



AEU Submission to the House Standing Committee on Employment, Education and Training Inquiry into the Perceptions and Status of Vocational Education and Training

1 March 2023

Correna Haythorpe
Federal President

Kevin Bates
Federal Secretary

Australian Education Union
Ground Floor, 120 Clarendon Street
Southbank Vic 3006
PO Box 1158
South Melbourne Vic 3205

Telephone: +61 (0)3 9693 1800
Facsimile: +61 (0)3 9693 1805
Web: www.aeufederal.org.au
E-mail: aeu@aeufederal.org.au

AEU Submission to the House Standing Committee on Employment, Education and Training Inquiry into the Perceptions and Status of Vocational Education and Training

Introduction

The Australian Education Union (AEU) represents more than 195,000 members employed in public primary, secondary and special schools and the early childhood, TAFE and adult education sectors as teachers, educational leaders, education assistants or support staff across Australia. As the trade union for TAFE and vocational education teachers, the AEU welcomes the opportunity to respond to this Inquiry into the perceptions and status of vocational education and training.

The transformative benefits of properly funded and comprehensively delivered TAFE and vocational education are widely acknowledged, and vocational education is universally recognised as a driver of increased societal and economic participation, particularly for people who have been previously marginalised in the labour market. TAFE is the bedrock of Australia's vocational education sector and TAFE institutions have a history of providing quality technical, further and general education at a high level of quality and consistency that the relatively recently conceived private vocational education sector has been unable to match. TAFE institutions have always been sites of innovation and aspiration – both for students and for teachers within the institutions. From their origins as working men's colleges, they have implicitly aspired to become the best and most democratic sites of learning for the broader community, and also for some of the least advantaged and most marginalised in society.

The AEU welcomes the Commonwealth Government's commitment to TAFE as the anchor institution for Australia's jobs and skills strategy, and the initial investment made in the 2022 Interim National Skills Agreement. As the trusted public provider, TAFE has a long history of forging strong partnerships with industry to create pipelines of skilled apprenticeships and job pathways, but it needs greater funding and greater autonomy to innovate. Despite this, since the National Training Reform Agenda of the early nineties, TAFE has been increasingly positioned as merely one of many "providers" in a vocational education "market" made up of private and public "providers". This has led to the norms, behaviours and practices of private enterprise becoming the standard to which governments have expected the public TAFE system to aspire. The crisis of quality engulfing vocational education across the country is the natural trajectory of a market driven approach to vocational education.

Market "reforms" to TAFE and vocational education, especially those of the last decade, have combined with sustained underfunding to force a national crisis for TAFE, and in some states and territories its future is in jeopardy. Campuses have closed and thousands of teachers across the country have been made redundant. This represents a devastating loss of knowledge and expertise.

This submission begins by examining the pathways that young people often take in and out of vocational education, how their decisions are informed by socio-economic status and location and how students can be better supported in determining their post school pathway. It then examines the reputational damage suffered by vocational education as a result of more than a

decade of unfettered marketisation. Finally, it details the huge economic and societal benefits that TAFE provides and argues that a revitalised and prioritised TAFE sector is the single greatest policy reform that will improve the status and public perception of vocational education and help deliver a productive and highly skilled workforce.

Perceptions of VET and its influence on post school pathways

Analysis by the National Centre for Vocational Education Research (NCVER) of a decade of the Longitudinal Surveys of Australian Youth (LSAY) data, which tracked the 2006 cohort of 15 year olds until age 25, shows that the pathways chosen in senior secondary school have long term, and often lifelong social and economic implications.¹ The variety and complexity of many young people's pathways from education to work shown in the LSAY data and the importance of vocational education across numerous pathways demonstrates how invaluable a properly funded and supported public vocational education system is.

The five pathways taken by the 2006 LSAY cohort at age 25, and the relative frequency with which each pathways is pursued in the LSAY data profiled by NCVER, are shown below²:

Pathway 1: Higher education and work

This is the simplest pathway categorised by NCVER and the one with the fewest transitions between activities. The majority (60%) of the young people in this pathway have an extended period of higher education following secondary school, followed by employment.

Pathway 2: Early entry to full-time work

23% of young people followed an 'express pathway' to employment, distinguished by a short spell of post-school education or training, mostly Vocational Education and Training (VET) leading to full-time work approximately one year after leaving school. NCVER states that "for many respondents, however, it is likely that training extended beyond the early post-school years; that is, in combination with full-time work as part of an apprenticeship or traineeship."

Pathway 3: Mix of higher education and VET

This pathway comprises an extended period of higher education and VET activity, combined with short and intermittent episodes of employment, eventually leading to employment or further VET activity (8%).

Pathway 4: Mixed and repeatedly disengaged

Young people in Pathway 4 undertook repeated labour market changes, with periods of disengagement from the labour force or of being 'not in education, employment nor training'. While only a small proportion of the sample (5%) fell into this category, it indicates tenuous labour market attachment.

¹ Ranasinghe, R, Chew, E, Knight, G & Siekmann, G., *School- to-Work Pathways*, NCVER, 2019, p6.

²*Ibid*, p16

Pathway 5: Mostly working part-time

The 4% of the sample followed in this pathway, and entered the labour market relatively early following school and are mostly employed part-time.

Post schools pathways are often determined by Socio-Economic-Status

Pathways are to a large extent frequently determined by young people's Socio-Economic Status (SES), by location and level of remoteness, level of disadvantage across numerous realms and by whether students undertook vocational subjects during secondary school. The breakdown of number and type of transitions and the employment rate at age 25 for each pathway in the NCVER study demonstrates the importance of ensuring that entry and transition between all appropriate pathways remain open to senior secondary students and that they are not locked in to particular post school routes at an early stage. Currently, that is not the case. As noted by Zoellner, "students in the most disadvantaged areas suffer a much greater loss of choice and access to training when compared to the most advantaged groups."³

Pathways 1, 2 and 4 are most relevant when examining their relationship to SES. For example, Pathway 1 (higher education and work) is the smoothest transition from school to higher education to full time work. However, more than three quarters of this group is from a metropolitan area and 43% are from the highest SES quartile.⁴ Pathway 2 "early entry into full time work" has the highest employment rate at age 25 years (97.4%) and is the most predominantly male pathway, and the pathway with the highest proportion of young people in technical and trades occupations. Pathway 4 (mixed and repeatedly disengaged) has the highest proportions of vulnerable youth, and the highest levels of disability and of early school leavers and the lowest SES of the five pathways.⁵

There are entrenched perceptions amongst students, parents and the wider community about the relative merit of various pathways. Vocational Education and Training (VET) focused pathways can often be perceived as inferior to university by students and their parents. The AEU ACT Branch has reported that Canberra Institute of Technology (CIT) 'taster' programs are often promoted by high schools to students who are less academically inclined than their peers, which leads to an underestimation of the depth of learning required for a VET competence. This is particularly the case currently for students accessing fee-free TAFE places, who often need a lot of support in terms of LLND – but CIT is not funded any extra by the Commonwealth or ACT to deliver this essential suite of learning.

The 2019 *Expert Review of Australia's Vocational Education and Training System*, chaired by Steven Joyce, found that many of the reviews' participants raised these concerns about the VET sector, many of which directly impact on the way in which the pathway is perceived, on the esteem that VET is held in, and on the ease of access (or lack of it) for secondary students into appropriate VET courses. The issues that contributed to this perception, as raised in the Joyce review include:

- Continuing variations in quality between providers, and concerns about the relationship between the regulator and providers.

³ Zoellner, D., *How good is choice in the VET market? 'Not very' says big data*, The Australian TAFE Teacher, spring 2019, Vol. 53/3, p.26

⁴ *Ibid*, p.19

⁵ *Ibid*, p.19

- A cumbersome qualifications system.
- A complicated and inconsistent funding system that is hard to understand and navigate, and which is not well matched to skills needs.
- A lack of clear and useful information on vocational careers for prospective new entrants.
- Unclear secondary school pathways into the VET sector and a strong dominance of university pathways.⁶

It is essential that young people from all locations across Australia and from all backgrounds have access to all available post school pathways so that they are able to explore all options and choose the most appropriate one for them, without restriction.

