



**SUBMISSION TO THE SKILLS AUSTRALIA DISCUSSION PAPER ON
CREATING A FUTURE DIRECTION FOR AUSTRALIAN VOCATIONAL EDUCATION AND TRAINING
December 2010**

Background to Community Colleges Australia

Community Colleges Australia (CCA) is a member-funded peak body. It was formed in late 2006, recognising a need for an industry association at a national level to represent not-for-profit (NFP) community owned providers of adult and youth education, training and learning in a local environment. It currently has 65 members representing the significant majority of the VET delivery by NFP providers on the eastern seaboard of Australia. CCA's strategy is to have members from all states and territories within the next 3-5 years.

Membership comprises long established learning organisations located in metropolitan, regional and rural locations. The 'community colleges' are strategically placed to provide a focus on student welfare with commitment to the employment outcomes for, and personal development of, the individual.

CCA is committed to assisting our members grow their business and thereby to enhance the learning opportunities for all Australians through all stages of their adult lives. CCA promotes 'real education for today's Australians' by delivery that engages and belongs to local communities.

Our vision is for Australia to achieve more dynamic and vibrant communities, informed and empowered through learning.

Introduction

CCA members have a collective annual turnover of \$250 million and deliver over 7 million accredited training hours annually. CCA therefore not only welcomes this opportunity to provide input into the future direction for Australian vocational education and training, but considers it helpful to the debate that Skills Australia recognise the unique needs of the NFP sector delivering VET and the implications for the future of community-owned enterprises and their clients.

The Skills Australia discussion paper outlines the issues which already do, and will in the future, effect business planning and student outcomes for all providers of VET, including our members. The paper is comprehensive and wide-ranging in its discussions. This means that for CCA and its members there are sections and issues, for example international students and 'trade' apprenticeships, which have no or limited impact on our specific sector.

CCA therefore is providing comment on key points which are of particular and important relevance to its members. A key aspect to the vocational learning undertaken and offered by community colleges is the focus on social inclusion that members subscribe to. CCA members 'walk the talk' with regard to ensuring that all members of a local community are offered an educational and training opportunity; an empathetic, flexible and responsive approach to an individual or business learning needs which has been defined and developed over many years of operations.

CCA is willing to assist Skills Australia further during its deliberations and preparation of its final report. We look forward to an opportunity to further elaborate on the points outlined in this submission to Skills Australia as necessary.





Overview

In considering one of Skills Australia key assertions in the discussion paper - "*aspects of the sector's performance over the last several years have been variable*" - a number of points should be evaluated in the context of the Australian economy and education:

- Over the past decade there has been a strong emphasis on the university sector as **the** tertiary education sector. Notwithstanding the importance of universities to a country's economic wellbeing and innovation, the significance of skills development and workforce participation through VET has at times been underestimated ("*a good educational option but not for my son or daughter....*");
- A 'booming' economy over recent years has meant that employers are so keen to engage workers that some learners have not needed to complete a vocational course in order to gain a job;
- Some learners are not able to participate in 'fee for service' courses and whilst cost-savings have been constantly undertaken by VET providers, reductions in VET funding by governments has impacted on the range of discounted VET options available and thereby attendance at some courses; and
- Businesses and the way they do business is constantly changing - so increasingly providers are managing requests for specific or bespoke skills training rather than a defined certification.

CCA Colleges offer vocational learning opportunities to a diverse range of individuals and businesses and this includes a focus on providing education and training to assist all within a local community. Outcomes for the individual, business and community may be different to/more than just a certification outcome. Measuring the economic success to a community can be difficult but it may be counted in terms of community cohesiveness, less welfare benefit payments, lower crime statistics, better mental and physical wellbeing as well as higher levels of workforce participation.

The focus on local learning is a vital component to enabling individuals to reach their potential and engenders all who are involved in NFP community-owned education providers to be driven by a remit that focuses on more than just certification outcomes. The Adult and Community Education (ACE) sector plays a vital role in the training of equity groups in the VET Sector. Goal three of the Ministerial Declaration on ACE identifies the need to "extend the participation of individuals in vocationally focussed courses in ACE", with the key related strategy to develop an action plan to increase participation in ACE by socially excluded groups.

CCA's members strongly support the goals and strategies of the Ministerial Declaration and CCA believes that without increasing learning and workforce participation in those groups currently marginalised from education and jobs, the COAG initiative of increasing enrolments by at least 3% each and every year over the next 15 years will not be achieved. In addition, without encouraging equity groups to enter the employment market, Australia's productivity may not increase to the levels the government is currently seeking.

