1997 to 2000 have severely strained the relationship between the Commonwealth and states. A new more cooperative environment is required to advance the interests of the education and training fraternity.

If the multiple roles of TAFE are to be properly acknowledged in a new national VET strategy and renegotiated ANTA Agreement then the needs of all learners have to be effectively accommodated. Few would deny a continuing strong role for industry in the sector however given the broader roles advocated for TAFE particularly in relation to individuals and the community, leadership that encompasses the full spectrum of TAFE responsibilities is critical and will require a new policy approach.

## **2. Access and Participation**

Overall participation rates in VET are lower than in comparable OECD countries particularly in training for higher level qualifications.

The focus of expansion in VET has been in the area of New Apprenticeships (particularly traineeships) with nearly 360,000 participating in the system out of 1.7 million students. While traineeships and apprenticeships make up less than 20% of training effort, traineeships have expanded relative to traditional apprenticeships and the pattern of contracts of training reflect the pattern of the current labour market rather than future areas of employment growth. This is because recent vocational education and training initiatives including training packages focus on the needs of the current workforce rather than the needs of future workers.

As the ACTU submission to the Senate Inquiry into Current and Future Skills Needs points out, there are also issues about current labour market needs, with skills mismatches, shortages, and continuing concerns about the quality of training for trainees and traineeship drop out rates.

Because of training market deregulation and employer recruitment practices the training system tends to reflect employer gender and ethnic bias.

Access has also been restricted because of funding cuts and the concentration on growing New Apprenticeships at the expense of funding for other training programs at higher qualification levels.

While Indigenous participation in TAFE has increased completion rates should be better. There is a need to give greater attention to career guidance and targeting specific education and training initiatives to the needs of local and regional Indigenous communities in a holistic way.

There needs to be a focus in public policy on the acquisition of higher level qualifications.

## 2.1 School Retention Rates

The national retention rate to Year 12 is 73.4%. TAFE should be funded to facilitate educational pathways after secondary school, particularly for ‘youth at risk’ and for young people who drop out of school early. The Business Council of Australia (BCA) highlights this problem in its report ‘The Cost of Dropping Out of School’.

Dusseldorp Skills Forum (DSF) research estimates that at least 80,000 young Australians each year over the next decade are likely to leave school early and face long-term unemployment. The Forum estimates that government expenditure of \$2.3 billion over five years to slash school drop-out rates and improve labour market programs would yield an economic benefit of up to \$8.2 billion by 2050.

VET in Schools and strengthening school to work transition programs assist in providing further education, work and education combinations (part time or full time) and other employment options (earning and learning).

MINCO estimates that currently over 210,000 ‘youth at risk’ do not have a job or are not engaged in further education.

### ***Youth Training Guarantee***

*AEU policy supports a ‘youth training guarantee’, ensuring that every young person leaving school who is unable to gain employment or a higher education place should be entitled to at least complete a Certificate IV or Diploma level qualification in the industry or occupational area of choice.*

*Access through the ‘youth training guarantee’, along with targeted career and advisory support, would help empower young people at risk and indigenous youth in urban and local communities in the transition from school to work or to further education.*

## 2.2 Mature age

One of the greatest challenges for policy makers is the development of strategies for increasing participation of mature age people and existing workers in continuing education and training. On the one hand many current workers have acquired knowledge and skills during employment that are not recognised for entry to education or for new emerging jobs. On the other hand these workers may not receive their proper entitlements because their skills are not recognized and therefore career advancement and labour market participation and flexibility may have become limited.

ANTA research shows that workers are generally averse to exams or testing so a different approach to recognising and rewarding skills is needed. Mindful that the cost of building on pre-existing skills is less than full time participation in education the development of recognition programs funded by government may assist in increasing the VET qualifications base.

The AEU supports the issues and proposals raised by the ACTU submission to the Senate inquiry in relation to existing workers. This includes a collaborative approach to structured industry planning, government assistance for retraining initiatives eg in relation to redundancies, retraining and training programs linked to emerging industries and identified demand areas. The ACTU has pointed to the Queensland Government Central Queensland Training and Employment Strategy as a positive example of collaborative approaches to skills development.

There needs to be active redress of the lack of access to training by marginalised and disadvantaged groups of workers (including reducing the incidence of inappropriate use of precarious employment). The ACTU has given particular focus to the need for literacy programs in the workplace and supports increased government funding for this purpose as well as additional funding for unions to support Union Learning Representatives (as in the United Kingdom) to promote basic literacy and structured industry training.