There is a clear and urgent need to revitalise TAFE as the public provider of vocational education and to rebuild the esteem of students undertaking vocational education. Yet ‘parity of esteem will only come with parity of policy and resourcing’⁷ Unless the TAFE sector gets the ongoing support required to run its programs we will not see the educational outcomes of our youth improved nor our communities and industry prosper. When TAFE is diminished so are the opportunities for our young people.

There is also an urgent need to improve the status of many jobs that require VET qualifications that are incredibly important to society and but that are currently undervalued and poorly paid, including aged care and child care, which are currently in severe shortage. Improving perceptions of the status of vocational education must also mean improving the status of the jobs that people train for in VET through adequate remuneration, conditions and security. Encouraging people into vocational education should be a policy priority and a strong TAFE, as a permanently and properly funded public institution should be the natural anchor for developing and sustaining vocational education innovation in Australia. It needs to be cherished as an enduring public provider and source of excellence, not left adrift as it has been for so long.⁸

Regional, rural and remote students

Young people from metropolitan areas are more likely to have numerous pathways open to them than students from regional and remote areas, more likely of any other cohort to smoothly transition from school to employment, and more likely to be able to transition into other study activities if they choose to change their pathway.

The Productivity Commission has previously noted that VET “completions for people living in remote or very remote areas fell by 28 per cent from 2009 to 2018”⁹ and it is well known that there are differential outcomes for post-compulsory students in metropolitan and non-metropolitan schools including a lower rate of Year 12 completion, and lower levels of participation in higher education for non-metropolitan students.

⁶Joyce, S, *Strengthening Skills: Expert Review of Australia’s Vocational Education and Training System*, Department of Prime Minister and Cabinet, 2019, p.27

⁷ Jones, A (2018) *Vocational Education for the 21st Century*, LH Martin Institute, University of Melbourne

⁸ Buchanan, J, in *TAFE as an anchor for social and economic renewal*, The TAFE Teacher, Autumn 2019

⁹ Productivity Commission, *Ibid.*, p.8

Opportunities for learners outside of metropolitan centres have significantly diminished under the marketisation of vocational education, as TAFE campuses have closed across the country over the past decade.¹⁰ At the same time, private Registered Training Organisations (RTOs) have abandoned what they see as unprofitable “thin” regional markets.

The recent acceleration of online learning in the VET sector is not a panacea to address diminished access to VET courses in regional, rural, and remote Australia. Highest quality VET experiences are achieved through face-to-face delivery in which teachers and students share real time and real space. Shifts away from this mode, including removing shared space and delivering virtual learning, and then removing shared time to deliver self-paced access to a predetermined bank of online resources, leads to diminution in quality.

Improving access to vocational education for Aboriginal and Torres Strait Islander students

There is a substantial body of research outlining the challenges faced by Aboriginal and Torres Strait Islander students and their access to post-schooling pathways. In a remote schooling context, the Remote Education Systems (RES) project¹¹, conducted by Ninti One, the Cooperative Research Centre for Remote Economic Participation¹², analyses and discusses a range of challenges and solutions to the barriers that education systems *themselves* create when defining and measuring success for Aboriginal and Torres Strait Islander students.

Both the RES and the Remote Economic Participation and Pathways to Employment¹³ project, also conducted by Ninti One, argue that:

by privileging non-remote and non-local assumptions in economic participation and development agendas, initiatives often fail to engage with local advantages. Both projects have argued that with increased engagement with local aspirations and strengths, education and employment initiatives would be more likely to achieve their desired outcomes (Guenther, 2015; McRae-Williams, 2014).

Rates of Aboriginal and Torres Strait Islander disengagement from the labour market are significantly higher than for the population as whole. In particular, the high rate of absence of Aboriginal and Torres Strait Islanders aged 25-54 years from the workforce is particularly concerning as people in this age group are at their most productive in terms of working lives. They have generally finished their schooling and are well before their retirement, and their absence from the labour market has important implications.¹⁴

¹⁰ Productivity Commission, *Report on Government Services 2020*, retrieved from <https://www.pc.gov.au/research/ongoing/report-on-government-services/2020/child-care-education-and-training>

¹¹ Guenther, J, Disbray S, and Osborne S, *Red dirt education: a compilation of learnings from Remote Education Systems*, retrieved from https://nintione.com.au/resource/RedDirtEducation_CompilationLearningsRES_EBook.pdf

¹² *Ibid*

¹³ Eva McRae-Williams, John Guenther, Damien Jacobsen & Judith Lovell, *What are the enablers of economic participation in remote and very remote Australia, and how can we identify them?*, 2016, retrieved from <https://www.cdu.edu.au/sites/default/files/the-northern-institute/10.18793-lcj2016.19.02-revised.pdf>

¹⁴ Dinku, Y and Hunt, J, *Factors Associated with the Labour Force Participation of Prime-Age Indigenous Australians*, Centre for Aboriginal Policy Research, retrieved from https://caepr.cass.anu.edu.au/sites/default/files/docs/2019/11/CAEPR_WP_131_2019_Dinku_Hunt_0.pdf

Subsequently, the Productivity Commission's National Indigenous Reform Agreement Performance Assessment 2013–14, published in November 2015, argued that there was extensive focus on monitoring broad outcome targets relating to Aboriginal and Torres Strait Islander disadvantage, but little evidence of what works to bridge outcome gaps.¹⁵

Recent research from the Centre for Aboriginal Economic Policy Research¹⁶ found that:

disability, education and history of incarceration are the three most important driving factors for both male and female labour force participation. Education and incarceration experiences have greater associations with female labour force participation, whereas disability has a greater association with male labour force participation.

Similarly, there is substantial evidence demonstrating that TAFE is among the most successful approaches and responses that work for Aboriginal and Torres Strait Islander students when accessing post-secondary pathways, most recently the Independent Review into Regional, Rural and Remote Education¹⁷ (Halsey 2018), which recommended that:

...TAFE has to be put back into the regions, closer to people, places and the heartland of much of Australia's productivity.)

Unfortunately, these opportunities were significantly diminished under the previous coalition government's policies, which resulted in the closure of many regional TAFE campuses.¹⁸

The *Royal Commission into Aboriginal Deaths in Custody*¹⁹ handed down its findings more than thirty years ago. Recommendation 298 of the Royal Commission recognised the need for flexibility in the length of time allocated for Aboriginal and Torres Strait Islander students to complete courses. In 2018, a Deloitte Review of the implementation of the Royal Commission into Aboriginal Deaths in Custody prepared for the Department of Prime Minister and Cabinet stated:

Queensland has implemented Recommendation 298 by appropriately reviewing all courses designed for Aboriginal and Torres Strait Islander students for accreditation, accrediting Torres Strait Islander training organisations and allowing flexibility in the time taken to complete courses.²⁰

¹⁵ Department of the Prime Minister and Cabinet, Evaluating Aboriginal and Torres Strait Islander Programs, retrieved from <https://apo.org.au/sites/default/files/resource-files/2019/06/apo-nid242741-1367361.PDF>

¹⁶ Dinku, Y and Hunt, J, *Op. cit.* p.iii.

¹⁷ Halsey, J, *Op. cit.* p.53.

¹⁸ *Report on Government Services 2020*, retrieved from <https://www.pc.gov.au/research/ongoing/report-on-government-services/2020/child-care-education-and-training>

¹⁹ Recommendations of the Royal Commission into Aboriginal Deaths in Custody. <http://www.austlii.edu.au/au/other/IndigLRes/rciadic/national/vol5/5.html#Heading5>

²⁰ Deloitte Access Economics. (2018). *Review of the implementation of the Royal Commission into Aboriginal Deaths in Custody*. <https://www.niaa.gov.au/resource-centre/indigenous-affairs/review-implementation-royal-commission-aboriginal-deaths-custody>

The experience of members of the Queensland Teachers Union, an Associated body of the AEU, in delivering training in Indigenous communities refutes the assertion that Queensland has implemented Rec 298.