More than goodwill is required to make a significant difference in equity within VET. As noted in our response to the NVEAC discussion paper earlier in 2010, CCA advocates the need for an improved, streamlined and cohesive all-of-government approach to raising training participation levels throughout all communities in Australia. We also note that implementation and best practice with some groups will need time to be embedded.

What has to change to achieve a more skilled and productive Australian workforce and to make Australia a leading international economy by 2020?

CCA believes it is necessary for a greater focus to be placed upon skills that are 'fit for purpose'. That is, the primary outcomes of education and training for all Australians must be to satisfy the learning needs of the individual and to offer everyone the option to have a skill that will ensure them a job, which in turn will provide for their families and ensure they contribute positively within their own community.



Such skills and the manner in which people 'gain' them could include, but also be different from, the types and learning methods currently undertaken. There has been in the first decade of the 21st century, a shift in the types of jobs people are undertaking in this country. Whilst agriculture, manufacturing and resources should remain key drivers of the Australian economy, a growing area over the next decade(s) for employment will be in the community and people services sector. This includes jobs in child care, aged care, expanding health services, as well as continuing productivity within hospitality, retail and education sectors. Vocational skills and the way people gain them must therefore continue to evolve as the country's industries and businesses evolve.

In this time of reform across many departments of government and at different levels of government, there is a need to coordinate services and programs to allow greater training delivery to occur with minimum increases in bureaucracy and administrative burden. There are an increasing number of organisations and departments becoming involved in the VET area. While this may be seen as a positive step it can become less advantageous for both providers and clients as educational driven entities:

- Manage more audit, compliance and funding programs in order to maximise opportunities (especially for disadvantaged learners);
- compete with entities whose principal business may be outside the realm of learning and skilling but have sufficiently large resources to enter the education arena;
- focus on potentially peripheral/one-off/short-term grants in order to maintain their business because core funding for training continues to diminish (both from governments and business); and
- struggle to maintain infrastructure (both hard and soft i.e. equipment and staff) that is appropriate for the expected learning methods of 2020.

Current policy and practice can be fragmented, and confusing, not only for the student, but also the providers and employers. There needs to be greater awareness of educational classifications between educational institutions and businesses, particularly in the SME area. There have been and continue to be major shifts in how individuals 'learn' and the types of qualifications they achieve. For owners of small and medium companies, a confusing myriad of certificates are placed before them when wishing to employ new staff. VET skills and outcomes must be understood by all employers if they are to be encouraged to employ staff with appropriate skill sets and/or up-skill them using VET qualifications to do so.

Community colleges provide a key conduit to assisting SMEs because as SMEs themselves they understand the complexities of operating a small business. CCA colleges are also embedded in assisting local business to employ local people and it is CCA's intention that this pursuit is developed more strongly in the decade ahead. Noting the increase in average working hours in Australia in recent times¹ and therefore the limited time managers may have in both employing and training staff directly, community colleges can and do play a key role in assisting employers to better understand the types of work skills their employees require. Employers in turn are interested in a worker's employability not necessarily a VET certificate.

Longer working hours by some Australians may also have a continuing impact on increasing productivity by 2020. Encouraging existing workers to up-skill or re-skill (outside of work time) should be tempered with consideration of the need for people to manage a work/life balance. And governments may need to encourage businesses to consider the benefits of employing additional staff to improve productivity, rather than extending hours of existing workers. However, businesses must have confidence that they will be able to employ more workers with the necessary skills their operations require.

Community colleges offer modular style, extended, workplace and/or e-learning options which assist individuals to improve their work skills whilst maintaining their job and life activities. Learning is best achieved when the teacher understands that the needs of the student are not solely based on the training but

¹ "The increase between 1985 and 2005 in the average number of hours worked by all full-time workers appears to be the result of a growing number of people working 50 hours or more per week.", from Work, Family and Lifestyle Statistics, Queensland Government website www.justice.qld.gov.au, cited 20/11/2010



may often be impacted on external concerns such as family, transport, welfare or other needs. Community colleges with their empathetic approach are well placed to continue to manage this work/life challenge and to encourage equity groups who are not engaged in employment to gain skills that will make them workforce ready. Funding for longer learning times for these groups of clients must be recognised as being greater than a standard VET fee, if these methods are to continue and these students are to reach their potential. The provision of informal 'social services' is a growing area in our members delivery of training.

How much change and development in the VET sector is needed?