## ***Recognising and Rewarding Skills***

*Encouraging workers to upgrade their skills or seek new careers could be assisted through on the job 'Recognising and Rewarding Skills' programs that provide free TAFE assessment and career guidance services to existing workers and people under-skilled and/or unemployed. The program would provide access to the formal TAFE system for people whose skills have not previously been recognised and provide continuing education opportunities.*

### 2.3 Indigenous people

Indigenous participation rates in TAFE are commensurate with the general population but there is a need to concentrate on completion rates and outcomes, particularly at higher levels and in the apprenticeship and traineeship area. Training packages need to reflect Indigenous worker roles in industry, ie Indigenous ways of working (this is not currently built into many training packages). The AEU is developing a specific policy on Indigenous issues in the TAFE sector. Below are some suggested strategies.

#### 2.3.1 Research Strategy

There is a need to build a comprehensive national research strategy to inform decisions which are made at a national level. Currently decisions are being made with very little evidence to back them up. For example, the debate relating to Indigenous specific vs. mainstream courses, and VET in Schools programs for Indigenous youth.

### 2.3.2 ANTA National ATSI VET Strategy

The ANTA National VET Strategy, Partners in a Learning Culture and blueprint for implementation which ends in 2004 needs widespread institutional and community support along with establishment of targets for participation and employment of Indigenous people and ongoing funding. The ANTA AITAC was established to oversight the implementation of the blueprint. There is currently a mid-term review which may recommend the development of a new blueprint, but to date no commitment has been made by ANTA.

### 2.3.3 Commonwealth funding and staffing

The limited nature of Commonwealth funding is used by states to employ staff on limited contracts or casually. New staffing arrangements need to be negotiated to create ongoing positions. For example, Indigenous staff in TAFE Tasmania are paid through the Commonwealth, and there is no state funding allocated to these positions. This has lead to job insecurity for many, and thus a high attrition rate of Indigenous staff. The Commonwealth needs to ensure that the States are matching Federal funding allocations.

### 2.3.4 Virtual Indigenous College

TAFE Queensland is exploring the concept of a virtual Indigenous college. This could be a pilot initiative which could have national applicability. There are a number of arguments to support this concept, including the lack of cross-border funding to support students who wish to enrol in a flexible delivery course outside of the state in which they reside, and the lack of consistency of programs being offered and delivered nationally.

### 2.3.5 Indigenous VET Curriculum

There is a role for national VET curriculum as opposed to national training packages. Since the advent of training packages, there continues to be duplication across the country in areas like vocational access courses, as there is no national training package for vocational access. This still remains the highest area of enrolments for Indigenous students, and thus each state and territory continue to develop their own programs. This duplication is a poor use of resources.

## ***Indigenous Education***

*The above policy proposals should be discussed with Aboriginal and Torres Strait Islander people and be adopted to increase Indigenous participation in VET.*

*Further, the AEU believes that teacher education programs for all education sectors should include significant and assessable mandatory units in the areas of Aboriginal and Torres Strait Islander Studies.*

### 3. Quality

Reforms to VET rely on ‘industry’ determining the industry/occupational standards and RTOs delivering, mainly new apprenticeships, at the time and under the conditions demanded by industry through user choice funding. Expansion of the training market has strained already limited government resources resulting in duplication of effort particularly in an environment in which industry has substituted its own effort with government funding. Some private RTOs constantly ‘cherry pick’ low resource intensive TAFE courses leaving TAFE to run high cost non-profitable courses. Many employers affiliated with private RTOs select themselves under the user choice policy resulting in limited attention to quality of delivery against the background of minimum standards governing RTOs in the AQTF.

#### 3.1 Public and Private RTOs

TAFE is operating in an artificially created competitive training market in which private RTOs eat into TAFE’s market by ‘cherry picking’ training programs and undercutting quality public education provision. Some private providers duplicate public provision and in an environment of funding freezes this can lead to a reduction in quality provision. Competition should not be the foremost driver. Recognition must be given by government to capital invested in the TAFE system.