The task now is to rebuild TAFE as the vocational education centre of excellence by recognising and providing appropriate funding for vocational education pathways for Aboriginal and Torres Strait Islander students through TAFE. This must also include cultural competence training for the educator workforce, access to local mentors and role models for students, pastoral support and language support.²¹

Recommendation 1: That there is a significant program of investment in regional TAFE campuses and investment in increased access for students in rural and remote locations so that young people from all locations across Australia and from all backgrounds have access to all available post school pathways so that they can explore all options and choose the most appropriate one for them, without restriction.

Recommendation 2: That there is appropriate consideration given in the design of vocational education courses for Aboriginal and Torres Strait Islanders students to the additional cultural responsibilities they often hold and to their specific educational needs.

VET in Schools is hampered by a lack of resource

Vocational education should be introduced in schools from year 10 onwards as an additional component to complement the comprehensive education in the national curriculum received in schools. It is therefore essential to ensure that vocational education provision in schools appropriately meets the needs of the students undertaking it.

The AEU asserts that any person delivering VET in Secondary schools should have a sound understanding of pedagogical principles, including the importance of consolidation and context for learning, should be properly qualified to deliver VET and meet state and territory registration requirements, and that VET in Secondary schools must be delivered in partnership with local TAFE institutes.

While the total amount of VET taught in schools has increased slightly in recent years to 377,685 in 2021 from 340,000 in 2014 there has been a significant decline in the level of qualifications taught, particularly in public schools. Accredited qualifications taught as VET in Schools have reduced from over 46,275 to 28,365 from 2014 to 2021. However, non-accredited training package qualifications still comprise the vast majority of VET program enrolments at over 93% of VET taught in public schools. 73% of VET programs taught in public schools are at Certificate 1 and 2 level compared to 61% at independent schools.²² This difference in the level of qualifications offered by public and private schools is likely due to entrenched underfunding and lack of resource available to public schools which limits the

²¹ Queensland Teachers' Union. (2023). *Submission to Queensland Parliament's Education, Employment and Training Committee inquiry into the delivery of vocational education and training (VET) in regional, rural, and remote Queensland*. <https://documents.parliament.qld.gov.au/com/EETC-797A/IVETQ-B79E/submissions/00000010.pdf>

²² NCVER 2022, *VET in Schools 2021: program enrolments DataBuilder*, Total, School type, Level of education by Year

breadth of qualifications that they are able to offer, as well as a greater demand for initial qualifications in public schools. This reinforces the need for increased provision for follow up and guidance available so that students who undertake VET in School at Certificate I or II level are encouraged to follow a post school pathway to higher qualifications.

These differences point to a systemic and chronic lack of resources available in public school systems, which prevents public school and TAFE partnerships from being able to provide the full breadth of certificate level qualifications and increases the potential for significant narrowing of the pathways and options available to public school students engaged in VET whilst at school.

The AEU ACT Branch reports that there is a long and strong history of partnerships between the Canberra Institute of Technology and schools to give ‘taster’ experiences and Australian School Based Apprenticeships. Outcomes, when assessed in terms of the completion of competencies has been varied, although ‘other’ valuable outcomes such as the apprentice having a good experience with TAFE, enjoying the more adult learning environment, the apprentice being able to decide on a future study or job path are not well monitored or reported. The Branch reports that funding models based only on completion fail to capture these additional benefits of Australian School Based Apprenticeships and render the program untenable.

This differentiation in the level of programs offered to students in the public and independent schooling sectors raises the important question of whether there is a systemic reason, such as a lack of funding and resources that inhibits the ability of public schools to provide higher level courses. The insufficient recurrent funding provided to public schools through the combined failure of the Commonwealth and state/territory governments to meet the Schooling Resource Standard (SRS) often results in students funding their own VET studies in school and further limits access. This raises the question of the extent to which students’ capacity to pay additional fees for VET enrolment impacts on the type and level of programs offered.

The AEU has identified several systemic issues with the current provision of VET in Secondary schools as outlined below. All of the issues listed could be rectified through the proper allocation of resources to meet the Schooling Resource Standard (SRS) in public schools and through the reinstatement of public TAFE as the provider of VET in schools.

- The transfer of recurrent funding from public schools to private RTOs.
- The requirement, caused by a lack of sufficient recurrent funding to schools, that students additionally fund their own VET courses with private RTOs arranged via schools.
- The potential for a lack of direct knowledge of and responsibility for oversight and co-ordination of VET in Secondary schools policy and implementation in state and territory education departments.
- Accredited and higher-level qualifications are declining in schools in favour of lower level qualifications and non-accredited training is still the vast majority of VET in schools.
- The VET system is structured around the needs of industry and current quality measures reflect this. However, schools have much wider responsibilities than meeting the needs

of industry and the economy and these are often not properly considered in the delivery of VET in Schools.

To address these issues, it is essential that VET in Schools should be funded from a specific budget directed to TAFE for that purpose rather than provided by for profit RTOs diverting resources from public schools, and/or requiring students to fund provision themselves through additional charges.

Regional and Rural VET in Schools

Innovative approaches are required to support regional, rural and remote students to succeed in school and to enable their transition to further study, training and employment. Too often in regional, rural and remote schools this innovation comes about as a matter of necessity rather than from a deliberate strategy. In small regional and remote schools teachers are often forced to teach out-of-field and a multitude of non-educational tasks are frequently performed by principals. These are examples of forced innovation, which while sometimes effective, do not contribute to student growth in the same way that properly planned innovation does.

Schools and systems that have the right levels of resources and support are in a better position to strategically manage their futures rather than be managed by the often overwhelming contingencies of the everyday. Properly funded and supported schools are able to be proactively innovative rather than forced into reactivity, including in the determination of the pathway options that are made available to students.

A common approach to supporting transitions for remote and regional students into training or further education involves integrating the school and its programs with VET training in local industries. However, integrations must comply with national and state-level curriculum, and for good reason: these ensure that students have the transferable skills, aptitudes, and capabilities needed for rapidly changing economies, ecosystems and communities.

Multiple AEU Branches have informed us that many industry partnerships for VET in Schools are not consistent in their application or in the release of staff resource necessary for successful partnerships. More partnerships need to be built between industries/sectors to initiate and continue a pathway beginning in school, following into a full-time capacity and the involvement of a qualification. Branches have informed the AEU that whilst TAFE providers remain committed to industry partnerships for the delivery of VET in Schools, this commitment is often not reciprocated in a consistent way by local industry.

Additionally, vocational training for local industries in schools must also consider industries in the wider local economy and how growth and change in the importance of both priority and peripheral local industries can impact on skill requirements.

Government support must be provided to ensure that the breadth of vocational pathways available to rural, regional and remote young people is as close to that available to their metropolitan peers as possible.

The Halsey review into regional, rural and remote education confirmed that state governments had withdrawn TAFE delivery in the non-metropolitan regions of the nation, with the expectation that increased choice of providers would materialise in regional areas. The reality

is that providers have retreated to the cities.²³ Where markets are thin, private, for profit RTOs usually either reduce services or increase costs to compensate for lower levels of demand and other costs associated with operating away from metropolitan areas.

The only way to ensure that vocational education remains a viable pathway for non-metropolitan young people is for the role of public TAFE to be protected and enhanced. The Commonwealth ensuring that at least 70% of public funding is available to public TAFE providers through the Interim National Skills Agreement is an important first step. This must be followed by adequately funding TAFEs to operate in areas with diseconomies of scales and geographic isolation is equally important in promoting TAFE to non-metropolitan students as a pathway to employment or further education.

Recommendation 3: The provision of VET to secondary school students should be underpinned by cooperative arrangements between schools and TAFE, the public provider of vocational education.

Recommendation 4: VET in Secondary Schools should be funded from a specific budget directed to TAFE for that purpose rather than diverting resources from public schools, and/or requiring students to fund provision themselves through additional charges.