People are entitled to choice for skills training in the same manner that families can choose different schooling models for their children. The changes in the 1990s allowing private learning entities (including NFP) to become RTOs and offer VET courses should be seen in the context of opportunity-building. One style of education and training does not necessarily suit all potential students and by offering a range of learning institutes, there is a better percentage chance of more Australians gaining a vocational skill to assist them enter or re-enter or change within the workforce.

However, the VET Sector (including literacy and numeracy provision for people who have not received sufficient education previously) does appear to be in a state of flux at the present time with schools, enterprise RTO's, universities and charities entering the educational realm traditionally held by TAFEs and the ACE sectors. Opening up RTO status has allowed "new" entities to commence, not all of whom have a holistic approach to learning that traditional educational institutions such as TAFE and the ACE sector have. And, unlike universities which have historically been institutions that have offered many different degrees across diverse professions, RTOs have been able to be created that focus on potentially just one form of certification e.g. fitness.

This has led to the 4800 VET providers which regulators must now evaluate to ensure provide quality standards to all students. It has perhaps also led to a very high degree of competitiveness amongst deliverers which can cause focus to be removed from the core business of delivering skills training in order to ensure sufficient income streams are identified in order for a business to remain viable. However, as government funding has decreased there has been a need to focus on projects that are not always core or to engage significant resources in tendering for not always successful outcomes.

CCA has a concern that price, rather than quality is increasingly the primary factor in successful tenders. In addition, there is increasing number of organisations whose business may not be core education who are tendering for learning programs. This leads to the need to develop *measurable* outcomes which may be more complex than currently identified e.g. ensuring that the teaching is being undertaken by suitably qualified teachers for the courses/skills the learner has signed on to.

Increased competition may not be the development the VET sector needs in the next decade. This is especially in the case of ensuring there is appropriate funding for learners who cannot afford to pay in a competitive market place.

A great strength of the ACE sector in VET is that it is nimble and flexible enough to offer programs that support the needs of the disadvantaged learner, rather than the needs of the provider. This may be advantageous for equity students as it opens up opportunities to engage in the environment that they feel is most convenient and supportive of their needs. Community Colleges are currently doing specialised work with youth who have been disadvantaged by the school system, but through the more flexible nature of the community college learning environment have found an educational model which better suits their needs.

Such work is likely to increase in the next 10 years but determining the true cost of delivery to equity groups will need to be ascertained. Disadvantaged students may require- longer hours for same outcomes, more 1 on 1 teaching, more wrap around services such as assistance with housing, families, transport, drugs, work ethics. As long as the real cost of service not being met, services to disadvantaged students will continue to



diminish or be delivered with compromised levels of support. Research into the true cost of delivery for equity students may support change in this area.

ACE - community colleges offering VET - can provide non-institutional alternative methods of learning and education. This includes breaking down the barriers to learning participation. Hillage and Aston (2001) classified the barriers to learning participation of non-traditional learners into three groups:

Attitudinal	Material	Structural
<ul style="list-style-type: none"> ▪ Negative attitudes to learning, ▪ costs of learning (fees, transport, books, equipment, childcare), ▪ lack of confidence or motivation, ▪ lack of appropriate education or training opportunities. 	<ul style="list-style-type: none"> ▪ Financial constraints, ▪ time constraints, ▪ lack of information, ▪ geographic isolation, and ▪ lack of basic skills. 	<ul style="list-style-type: none"> ▪ No programs offered locally ▪ access issues, ▪ fear of losing welfare benefits in doing training.

The goal of Community Colleges is to minimise the impact of all three of these group attributes on the most vulnerable students and further development in this area could be undertaken. Currently much energy is expended by under resourced colleges in seeking short- term projects funds to support our most disadvantaged learners; the current system is fragmented and often contradictory. **It is somewhat ironic that seeking support for our most disadvantaged society members to gain work skills is often the most complex.**

Development in the future should be prefixed around a simplified system that aims to unite government departments to support each other in achieving results. Funding programs need to be long term in nature recognising that sustainable solutions are not a “quick fix”. VET reform for disadvantaged learners requires a whole of government approach that offers long term funding programs providing more consistency for tutors and prospective learners, and providing greater coordination between government agencies, recognising that for an education and employment change to occur for disadvantaged students in VET, related change needs to happen in all areas of the student’s life.

How can VET make a real difference for learners - addressing their backgrounds, ambitions and ensuring they succeed in the changing world of work (especially for those disadvantaged students)?