More than 2,500 public and private RTOs operate in the VET market in Australia. Most of the private RTOs depend on government contestable funding policies and user choice arrangements for enrolment growth. This growth has levelled out as a result of State Labor Government freezes on ‘user choice’ funding in recent years. With some exceptions private provision is unreliable and lacks quality as a number of studies have highlighted. Furthermore the level of quality of delivery could be enhanced by raising national AQTF standards and promotion of partnership and/or collaborative arrangements between TAFE and industry/community providers.

### ***Contestable Funding***

*Public funds for vocational education and training should not be made contestable. However where TAFE is unable to deliver specific training programs and where the training is not duplicating TAFE provision, TAFE should enter into partnership with other training providers to deliver training programs.*

#### 3.2 Teachers/Trainers

National standards underpinning the delivery and assessment of VET programs have been adopted by ANTA without discussion with AEU representatives and at best should only be regarded as minimums. The standards allow poor quality RTOs to enter the market at lower cost than public providers who generally employ teachers with professional qualifications.

The AQTF standards for RTO staff delivering and assessing vocational education and training programs set at the Certificate IV in Assessment and Workplace Trainer level are too low to guarantee quality outcomes for program participants. These national standards were set by ANTA without consultation with the teaching profession. The standards should be recognised as minimum for entry to teaching and additional professional level teaching qualifications required after a period of employment.

### ***National VET/TAFE Teaching Standards***

*The competencies in the Certificate IV in Assessment and Workplace Training is only the minimum assessor/trainer requirement for the delivery of vocational education and training services and the AEU urges the adoption of tertiary level or equivalent vocational education and training teaching education qualifications as the appropriate qualification level for experienced TAFE teachers.*

*The quality of delivery could be enhanced by establishment of a national TAFE/VET teacher registration system administered by a registration board to have at least 50% representation of registered teachers. It would be the responsibility of the board to register all TAFE/VET teachers (entry level and continuing teachers) based on criteria developed and agreed by the industry parties and to ensure only registered teachers are employed to teach under the AQTF.*

#### **3.3 Curriculum/Training Packages**

Prior to the introduction of training packages, national curriculum underpinned the quality of assessment and delivery of vocational education and training monitored and regulated by the Australian Committee for Training Curriculum (ACTRAC). With the introduction of training packages national curriculum was relegated to a secondary issue on the basis that people achieve competence via a range of formal (curriculum based learning) and informal (experiential learning) pathways.

Non curriculum pathways have enhanced access of many people to structured training, however the overwhelming majority of people still undertake structured training through curriculum based learning. (The NSW Government spent millions of dollars aligning its TAFE curriculum with training package competencies). Development of national curriculum would improve national consistency.

### ***National Curriculum and Training Packages***

*The AEU supports the position that the development of training packages primarily by Industry Training Advisory Boards (ITABs) includes the relevant union(s) affected by the Training Package and TAFE teachers so that national industry/occupational standards form the basis for qualifications. This will ensure the educational integrity of the training packages through the process of continuous improvement. In addition ANTA should lead the development of national VET curriculum to support training.*

#### 4. A National VET System

The development of agreed national frameworks to promote cooperation between the Commonwealth, State and Territory governments around a national VET system has been a progressive development. ANTA growth funding in the early 1990s assisted in opening up education and training opportunities for many people previously unable to access these benefits in the transition to further education and/or work.

However the policy of 'growth through efficiency', between 1998 and 2000, and deregulation of the training market seriously undermined quality in the national VET system. The clearest evidence of the loss of resources and quality is the 16.3% decrease in per unit funding from 1997 to 2001 (in 2001 prices) at the same time as enrolments grew by a massive 20.4% (298,000).

Although the Commonwealth restored limited growth funding in the 2001-2003 ANTA Agreement this was on a matching dollar for dollar basis rather than on the basis of 'maintenance of effort' breaking an already shaky national consensus. It has recently been revealed that at least two states/territories have been unable to provide matching funding for their TAFE systems.

A new national consensus and funding principles need to be brokered before further progress can be achieved. This should include increased base funding for TAFE to redress the existing resource pressures, to ensure stability of profile funding and enhance TAFE's capacity to meet industry, individual and community needs. A National Plan for TAFE should be developed.

#### ***ANTA Funding***

*A new national consensus and funding principles need to be brokered based on the following principles:*

1. *TAFE funding and provision is to be recognised as a national priority within funding arrangements under the ANTA Agreement.*
2. *The Commonwealth role is to build consensus on nationally consistent funding arrangements that place emphasis on quality delivery and assessment.*
3. *Adequate levels of Commonwealth funding must be reinstated to meet enrolment growth in order to address unmet demand, provide a 'youth training guarantee' and ensure that the training needs of existing workers are met.*
4. *The States and Territories are to at least maintain State/Territory government-sourced base funding effort at 2003 levels in real terms and be responsible for operational and staffing issues and for implementation of quality assured delivery and assessment processes including a non-duplication test between states.*
4. *Quality improvement programs should be jointly funded by the Commonwealth and state and territory governments additional to profile funding to provide for quality improvement strategies, including national curriculum development, a national staff development program, quality innovation projects, increased cooperation between TAFE and schools in the delivery of VET and a national TAFE/VET teacher registration body.*

5. *Commonwealth and state and territory governments should jointly establish an Education Equity Program which would ensure that services, programs, and support structures meet the needs of disadvantaged students and local communities. Such a program should be linked to a Disadvantaged Regional Areas Program which would provide resources for a whole of government approach combining industry policy, labour market programs, job creation, job placement, education and training and community and welfare support and services.*
6. *The Commonwealth Government should contribute additional funds on a dollar for dollar basis to the states and territories to assist TAFE institutions enrolling a disproportionate number of disadvantaged students.*
7. *The final ANTA National Strategy ‘Shaping the Future’ should be considered in shaping the ANTA Agreement.*
8. *Commonwealth capital funding be at least maintained in real terms and capital funding to private training providers be reviewed.*

#### 4.1 Future of ANTA

The future for ANTA in its policy and coordinating role has been questioned by state Labor governments and some see a less interventionist role for ANTA in the future. For its part the Commonwealth sees ANTA’s role as ensuring the system is ‘industry’ led and promotes national consistency in implementing VET reforms on behalf of ANTA MINCO. The ANTA Board should be broadened to include representatives of TAFE students and teachers, unions and community groups as well as industry.

Industry led should be an inclusive term meant to include representatives of the TAFE/VET professionals/provider industry (ie AEU representatives).

The ANTA Agreement needs to recognise that TAFE is more than VET and its special role needs to be noted in the Agreement. ANTA structures need to provide a voice for RTO staff in national forums such as the proposed Industry Skills Forum and consideration needs to be given to the inclusion of a vocational education industry advisory board in future reviews of industry advisory arrangements.

Consideration needs to be given to establishing an ANTA Office in NSW being the state in which the largest TAFE student cohort resides.

A National TAFE Student Forum should be held each year to provide student input and advice to ANTA.

#### 4.2 Scope and scale of Commonwealth role

The establishment of a new consensus is needed on the role of the various contributors to VET/TAFE effort. The Commonwealth has a special responsibility to ensure TAFE provision is firmly linked to national economic and social objectives through sustainable industry development, social welfare initiatives, education and job creation policies.

The Commonwealth's role should be to set general policy directions for TAFE/VET based on the above-mentioned linkages and to promote TAFE as an important post school pathway. The states manage TAFE systems, however the Commonwealth should have a greater say over VET regulation and quality assurance.

#### 4.3 National Training Framework (NTF)

The NTF needs to be strengthened by allocating greater responsibility for monitoring and quality assurance to a national independent vocational education quality assurance authority established by State Training Authorities (STAs) and empowered to randomly audit RTOs and ensure the adoption of the highest standards for RTO operations.

##### 4.3.1 National Commitment

ANTA MINCO is the forum for dealing with Commonwealth/State power sharing and the ANTA Agreement for joint funding arrangements. Relationships between Ministers have deteriorated in recent times reflecting the changes in political flavour of the various players and the aftermath of a four year Commonwealth funding freeze.

Because of the contribution of vocational education to national industry, economic and social objectives this area of education has been increasingly regarded as a point of national policy intervention and funding responsibility.

The Commonwealth has regularly taken strong national policy initiatives using its influence over funding allocation to initiate expansion of the training market.

The result is a user choice policy that is unworkable and eats into the TAFE infrastructure and operational capacity and undermines public provision. User choice should be discontinued and partnership arrangements with TAFE developed to enable access to public funds for non-TAFE RTOs.

##### 4.3.2 Public financing

Governments have a primary responsibility to adequately fund the TAFE system in order to meet industry, economic and social objectives. Public financing of TAFE should be accompanied by encouragement to form industry partnerships and alliances rather than create an artificial training market resulting in dilution of employer training effort and its substitution with public funds.

Commonwealth and state governments, through MINCO, need to forge a new consensus around funding as outlined above but include a National Centre for Applied Innovations Research (NCAIR) incorporated with TAFE Institutes to forge alliances with industry to add value to the inventions and innovations developed by workers in industry.

This proposal is supported by an ABS survey of innovation that found that Australian manufacturing firms attribute 23.4% and 17.8% of the 'initial ideas' for innovation to production and technical workers respectively (ABS Innovation in Manufacturing 1996-97).

#### 4.3.3 Global reach and influences

There is considerable effort expended by RTOs in seeking overseas student enrolment mostly on a fee for service basis. TAFEs also bid for overseas training contracts to establish or deliver and assess in other countries.

Competition between TAFE systems and institutes to enter these markets undermines the quality of TAFE provision and could be better coordinated through a central agency as many of these overseas markets use competition between TAFEs to reduce the purchase price.

The positive features of the Australian TAFE system provide a model for many developing countries. TAFE could be more proactive in seeking to influence VET development through Ausaid to encourage a symbiotic relationship between VET systems in the Asia Pacific region.

## 5. **Linkages**

In an institutional sense TAFE links the world of school and work, school and higher education, higher education and TAFE and a range of international education and training institutions.

Within the national system however there are a number of impediments to articulation between sectors.

Because the VET sector has adopted a competency based non-curriculum regulated environment, articulation and credit transfer arrangements between the other major sectors of education are more difficult to manage. The VET sector relies on a national qualifications and accreditation framework while the school system is subject to state based accreditation and the higher education system is made up of 38 self-accrediting institutions operating beyond borders.

On another level TAFE works with local industry and communities to promote access to further and continuing education and to link local and regional social and economic benefits.

Importantly TAFE teachers are a source of technical advice and information at the local level to small and medium business while delivering national portable skills and qualifications.

These linkages could be enhanced through teacher exchange to industry programs (TEIP) designed to enable teachers to refresh their industry/technical competence and practice while providing TAFE with advice from industry experts on the latest industry innovations.

#### 5.1 Schools: quality, content, assessment and funding

The AEU commissioned a study of VET in School programs in 2002 and has released a discussion paper and a set of draft policy proposals for membership consultation prior to adoption of policy in 2004. The Research Report contains a series of key themes and issues and is on the AEU website.

#### 5.2 Higher education: role of universities, funding, including HECS, definition of 'tertiary'

##### 5.2.1 Tertiary education

There is some overlap in the qualifications coverage between schools, TAFE and higher education. Schools and TAFE offer Year 12 or equivalent qualifications and schools, if accredited as an RTO, can offer any qualification up to degree level although most only offer to Certificate level II.

The overlap between TAFE and Higher Education occurs at the Diploma and Advanced Diploma level and in some cases where TAFE offers Graduate Certificate/Diploma qualifications.

If tertiary education means qualifications achieved beyond the compulsory years of schooling then school, TAFE and higher education institutions offer tertiary education however in the main the boundaries are respected.

Funding for the VET and Higher Education sectors is quite different with VET funding from the states to institutions based on Annual Student Contact Hours (ASCH) now referred to as Annual Hours Curriculum (AHC).

Higher education is in the main funded by the Commonwealth Government while TAFE is funded 70% by the States and Territories and 30% by the Commonwealth Government.

The higher education sector is less reliant on federal funds than TAFE because of its overseas student and commercial activities which make up 45 % of total funding while TAFE obtains a mere 10% from non-government sources.

### 5.2.2 Industry Contribution

It is claimed that industry contributes at least as much as the public does to vocational education which would amount to \$3.7b per annum from Commonwealth and state funds. However there is little research to support this claim and the industry training levy introduced by the Hawke Government in the early 1990s was met with significant opposition suggesting employers may be resistant to investment in training rather than the contribution some claim for them.

In spite of the fact that significant skills shortages exist in certain occupations and areas employers are reluctant to invest in skills.

The ACTU submission to the Senate inquiry into Skill Shortages suggests a number of methods of encouraging greater industry investment in training including government levies, at industry, state or national level, tax credits and learning entitlements. It favours an industry levy approach rather than individual learning account approach as the best way to achieve increased investment in training by employers.