Recommendation 5: Class sizes for VET in Secondary Schools should not exceed those for the same course in a TAFE college.

Recommendation 6: Any person delivering VET in Secondary schools should have a sound understanding of pedagogical principles, including the importance of consolidation and context for learning, should be properly qualified to deliver VET and meet state and territory registration requirements

Career guidance must be delivered by qualified teachers

Experience has shown that much career guidance received through years 10-12 leans strongly towards university education and often schools refer disengaged or academically struggling students into VET pathways.

The South Australian Branch of the AEU has provided the following examples of how schools can significantly contribute to the way in which VET is perceived by students, parents, and the local community. In South Australia it is common for students labelled as "troubled" or "difficult" to be directed toward VET pathways. Students who present with significant attendance issues are also often steered into VET pathways. This results in a common perception that VET pathways are "easier" and not for traditional academic individuals.

TAFE offers significant rigor that can counter this; however, the defunding of TAFE by the former South Australian Liberal Government has made access to TAFE courses in some areas, particularly regional and remote areas, difficult.

²³ Zoellner, *Op. Cit.*, p.26

This issue with the perception of VET is compounded by the South Australian Department of Education's inconsistent approach to VET programs and the SACE Board's provision of credit for some VET programs (predominately Certificate 3 and higher courses) which encourages schools and the community to expect students who have struggled with the academic nature of high school programs to earn their high school completion (SACE) by completing some VET qualification.

The impact of this is succinctly summarised by the following comments made during consultation with the South Australian Branch of the AEU:

It simply doesn't seem like the systems within which educators in schools work truly value VET programs, setting those programs up as a place for students who are difficult to manage rather than as a pathway that is meaningful and valid for the student's life.

Then imagine the workload issues that lecturers experience when working with students who schools do not seem to want to manage. Difficulties here then result in an even more negative public perception of VET.

Under intense resource pressure, as a result of the immense resource pressures felt by schools, it is sometimes considered more practical for schools (for example, in terms of administrative planning, curriculum and assessment workload, and teacher time) to offer VET separately or as a standalone course than to embed it into general education courses.

Inadequate recurrent funding means that public schools simply often do not have the resources to invest in career and guidance counsellors. Therefore it is critically important that school systems have capacity to provide frequent, high quality and accessible careers advice to students, delivered by fully qualified teaching personnel.

Australia begins its careers conversations with school students at far too late a stage, often only in the last two to three years of secondary school. Career guidance could start much earlier, in an age appropriate way, with students at the later stages of primary school. This is the case in other countries (for example, Scotland) and has resulted in much greater efficacy in the advice given and improved knowledge of available options and outcomes for students. Additionally much more time is required at each stage of career guidance and planning so that students and families are aware of VET options and pathways post-school.

Some jurisdictions have recently attempted to undermine the professionalism of teachers providing career guidance through the establishment of third party organisations. For example, the Careers NSW model, recommended by the 2020 Gonski & Shergold Review of the NSW Vocational Education and Training Sector recommends "Career Practitioners" who are not qualified teachers to schools. The NSW Teachers Federation Branch of the AEU has received multiple expressions of concern from members focused on the following areas:

1. The lack of qualifications of the Career Practitioner in schools who are meeting with parents and students and offering careers advice.
2. The qualified Careers Adviser employed at the school is not given information as to the advice being given and is discouraged from questioning students about the advice given by Career Practitioners
3. A major concern that unqualified Career Practitioners are also taking Year 7 and 8 classes and giving Careers Advice.

4. Careers NSW has been encouraged to explore the potential for volunteers to deliver careers advice
5. A fee for service model was proposed by Gonski and Sherwood, which undermines equity and access to appropriate pathways for students

Recommendation 7: That approaches such as that of Careers NSW are ruled out by this Inquiry in favour of an increase in resourcing for teacher qualified career advisors employed directly by schools and TAFE institutes

Recommendation 8: That state and territory education departments fund qualified and registered teachers as careers advisors for senior secondary students, with each student having access to a named advisor who knows them.

Recommendation 9: There needs to be a systemic enhancement of career and vocational guidance services in schools to provide early, improved and accessible advice on all pathways, with a particular emphasis on offering increased support to senior secondary students from the lowest SES quartile.

Rent seeking private RTOs are entrenched in Australia's vocational education system and have damaged perceptions of it

Prior to the recently finalised Interim National Skills Agreements signed in late 2022 there had been a concerted and continual drive from successive federal governments over more than a decade to marketise vocational education and deprioritise TAFE, which resulted in a shift of public money to for-profit private providers, and disinvestment by governments in vocational education.²⁴ This deliberate recalibration of vocational education as a contestable market resulted in the extremely rapid proliferation of opportunistic private training providers and the unrestrained growth in the for profit sector, primarily at the expense of Australia's previously world leading publicly funded and delivered TAFE and vocational education system.

Seismic changes have occurred in the way that vocational education is resourced and delivered in Australia over the last decade and a half. There are now over 4,600 active registered training providers, but only 96 of these providers have more than 100 full time students. It is plainly evident that quality cannot possibly be maintained at a system level when that system is populated by thousands of tiny individual private providers, some of whom (as outlined above) have participated in recruitment and enrolment practices that can best be described as skirting the edge of legality.²⁵

This almost complete surrender of the provision of vocational education to the market has resulted in a massive decline of TAFE as the pre-eminent provider of vocational education in Australia. In 2009, TAFE institutions taught 81% of all publicly funded full time equivalent students in Australia. By 2021, this figure had reduced to 52%. Over the same twelve year

²⁴ Wheelahan, L., (2018) *New figures quantify the extent of the TAFE disaster*, retrieved from http://stoptafecuts.com.au/blog/new-figures-quantify-extent-tafe-disaster?ccm_paging_p=3

²⁵ Bachelard, M., Cook, H., & Knott, M., (2015) *Vocational Education, the biggest get-rich quick scheme in Australia*, *Sydney Morning Herald* retrieved from <https://www.smh.com.au/national/vocational-education-the-biggest-getrich-quick-scheme-in-australia-20150916-gjnqwe.html>

period private, for-profit providers increased their share of publicly funded full time equivalent students from just under 15% to 35% and doubled their total student numbers.²⁶

This shift has seen private RTOs attain an increasing share of public funding. In 2020, states, territories and the Commonwealth spent a combined total of \$5.8 billion on vocational education, with over \$1.1 billion of public funds allocated directly to private providers and \$2.6 billion of government appropriations and program funding allocated on a competitive basis.²⁷

Public funding is not put to equivalent use in the public and private sectors. Private providers focus on courses that are relatively cheap to run but fully funded by public subsidies and neglect to provide higher cost trade and qualification-based courses, while public TAFE provision is concentrated on more costly and resource intensive courses in the skilled trades and on providing students with greater levels of support.

As a priority, any serious attempt to repair the damage done to the vocational education sector must assess what all key social partners acknowledge to be the deplorably low rates of investment and funding in the sector, both in comparison with other education sectors, and in relation to the real costs of providing high quality, and dynamic vocational education.²⁸

The reputational damage to vocational education caused by VET FEE-HELP still reverberates six years on from its closure

Over its short life to its conclusion in 2016, VET FEE-HELP did unprecedented damage to Australia's vocational education system, as successive governments allowed the crisis to escalate to the point where experts estimate more than \$7 billion in total was expended on the scheme, a significant proportion of which will never be recovered.²⁹ This wasted amount is more than was spent on the entire public funding of the vocational education sector in Australia in 2021.

The continued fallout from the scandal has caused catastrophic reputational damage to the entire vocational education sector, and many qualifications have been (possibly irredeemably) devalued. Students have been ripped off and cheated by unscrupulous for-profit providers, and significant numbers of qualifications which were previously government funded have been shifted to a government loan system where students will eventually have to pay the full cost of their education. Brokers and other agents have operated as key players selling useless qualifications to an unsuspecting public and unregistered providers delivered qualifications for which they received public funding. At the height of the VET FEE-HELP scandal, the regulator did not know how many students were receiving training which evaded even the relatively low standards which currently exist. The burgeoning private for-profit sector in vocational education made enormous profit wasting scarce government funding, and further diminishing the reputation of an already damaged education sector.³⁰

²⁶ <https://www.ncver.edu.au/research-and-statistics/data/all-data/historical-time-series-of-government-funded-vocational-education-and-training-from-1981-to-2021>

²⁷ ROGS 2023

²⁸ Australian Education Union. *Ibid.* p.10.