Various statistics provided by a range of government agencies stress that there is a continuing sub-group of Australians who are not participating in employment. If Australia is to achieve the aims of COAG and build our workforce skills productivity, then these sub groups must be provided with every opportunity to gain work skills. CCA has identified a need to evaluate specific issues relevant to our members with regard to VET and non-VET training. The members of CCA are focused on providing a socially inclusive learning environment for individuals and groups. This includes:

- New migrants
- People with disabilities
- Students attending independent secondary schools (often as a result of state school rejection)



- Corrective and juvenile service participants
- Adults wanting to retrain
- Older persons wishing to remain mentally and physically active
- Aboriginal and Torres Strait Islanders

In deepening the skill sets i.e. more people with skills and more people with more/higher skill sets, community colleges provide an ideal place of VET learning for equity groups including those listed above. Community education providers have widely been acknowledged as a vital bridging point between the Government's Social Inclusion agenda and workforce development agenda. However, it must be recognised that colleges whilst having the heart of their communities as key driving agendas (including equity and disadvantaged groups of that community) can no longer be expected to provide work skills learning opportunities as a 'free service'. The increased compliance and administrative bureaucracy has meant that community colleges incur increased costs but the challenge remains that equity groups do not have the economic ability to undertake 'fee for service' learning.

CCA notes that the definition of 'satisfactory' foundation skills is challenging and looks forward to some clear guidance in the future. We maintain that there is a difference between delivering students foundation skills and LLN skills, both of which require attention if we are to achieve the COAG goal of halving the number of those without a Certificate III by 2020. We also consider the inclusion of funding of "skill sets" rather than just full qualifications needs to be developed as our members often receive feedback from employers and students that they require "just in time" customised training to meet the industry needs. There will be a need to recognise that the "one size fits all approach to education and certificates" is not effective given the increasing numbers of 'special needs' students and the increasing level of bespoke training skills requested from employers. Employability is what businesses seek; employers are then prepared to up-skill using training methods and facilities that suits their unique circumstances.

With an increased emphasis on completion results as opposed to enrolments, providers may also be faced with the need to screen students to select those with the best chance of success, rather than those with the greatest need to participate, particularly if future funding is linked to successful completions. Pathway learning which our members contribute to is undervalued in comparison to the discussion paper's focus on increasing higher VET certificate completions.

CCA notes our members feedback regarding their frustration of funding being capped and short term; our colleges advise that the delivery of foundation skills to equity students requires persistence, and a long term commitment, not short term funding. Any future 'penalising' of lower level training will not assist increasing the number of people entering the workforce. In that regard, CCA members are committed to implementation of the Ministerial Declaration on ACE Goal 1 and the accompanying strategies have a strong focus on this initiative. It includes:

- " promote the significant role played by the ACE sector in developing pathways to further training"
- " facilitate auspicing and partnership arrangements which increase access by individuals to vocationally focussed training"

CCA considers there will need to be an evaluation on managing funding between low-level and Certificate III and above skills development. Focusing only on higher qualifications will impact bridging and pre vocational pathways. The current funding programs (SSP, PPP) are forcing VET/ACE providers to target training at the higher certificate levels in order to be eligible for funding opportunities. Increasingly ACE colleges have been forced to move away from their traditional pre vocational /lower certificate level training in order to follow the \$\$, currently more ACE colleges than ever are delivering Diploma, Advanced Diploma qualifications which in rural and remote areas, can be challenging in terms of recruiting specialist trainers. Students are not able



to achieve in these higher level qualifications, if they do not have the Literacy and Foundation skills to underpin the training.

If ACE is not receiving funding to be able to offer training in foundation and lower certificate levels, and TAFE are moving in to Higher Qualifications where will the equity students go to receive work skills to allow them to have the opportunity to gain employment? This has always been the strong domain of the ACE sector, but in a financially strapped sector, providers have to follow the funding in order to survive. The position of ACE Community Colleges as community owned and managed, places them in a unique position as a connection point with in their communities. Developing partnerships between School, employers, JSA providers and other training providers is a valued, yet unrecognised function provided by most Community Colleges.

What should VET qualifications, practitioners and institutions be like in 2020?

Building a learner's potential can often begin through a 'foundation' course; it gives the new student the self-confidence to be prepared to take on further, higher qualified training. CCA members can attest to students who may have come to a college for the first time to undertake a personal development/lifestyle learning course only to realise that they enjoy and are capable of gaining greater education knowledge in the environment and are then better prepared for studying a comprehensive VET course. We therefore remain confident that community learning institutions should continue and increase their services by 2020.