### 5.2.3 Individual Contributions

The TAFE student cohort is less socio-economically advantaged than higher education students. In general they are also less likely to benefit from the higher lifetime earnings than higher education graduates.

Up front the fees and charges is the regime imposed on TAFE students however the structure is much lower than for higher education students reflecting the lesser capacity to pay. Exemptions and concessions, which apply to some 20% -30% of TAFE students, assist in reducing the burden.

Around 90% of TAFE students are part time and around 24% of all VET students enrolled in Certificate to Advanced Diploma courses receive financial support from their employer. A 1999 study for DETYA by Sally Borthwick indicated that in 1997 the average fees and charges across all students in TAFE, including those doing short courses, was \$100, while the average per full time equivalent student was around \$400.

A study by the AEU indicates that average student fees per AHC have actually fallen by around 17.2% in real terms since 1997. Fees in two systems, South Australia and the ACT, are not subject to any cap and seem to be higher than elsewhere. However income from fee for service training activities in TAFE has grown and anecdotal reports suggest that some individual students may be enrolled on this basis.

AEU policy opposes student fees in TAFE. However interim measures include campaigning for increased funding to provide increased places, reduce the pressure to increase fee for service activities and assist TAFE institutions enrolling a disproportionate number of disadvantaged students.

The AEU is undertaking further work on the existing TAFE fees and charges regime. However it would be unfair to introduce a deferred payment system of TAFE fees as this would impose an unacceptable burden on TAFE access particularly for disadvantaged groups.

The AEU opposes HECS and other forms of such fees in general and will actively campaign against such proposals. The conditions governing HECS repayments can be changed at any time once introduced. New HECS arrangements in higher education imposed an additional burden which would form a significant barrier to participation in TAFE.

Furthermore all ANTA MINCO Ministers have opposed a HECS type arrangement in TAFE. The overwhelming majority of TAFE students from working class and/or disadvantaged family groups are not likely to welcome an additional charge on their education particularly those who dropped out of school early and are 'owed' their fair share of further education.

### 5.3 Research, innovation and vocational education and training

It is well known that Australia produces a significant proportion of inventions and innovative methods. Many of these arise from analytical and diagnostic skills acquired by working people as a result of the application of theory and practice on and off the job.

There needs to be a study into the connection between learning and innovation. This should include a study of the capacity of TAFE to forge alliances with business and industry in the pursuit of applied research and innovation. (See proposal for a National Centre for Applied Innovations Research [NCAIR]).

### 5.4 Adult and Community Education

The Adult and Community Education providers play an important role in communities where there is no TAFE presence. ACE providers benefit from contestable funding but provide access to further education through TAFE and other post-school destinations. Funding for ACE should not be diverted from TAFE but rather partnerships and collaborative arrangement should be encouraged/promoted between TAFE and ACE providers.

## 6. Role of TAFE as the Public Provider

TAFE meets the education and training needs of a diverse group of Australians. The quality of education they receive should be as highly valued as other post-school education and appropriately resourced.

TAFE should lead by example in training quality and innovations as well as adapting to a changing industry development environment.

There is however an important community service obligation for TAFE as well as an 'honest brokering' role.

Its community service obligation means that training may have to be delivered in isolated and difficult places or to disadvantaged groups or communities under highly subsidised funding arrangements for reasons of equity and or to support social justice goals.

In its honest brokering role TAFE can be an unbiased judge. For example in cases where the industrial relations environment in workplaces influences the outcomes from training particularly where the master servant relationship still prevails, on the job assessment of competence needs to be undertaken in a neutral industrial relations environment and in these cases TAFE plays an important honest broker role.

### 6.1 TAFE infrastructure: TAFE regional campuses, adequacy to needs of modern industry, access for other sectors (eg universities, ACE providers)

It is estimated nationally that TAFE infrastructure is valued at about \$7 billion and requires at least 10% of that amount each year to maintain this public asset.

Some states have co-located different education sectors or shared facilities with other institutions. Others have two sectors within the one institution, most notably in Victoria.

Shared facilities can maximise public investment and there are examples of similar arrangement in cooperation with industry such as the Incat training facility in Hobart.

Research should be conducted on the advantages and otherwise of these experiences.

National investment on infrastructure and on equipment has failed to keep up with need.