²⁹ Australian Education Union, (2018), *Stop TAFE Cuts Manifesto*, p1.

³⁰ Australian Education Union (2018), *Submission to the Terms of Reference for the ALP Commission of Inquiry into post-secondary education*, p.8.

However, this crisis did not emerge out of the blue, but was precipitated by a deliberate, calculated and forceful move to the market and a symptom of the deliberate and large scale movement of public funds away from TAFE and public provision over many years by previous Labor and Coalition federal and state governments. The systemic impact of VET FEE-HELP was, and still is, insidious, and its successor, the Vet Student Loans system, is little better. VET FEE-HELP orchestrated a significant change in the architecture of the sector. Large sections of the Australian vocational education system are now designated as “User Pays”, with restricted access to government subsidised places, increased fees and charges as a direct result of the exploitation of the system by private for-profit providers.

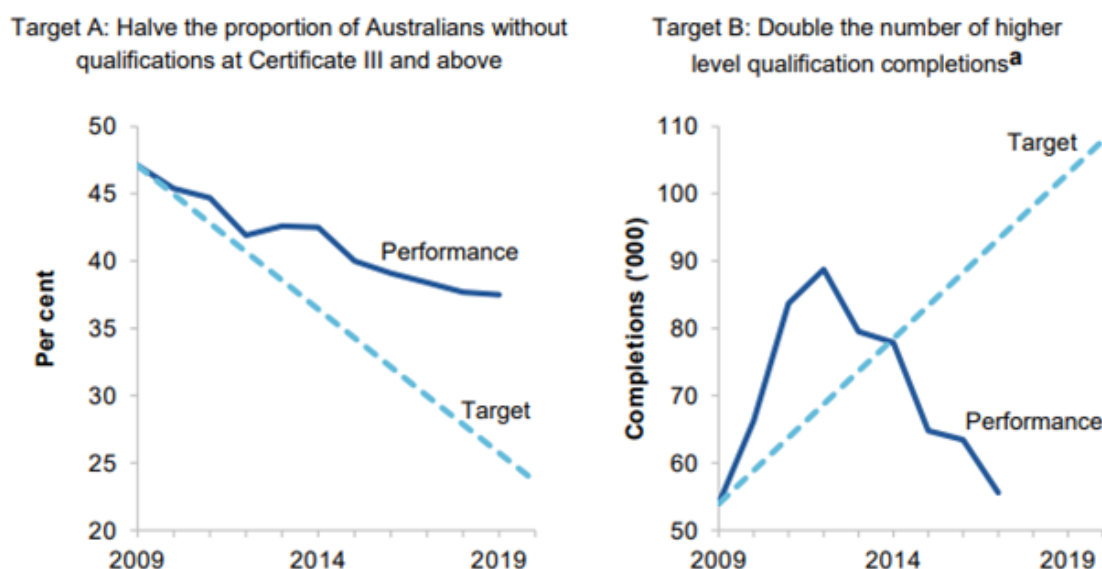
The rise of low quality VET in Australia

Over time, there has been a shift from high quality nationally recognised programs to non-accredited training as evident in the Productivity Commission’s 2020 assessment of the National Agreement for Skills and Workforce Development’s (NASWD) performance against its key targets. The Commission’s report highlights how poorly the NASWD has performed against its key targets A) to halve the proportion of Australians without qualifications at Certificate III and above, and B) to double the number of higher level qualification completions.

From 2013 onwards, both of these indicators have been on a downward trajectory, with Target B for completions faring incredibly poorly. The decline of these target measures coincides with the de-prioritisation of public vocational education as pursued by the previous Coalition Government, and demonstrates very clearly how the funnelling of public funds to for profit providers has devalued vocational education in terms of the quality and level of training provided and in the ability of RTOs to support students through to completion.³¹

³¹ Productivity Commission, *Op. cit.*, p.10.

Figure 1: NASWD performance against Targets A & B



The AEU believes that vocational education should be delivered with the aim of providing a significant and broad skills base to work in their chosen profession, not to provide students with a set of narrow skills or competencies to fulfil a specific employer need at a particular time. We are also opposed to the idea that a substantive qualification, whether a higher level certificate, a diploma or a degree can be cobbled together in any effective way from the completion of a series of disjointed micro-credentials completed by assessing individual competencies in an ad hoc way.

Private VET providers often offer a high volume of low quality courses, and recent data shows that the total number and proportion of VET studies taking place that are not part of nationally accredited courses has increased substantially in recent years. Subjects not delivered as part of accredited national programs and those with no discernible qualification attached are the primary area of significant enrolment growth for VET studies in the last three years is of significant concern for the consideration of young people's pathways. The subjects may or may not lead to careers and function primarily as an income boon for profit seeking private providers. There is no way to determine how useful these subjects are to those who take them or whether they contribute to the attainment of thorough capability based qualifications.

Despite the upwards trend of high volume, low quality, VET, satisfaction with TAFE remains very high. For example, in Queensland, the proportion of employers satisfied with the overall quality of TAFE training is 92.1%³², the proportion of graduates satisfied with the overall quality of their TAFE training is 89.9%³³, and 89% of all attempted competencies successfully completed.³⁴

³² Queensland Government. (2022). *Queensland Budget (2022-23) Service Delivery Statements: Department of Employment, Small Business and Training*, (p. 13). budget.qld.gov.au/files/Budget_2022-23_SDS_Department_of_Employment_Small_Business_and_Training.pdf

³³ Ibid

³⁴ Ibid

Recommendation 10: The primacy of TAFE as the public vocational education provider of full qualifications within a nationally accredited course of study should be asserted by the inquiry

Recommendation 11: That the focus for learning outcomes in the vocational education system are shifted from disjointed CBT based training and towards sustainable knowledge and practise based accredited qualifications as historically provided by TAFE

Contestable funding rewards the bare minimum

Contestable funding that does not take full account of all costs and benefits that should be provided in conjunction with any training package has allowed private RTOs to cut their content offerings to bare the minimum required to maintain a subsidy. Indeed, the Productivity Commission recognises this as a likely outcome, and states that contestability in conjunction with consistent pricing “would create strong incentives for RTOs to minimise costs“. This would lead to private providers reducing the quality of courses offered even further so that they could extract as much profit as possible from each subsidised place offered. It goes on to state that “in a workably competitive market, it would create strong incentives for RTOs to minimise costs.”³⁵

This is the very crux of the issue with contestability and with allowing private providers access to public subsidies. The market is not “workably competitive” because its actors are providing very different levels of service, with different aims. The inherent danger in consistent pricing is that it doesn’t interrogate the true cost of delivery by different types of organisations providing VET services and doesn’t take account of the value and the benefits provided in return for that investment. Reliance on the market mechanism further highlights a fundamental issue with the way VET is currently funded in Australia. The same pricing mechanisms are being applied to vastly different outputs by different providers for two different purposes – the public good vs. the extraction of profit.

The Victorian experience of free TAFE courses shows how removing the burden of contestability from TAFE, along with the cost burden of fees and income contingent loans has a huge positive impact on participation, particularly among underrepresented groups. Enrolments in free TAFE courses in 2019 almost doubled on the previous year, with nearly 40,000 Victorians enrolling in priority courses. These additional enrolments included:

- 118% more women enrolled in TAFE
- Double as many learners with a disability
- 75% increase in enrolments in Regional Victoria
- Double the number of culturally and linguistically diverse students³⁶

Similarly, in Queensland programs like the *Free TAFE for under 25s* and *More Fee-Free TAFE and VET places for Queenslanders in 2023* are welcome as they increase accessibility and

³⁵ Productivity Commission, *Op. cit.*, p.23.

³⁶ Gail Tierney MP, media release, June 6, 2020, retrieved from email communication

increase public funding to TAFE. However, there must be commensurate investment in the TAFE workforce so that existing TAFE teachers are not overburdened.³⁷

Recommendation 12: That a commitment to restoring TAFE workforce and attracting new TAFE teachers should be embedded in all free TAFE commitments made by Federal, State and Territory Governments.

TAFE must be freed from contestability to realise its potential

As the trusted public provider, TAFE has a long history of forging strong partnerships with industry to create pipelines of skilled apprenticeships and job pathways. TAFE offers the highest quality of vocational education across all levels of qualification, with nationally accredited programs, long standing industry links, a highly qualified and experienced workforce of professional teachers and a national network of campus infrastructure. There has never been a greater need for a high quality, well-resourced and trusted TAFE sector.

For more than a decade Commonwealth VET policy has been based on a damaging and predetermined view about the inherent superiority of the market and contestability as the most efficient way to operate that market. In reality, the impact of contestable funding on the sector has been catastrophic. Competition and contestable funding has flooded the market with inferior private providers.

A fully contestable unrestrained market for vocational education damages public TAFE as the costs of delivery and the breadth and quality of services offered are not the same as for private providers. TAFE delivers a much higher level of provision, at a significantly larger cost than the offerings of most private providers. TAFE has superior infrastructure, provides a higher level of pastoral care and guidance than the standard private RTO model and has made substantial historical and contemporary investments in forming and maintaining wide ranging community and industry links.

Adherence to the social contract and the unwavering pursuit of the public good is woven into the fabric of TAFE. TAFE has never just been about the assessment of and training for the skills for just one job. It has always played a larger role responding to the needs of people and communities throughout their lives. Since its inception TAFE has consistently offered people who are economically disengaged the opportunity through education to give their life orientation, and this will only become more essential in the current and post COVID-19 economy and society. Indeed, the additional support that TAFE provides to learners is the very reason that many people who may otherwise be disengaged (such as people with disabilities) are able to engage in vocational education.

This is the crux of the issue with contestability and with allowing private providers access to public subsidies. The market is not workably competitive because its actors are providing very different levels of service, with different aims. The inherent danger in contestable funding is that it doesn't interrogate the true cost of delivery by different types of organisations providing

³⁷ Queensland Teachers' Union. (2023). *Submission to Queensland Parliament's Education, Employment and Training Committee inquiry into the delivery of vocational education and training (VET) in regional, rural, and remote Queensland*. <https://documents.parliament.qld.gov.au/com/EETC-797A/IVETQ-B79E/submissions/00000010.pdf>

VET services and doesn't take account of the value and the benefits provided in return for that investment.

Recommendation 13: That the contestable market in vocational education is ceased as the preferred mode of delivering funding as it creates the incentive for the race to the bottom from private providers and the impact of that on the status of the vocational education sector as a whole.

TAFE provides huge and ongoing economic benefits and its ongoing funding must be guaranteed

The AEU welcomed the \$1.1 billion in matched funding allocated to Interim National Skills Agreements with State and Territory Governments and the emphasis on fee-free TAFE in areas of highest skills need and for targeted priority groups including announced in the October 2022 Budget, and we applaud the Commonwealth's commitment to ensuring that 70% of all government funding for vocational education is delivered to TAFE.

This commitment is first step towards repairing the deliberate and consistent funnelling of investment away from TAFE that has occurred under the primacy of the contestable funding model, and must now be confirmed through long term national funding agreements.

The AEU draws the Committee's attention to the ground-breaking report published in 2020 by the Centre for Future Work at the Australia Institute that provides the first Australia wide analysis of the economic and social benefits of TAFE.³⁸ Its key finding is that despite years of significant funding cuts and "policy vandalism", the TAFE system continues to make a strong and disproportionate economic and social contribution to the Australian economy – this contribution is entirely at the cost of workers in the TAFE system.

The report measures the continuing economic and wider social benefits of Australia's historic investment in TAFE, in terms of higher earnings and productivity for TAFE graduates and the resulting increased tax revenues and profits to employers, the additional economic footprint of TAFE purchasing and supply chains and the fiscal benefit of reduced social assistance and public healthcare expenditure arising from TAFE's contribution to lowering unemployment and supporting a healthier workforce and society.³⁹

The annual total economic benefits of Australia's historic investment in the TAFE and the current TAFE trained workforce are shown in table 1 below.

³⁸ Pennington, A., *An Investment in Productivity and Inclusion: The Economics and Social Benefits of the TAFE System*, Centre for Future Work at the Australia Institute, 2020

³⁹ Pennington, *Op. cit.*, p.8.

Table 1:

TAFE Annual Economic Impact Results	
TAFE Economic Footprint	\$6.1 billion
Higher Earnings and Productivity (Includes Higher Tax Revenues)	\$84.9 billion (\$25 billion)
Fiscal Savings (Social Benefits)	\$1.5 billion
Total Benefit	\$92.5 billion
Total Annual Costs	\$5.7 billion

The total benefit from the accumulated historic investment in the TAFE-trained workforce is estimated at \$92.5 billion annually, approximately 4.5% of Australia's annual GDP. The report identifies these benefits across four streams:

- \$84.9 billion in annual productivity benefits, manifesting as increased earnings for workers and increased profits to employers.
- This includes \$25 billion in increased incremental tax revenues annually, which alone is more than four times the annual expenditure of all governments on TAFE
- \$6.1 billion from TAFE's additional economic footprint. This includes the purchase of goods and services and supply chain inputs that support a total of 48,000 direct and indirect full time jobs
- \$1.5 billion in reduced social expenses annually. The TAFE system increases employability, thereby lowering unemployment and supporting a healthier workforce and society. An important consequence of this is reduced social assistance of \$1.2 billion and reduced public healthcare expenditures of \$289 million.
- The TAFE system has increased the employability of the population, relative to those without post-school education, resulting in an increase in employment of around 486,000 positions.⁴⁰

The report finds that the TAFE system also underpins a wide range of broader social benefits that are harder to quantify. TAFE promotes stronger economic and labour market outcomes in regional areas and helps 'bridge' access to further education and jobs pathways for at-risk groups of young Australians, including those who have a disability or are of Aboriginal and Torres Strait Islander background.

The annual costs of operating the TAFE system are modest by any measure when compared to its direct and indirect benefits. The estimated combined costs of the TAFE system including government funding for training and administration, employer and student assistance, loans and income support payments, student fees, and employer apprenticeship and traineeship training costs total \$5.7 billion per year - approximately 0.3% of Australia's GDP.

⁴⁰ Pennington, *Op. cit.*, p.9.

The flow of annual benefits resulting from the present and past investment of the TAFE system exceed the current annual costs of operating that system by a factor of 16 times. However, the report warns that the continuation of these enormous benefits is at risk, and that TAFE has been:

“Undermined in recent years by reductions in fiscal support for public VET, and the direction of public subsidies towards privatised, market-delivered VET programs and providers. As a result, the flow of economic benefits generated by well-trained, better-paid VET graduates is in jeopardy today. Australia is not replacing its stock of high-quality TAFE graduates – which means that over time that flow of economic benefits will inevitably decline.”⁴¹

The Centre for Future Work report concludes that Australia will squander the valuable demonstrated annual economic benefits of investments in TAFE institutes and limit our post-COVID-19 economic recovery if we do not act immediately to reinstate the funding and critical role of TAFE. It concludes “that if we want to continue reaping the benefits of a superior productive TAFE-trained workforce, we must repair that damage – and quickly.”⁴²

Recommendation 14: That there is a co-ordinated effort by all governments to put TAFE at the forefront of future economic growth through immediate increased funding support and investment in infrastructure, equipment, staffing and programs

We must urgently re-invest to rebuild and strengthen the vocational education workforce

The vocational education workforce, and in particular the TAFE teaching workforce, has been under attack for at least two decades. Teaching preparation and skills have been devalued by the narrow focus on Competency Based Training (CBT), and the high-level qualifications previously required to teach TAFE have been relaxed and in some cases abandoned almost entirely. Teachers’ workloads have increased to unsustainable levels as public employers in the sector have sought to make ends meet in the wake of depleted funding and resourcing by shaving hours of instruction, and by work intensification as private providers relentlessly pursue higher profits.