However, CCA notes that there may eventually be less demand for classroom style, 'bricks and mortar' VET teaching (in 10-20 years). This could be as a result of employers incorporating or increasing traineeships and apprenticeships in their workforce training and undertaking onsite education (using the VET workforce from colleges or other VET providers). It also could be through future technology advances whereby greater numbers of Australians may study through e-learning.

Teachers and tutors increasingly need to be 'well rounded' i.e. holding both industry experience & training/education skills. There is a higher need for current work-based training (on-site work experience or college mock-up facilities) rather than simplistic classroom based tuition. There is also an expectation that there be industry placement for VET trainers as part of performance planning and professional development for staff to ensure practitioner skill sets are maintained. And, as the community colleges' sector emphasis on social inclusion expands, tutors need sometimes to have life skills that go beyond pure education or industry knowledge, in order to ensure our students reach their work potential. These changing/additional expectations increases the skills required by VET teachers in community education providers and may discourage potential practitioners (especially when taken in conjunction with a decision on NFP educator wage rates versus a full-time role in industry).

Sustainable investment for institutions will be vital to engaging and supporting equity students in VET in 2020. Our colleges have identified that to provide equal service and get significant results for equity students takes a significantly greater investment than a mainstream student. It is vital that future funding for VET providers represent the real cost of delivery to support equity students, but also is sufficiently long term to support professional development and infrastructure.

How does the training market become effectively regulated?

Will there be a possibility in the next decade that some form of self-regulation by learners and employers occurs? That is, can individuals and businesses be trusted/have sufficient information to choose an entity for skills training that is based on an understanding that the particular organisation's credentials/outcomes have been proven to be of a high quality. In such a scenario will there be sufficient provision of both qualitative as well as quantitative outcomes to take into account the student/client groups who learn at specific institutions.



Currently, increased obligations in terms of not only compliance with AQTF, AVETMISS, but also compliance requirements facing all SMEs (Work Cover, IR etc) means that CCA members are facing greater staffing costs than ever, at a time that training funding is not increasing at an equivalent rate.

CCA acknowledges that as a result of business failures, the quality assessment regime for all RTOs has become very bureaucratic. Whilst CCA is fully accepting of ensuring VET education is delivered at the highest possible quality standards, the increase in audits by a plethora of different government departments does not necessarily indicate an improvement in quality assurance. It is however, placing a burden on managers of NFP entities.

Performance indicators should support the direction of where the college is aiming for in its clients skills development, however this is not currently occurring. Streamlining compliance and audit requirements would provide an opportunity for VET professional managers to spend more time on other aspects of their business e.g. ensuring quality delivery of training by their VET practitioners, managing the welfare of their students and seeking grant funding.

Is the blurring of VET providers and other sectors a problem?

As noted earlier in this submission, for small and medium employers, attempting to understand the changes that are taking place in school and tertiary education regarding VET provision has become a problem. There is undoubtedly confusion as to 'who does what' and creating clarity would benefit business. The current changes may also be potentially confusing for learners wishing to gain specific workplace skills or certification.

One potential solution for both learners and employers is to introduce a specific and individual learner number which would follow the student regardless of where his/her VET was being undertaken. While the capturing and reporting of information is vital, and we support the notion of the unique student identifier we concur that careful management of student confidentiality is crucial. Also any tracking system throughout a student's career must ensure that a student is not disadvantaged due to a prior equity issue. CCA has recently been advised of a student being rejected from a funded VET program because of a reported mental health issue 10 years prior. It is vital to recognise disadvantage is not a permanent state of being.

Any reform to reporting and measurement systems including reporting to the AVETMISS collection, implementation of student identifier, changes to the AQTF or implementation of the My Skills website come at an additional administrative cost to colleges who are, already over burdened by the cost of compliance. It may also advantage large learning institutions who in 2020 could be offering school-based VET through to post-graduate qualifications.

Reforms in VET are not just up to governments - who are the drivers and what is their role?

Undoubtedly educators have a role to play in reform because they are passionate about providing learning offerings which will offer the best VET opportunities to future students. This passion may at times need to be tempered by what employers want in skill sets for their future workforces. This may include an increasing level of workplace delivery of VET training at the request of employers but which could be challenging for small businesses. Employers will need assistance from educational institutions if this is to be effective in the medium term.

It can also be argued that school is the most important foundation to a student's education pathway through life. Reforms are taking place to ensure Australian school students are provided with a nationally recognised curriculum to provide a strong foundation for their future entry into the workforce. