



Victorian TAFE being harmed, says director

By Annette Blackwell

Marketised vocational education and training in Victoria could be read as a plan to drive down the basic wage of VET/TAFE workers and hand over public money to just about any private provider, some of them shonky, while forcing public TAFEs to cut services, programs and facilities and potentially merge or close down.

In a comprehensive policy briefing to the Victorian Employers Chamber of Commerce and Industry (VECCI), David Williams, executive director of the Victorian TAFE Association (VTA), pulled no punches when he told how the state's vocational education change agenda was perceived by those in TAFE.

VECCI is the peak body representing employers in the state and Williams outlined for them, at a November meeting, VTA's interpretation of what was happening since contestable funding across private and public vocational education providers had become a reality in the state.

In 2009 Victoria introduced contestability with diploma-and-above programs, and then expanded it to all VET programs at the beginning of 2011.

Williams said VTA had received expert advice that this policy would see TAFEs receive significantly less funds to train apprentices in areas of skill shortage. There would be diminishing support for TAFE provision of VET in schools and in addition some TAFE and university dual sector programs and campuses would have to close. He said redundancies were already happening.

Williams told the 150 members attending the VECCI briefing that VET policy in the state was "very much about marketisation with little emphasis on education policy and quality outcomes".

VTA is the peak body for Victoria's 14 TAFE institutes and four dual sector university/TAFE providers.

Williams said VTA had analysed the effect of significant growth in government-funded training and shifting market share over the past 11 months. It showed that TAFE provider numbers had remained constant at 18, delivering up to 52 per cent of the total VET enrolments to June 2011, and 49.6 per cent of total VET enrolments to September.

"This was down from 75 per cent in 2008. Meanwhile, private RTOs had grown by 104.5 per cent to 411, enrolling 36 per cent of eligible students in 2011 up from 14 per cent in 2008," he said.

"We are initiative-driven, review-process, expert-consultant-investigation stuffed, and over it all ... Change is fine if it is constructive and intelligently informed," he said pointing out there were two major national reviews, six Commonwealth government reviews and 10 current state government reviews underway with direct impacts on TAFE providers.

"What we have in Victoria in vocational education and training in recent years is not in my view or that of VTA members well informed reform, rather it is driven by a dogma that has not been clearly thought out, properly planned and certainly not properly implemented."

He said he understood there would be processes over the next six to 12 months to bring together in a co-ordinated way directions arising from all the current reviews and VTA welcomed this.

"Victorians have been investing in community wealth in vocational training facilities since 1889. It is critical that this investment is appropriately overseen by the government as custodians in a sensible and cohesive way in the public benefit.

"Williams also told the employers that Victorian government funding to VET had grown astronomically in the context of this predominantly private sector RTO growth. He said while the figures were not definitive, at a minimum the government expenditure is at this time over \$200 million above

the Treasury and premier and cabinet modelling undertaken by the prior Labor government.

"The government spend has increased from 2008/9 to 2011/12 by around \$400 million to \$1.2 billion," he said.

Williams said that right in the middle of the consultation process on the Essential Services Commission's expert panel review of fees and charges, the current government pre-empted the outcome of consultations by implementing some of the review's recommendations and announced substantial funding and fee changes for 2012.

He said fundamentally what this would mean to public TAFE providers was a budget cut of between 2 per cent and 5 per cent for most TAFEs. "Some programs will become unviable and many TAFEs are now in the process of non-renewal of contract staff roles and redundancies. For large metropolitan TAFEs, redundancies in the order of 50

to 100 positions are being implemented."

He said without a financial and environmental impact analysis of TAFE, prudent decisions in the interest of all stakeholders cannot be responsibly made.

Williams asked his audience to imagine they were the owners of a company that wanted greater competition from their asset. "So, rather than working with your asset to improve efficiency, costs or whatever, you instead elect to fund your competitor market with an open cheque book while not having set the foundations and structures in place for your asset to compete effectively." ■

This story is based on an edited version of a policy briefing made by David Williams, executive director Victorian TAFE Association, at the Victorian Employers Chamber of Commerce and Industry Conference Centre on November 29.

More on Victoria: pages 20-21 and page 10 Year in view

Enrolments on the rise

These are the changes in overall VET provision and market proportions as published in the Skills Victoria Quarter 3, Quarterly Report, as reported by David Williams to the VECCI meeting.

In overall terms VET enrolments are 18 per cent higher, hours 25 per cent higher and student numbers 17 per cent higher in the first nine months of 2011 when compared with the same period in 2010.

But TAFE domestic fee for service has dropped by 4 per cent in enrolments, 4 per cent in hours and 5 per cent in student numbers.

Private providers have increased their enrolments from 14 per cent in 2008 to 36 per cent in 2011 or 38 per cent of government-funded hours and 40 per cent of student-training share. This equates to a 113 per cent increase in enrolments, 128 per cent increase in hours and 112 per cent increase in students.

In the last quarter between end June and end September 2011, private sector students increase has grown from a 91

per cent increase on 2008 figures to 112 per cent in student numbers, a 13 per cent increase in one quarter. It is unmeasured as to how much of this growth may be prior fee for service activity in private RTOs transitioning to eligible government funding support.

Adult Community Education (ACE) government funded student share is approximately 10 per cent, and TAFE across the 18 public providers including the four dual sector universities has provision of 49.6 per cent of total enrolments which is a decline from 75 per cent in 2008, a very substantial market shift.

In 2008 there were 18 public providers, 342 ACE providers and 201 Private RTOs in receipt of government funds for VET.

In 2010 there was growth of 143 private RTOs and a decline in ACE providers by 26.

In 2011, we have experienced growth to 381 private RTOs by the end of June or a 90 per cent increase and by the end of September to 411 or a 104.5 per cent increase in private RTOs accessing government supported training since 2008.

Technology in TERTIARY EDUCATION

CONGRESS 2012 28th & 29th March / Sydney Convention & Exhibition Centre

Harnessing technology to drive **improved learning outcomes, student experience, access and enterprise efficiency** for tertiary institutions

Confirmed speakers include...



Shirley Alexander
Deputy Vice Chancellor
& Vice President
University of
Technology Sydney



Peter Nikolettatos
CIO
Curtin University



Andrew Vann
Vice-Chancellor elect
Charles Sturt
University

EARLY BIRD
ends 23rd Dec

REGISTER TODAY www.acevents.com.au/techintertary2012 (02) 8908 8555