It is very difficult to get a handle on the total number, demographics, experience and qualification level of the current vocational education workforce. There has been no thorough analysis of the size and characteristics of Australia’s vocational education workforce since the Productivity Commission’s report of 2011. At that time, it was estimated that there were approximately 73,000 TAFE employees’ and 150,000 people working for other vocational education providers.⁴³ Consistent national data about the size and characteristics of the vocational education workforce is almost non-existent, and in particular there is very little known about the size of character of the private sector workforce. While there are administrative data collections of the TAFE workforce at both the provider and state level, they are incomplete (with key information either inconsistent or missing entirely) disparate and, according to the productivity commission, not widely used or disseminated ⁴⁴ and the lack of

⁴¹ Pennington, *Op. cit.*, p.8.

⁴² Pennington, *Op. cit.*, p.8.

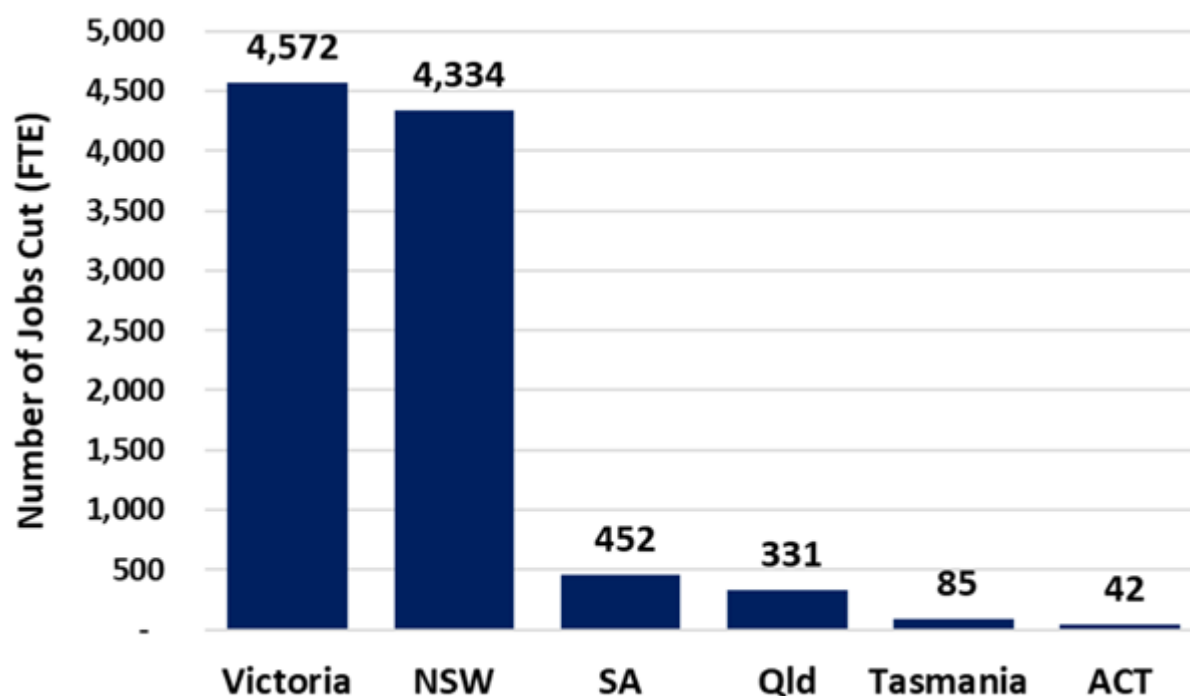
⁴³ Productivity Commission (2011), *Vocational Education and Training Workforce: Productivity Commission and Research Report*, Canberra, p.31.

⁴⁴ Productivity Commission, *Ibid.* p. XLVII.

quality workforce data significantly hinders efforts to improve the capacity and capability of the workforce, and to plan for future development.

Despite that lack of quality data on the shape and size of the vocational education workforce in Australia, it is uniformly recognised that the damage being done to the sector as underfunding continues to wreak havoc must be stemmed urgently. Pennington calculated that almost 10,000 full time TAFE teaching positions were across six states and territories, including almost 9,000 in New South Wales and Victoria alone, between 2012 and 2019.

Figure 2 Reduction in TAFE staff levels by State 2012-2019⁴⁵



This has undoubtedly impacted not only students, but the remaining staff and teachers. It represents an irreplaceable loss of knowledge and expertise to the system, and further demonstrates the long term crisis in the sector.

In addition to these huge numbers of staff leaving the sector and the substantial loss of talent and experience that entails, the sector has long had a substantial problem with casualisation, which further compounds the problem. In 2011, the Productivity Commission stated:

Relative to other education workforces, on a headcount basis, there is a relatively high prevalence of non-permanent employment in the VET sector. Estimates suggest that up to one-third of trainers and assessors in the non-TAFE sector are engaged as casuals or fixed-term employees. This proportion is even higher in the TAFE sector, where about 60 per cent of trainers and assessors were employed on a non-permanent basis in 2008, with a particularly high use of casuals in the roles of trainers and assessors (and with significant variation across jurisdictions)..... casual employment might, at

⁴⁵ [The Economic and Social Benefits of TAFE \(futurework.org.au\)](http://futurework.org.au) p.18

times, reduce the quality of the teaching or learning experience in VET, and restrict opportunities to develop teaching and assessment ability.⁴⁶

There is a lack of clarity sector wide about the minimum standards of competence required to teach, and some teachers and trainers in the non-TAFE sector appear to not have any qualifications at all. The Productivity Commission found that while most trainers and assessors have some vocational qualifications, it is very likely that at least 40% of those in non-TAFE providers do not possess any formal pedagogic qualifications at all.⁴⁷ The lack of concern from regulators, governments and sector employers for the maintenance of high standards of entry to the profession once again demonstrates how, along with the sector itself, vocational teaching has become professionally devalued.

The failure to maintain standards has a huge impact on the existing workforce and discourages others from entering it. The current prevalence of low morale, stress and workload burden among TAFE teachers is entirely unsustainable.

In 2020 the AEU conducted a survey of over 1,400 TAFE teachers. The survey found that by and large TAFE teachers were overworked, stressed, lacking in job security and unsure about continuing in their profession. The shocking results include the following⁴⁸:

- Full time workers reported average working hours 21% above their contractual working hours - this equates to an additional day of unpaid work every week.
- Teachers reported significant concern about high teaching workloads and excessive administrative duties.
- The vast majority – 93% - reported that the pace or intensity of their work had increased over the last three years.
- Only 2% described their workload as consistently manageable
- 96% said that administration has increased as a proportion of their total work time in the last three years and 84% said it has increased significantly.
- 81% said that the budget in their department had decreased over the last three years
- 76% of TAFE teachers said they had seriously considered leaving their job over the last 3 years

Below, we present some comments made by AEU TAFE Teacher members on the parlous state of their employment:

“I have an average workload of about 45-55 hours per week on campus- then additional marking and work from home and over weekends. During the last 4 weeks, I have easily worked an average of 60 hours per week just to try and have my work done in time to meet 'grading deadlines'. Workloads are ridiculous and are affecting staff health and wellbeing”

- Permanent Full time Education Lecturer from Queensland

“Because I couldn't keep up with the workload during work hours, in my own time I spent every weekend marking and doing other related work that it has taken a physical

⁴⁶ Productivity Commission, *Ibid.* p. XXXV.

⁴⁷ Yu, S & Oliver, D., (2015) *The capture of public sector wealth by the for-profit VET sector: a report prepared for the Australian Education Union*, Sydney, pp.17-18.

⁴⁸ Australian Education Union Victorian Branch (2017), *State of Our TAFEs*, retrieved from : <https://www.aeuvic.asn.au/sites/default/files/State%20of%20Our%20TAFES%202017.pdf>

and mental toll on my home life as well, especially having young kids. My contract is also fixed which also gives me no job security.”

– Fixed term Society and Culture Lecturer from Victoria

“I’m exhausted, over worked, I feel like I have no life other than working and sleeping - my family miss out on much time with me. Even though bosses talk about work life balance the workload still remains and does not disappear.”

– Fixed Term Education Lecturer from South Australia

“I am planning to leave TAFE because teaching has become pushing the poor students through assessment tasks and making them sign paperwork. There is little time for them to learn and no chance of providing necessary specific attention to those who need it. Validated tasks which we are forced to teach are unrelated to my students’ lives and real needs and are often of poor quality. Teachers are treated like untrustworthy people whose every move must be monitored and who must ‘evidence’ everything we do”

- Casual Literacy and Numeracy Teacher from New South Wales

The marketisation of the vocational education sector and the increasing reliance on borrowing and external investment of what remains public is the root cause of the immense pressure that teachers are currently under, and drives the huge levels of casualisation and uncertainty that now accompany a career in vocational education. There needs to be a complete rethink of the way that TAFE and vocational education teachers are trained, their career path and progression and their remuneration. We need to not only increase the number of teachers, but stem the tide of those leaving the sector in despair. This can only be done by providing decently paid secure jobs that protect and respect teachers’ pedagogical expertise and professional autonomy.

The wages of TAFE teachers have fallen behind those of their colleagues in secondary schools, and rampant casualisation has resulted in a highly mobile workforce that not only lacks security, but is rarely offered the opportunities for professional development and advancement that secure employment provides. There is currently no defined and regulated career pathway for experienced people from industry to transition into TAFE teaching jobs and a concerted national effort is required to rebuild the attractiveness of TAFE teaching to experienced practitioners from industry through a clearly defined, regulated and qualified career path that is also appropriately remunerated.

Recommendation 15: That a comprehensive data collection exercise of the vocational education workforce, including pay, terms and mode of employment, qualifications and all other relevant measures necessary to properly assess the state of the workforce is undertaken annually.

Recommendation 16: That a TAFE teaching workforce renewal strategy is devised to determine how the low morale, huge workload and increased administrative burden experienced by the vocational education workforce can be addressed. This strategy must engage in a collaborative manner with the profession to rebuild the teaching workforce, and recognise the key role that it plays in the sector.

Recommendation 17: That ring-fenced investment is made available to implement a TAFE teaching workforce renewal strategy, with a focus on addressing high levels of precarious and casual employment, the neglect of professional development and support and workload intensification.

Recommendation 18: That both federal and state governments re-invest in the TAFE teaching workforce and develop a future-focused TAFE workforce development strategy in collaboration with the profession and the AEU, based on degree-level teaching qualifications to augment the industry qualifications required to prepare people for work and for participation in society

Quality, regulation and the devaluation of qualifications

The AEU has recently provided feedback to the Department of Employment and Workplace Relations about the inadequacy of the new Draft Standards for RTOs which appear to undermine qualification requirements in a way that is anathema to a quality vocational education sector. Standards play a key regulatory and public policy function in ensuring the quality and governance of vocational education. When developed in a comprehensive form, they offer a means of ridding the sector of low-quality providers that both threaten the reputation of the high quality provision available and undermine the learning of students who in good faith believe they are enrolling in a decent and accredited program of study.

The draft standards, for which consultation concluded in February 2023, need to be urgently reviewed and tightened to ensure they provide a far more discriminating framework than the current minimalist model. A review of standards must also attempt to develop a more sophisticated perspective on the prospective support and assistance offered to students by providers, rather than the current crude and demonstrably ineffectual focus on CBT qualification outputs.

For instance, TAFE institutions offer extensive student infrastructure support including libraries, learning centres, student support services and a broad range of qualifications. Teachers in TAFE are selected as industry experts and are skilled as educators, offering students a comprehensive learning experience. It is therefore unreasonable to lump TAFEs in an outcome model that merely assesses minimalist RTO capability and quality via qualification completion as this clearly disadvantages the more extensive investment in quality in the TAFE system. The draft standards must be expanded to recognise the importance of the quality of teaching, the level of student support available and the quality of resources and infrastructure provided by all RTOs.

Moreover, significant regulatory reform is needed to re-establish trust and improve the status and perceptions of vocational education. It is important, however, for the future of TAFE and the vocational education sector that any consideration of regulatory reform be expansive in its consideration and consider the sector in its entirety.

The AEU believes that for the status of vocational education to be improved government needs to engage all social partners in discussions around the purpose and future of the vocational education sector, including the standards against which regulation of the sector needs to be conducted, and the level of public resourcing required to guarantee a robust and high quality sector into the future.

Recommendation 19: That the current draft RTO standards are expanded to recognise the importance of the quality of teaching, the level of student support available and the quality of resources and infrastructure provided by RTOs.

Conclusion - Australia needs a high quality, well-resourced and trusted TAFE sector

Public vocational education is every person's right, and TAFE holds a particularly important role in the lives of people throughout their working lives. Successive cuts, underfunding and the student loans debacle have damaged the sector, undermined the teaching workforce, and slashed funding and support where it is needed most.⁴⁹

TAFE has always been highly regarded and has supported individuals, communities and employers for decades. It has developed partnerships with employers and communities to provide pathways for students to employment, further education and university. It provides support for those seeking employment for the first time, those who missed opportunities at school, and those who seek retraining and further education throughout their lives.⁵⁰

Nevertheless, after more than a decade of policy vandalism it finds itself at a distinct disadvantage to private, for-profit, providers who provide none of the usefulness to society that TAFE does.

The fundamental importance of TAFE, its current problem in the contestable market and the potentially disastrous outcome if the issue is not urgently addressed is succinctly described in a report from the University of Sydney Business School, here:

*The role of TAFEs remains paramount in the delivery of training in areas of skills shortages and to student equity groups, but also as the custodian of quality vocational education. In meeting these and other obligations (including delivery in thin markets, delivery of student services, meeting public sector reporting requirements, and asset maintenance), it is important to recognise this competitive disadvantage. As the cornerstone vocational educational provider, TAFE has an obligation to serve all fields of education, all student backgrounds and all areas of Australia. TAFE does not have the option of targeting only profitable areas of delivery or profitable student types. Funding for TAFE has been substantially reduced despite their obligation to contribute to these social and economic objectives, while also acting as custodians for the provision of quality vocational education. If higher levels of funding and a more sustainable funding model for TAFE is not found, then there is a very high likelihood that public confidence in the entire system of vocational qualifications will be fatally eroded.*⁵¹

There is much urgent work to do to rectify the impact of more than a decade of the deliberate undermining of public vocational education. The AEU has previously made the point that it is no surprise that the sacrifice of quality for profit is the result of unfettered privatisation of the sector - "we are not dealing with market failure in vocational education. The market is doing exactly what it was designed to do – deliver profits to private providers who work within the parameters set for them."⁵²

⁴⁹ Australian Education Union, (2018), *Stop TAFE Cuts Manifesto*, p1.

⁵⁰ Australian Education Union, *Ibid.* p.1.

⁵¹ Yu, S. & Oliver, D, *Op. cit.*, p.42

⁵² Australian Education Union (2018), *Submission to the Terms of Reference for the ALP Commission of Inquiry into post-secondary education*, p.8.

Tinkering at the edges of the current market-based system, where the profit available in the gap between the VET loan cap and the cost of delivery is the only system driver, is the primary cause of the devaluation of vocational education in Australia over the past decade, and has resulted in a failure to equip graduates with the skills and qualifications needed to productively contribute to Australia's economy and society.

The AEU has been heartened by the Commonwealth's commitment over the past nine months to preserving the position of TAFE as the anchor of Australia's vocational education system, and we look forward to TAFE being recognised and valued as one of the most transformative investments that a government can make in Australia's future.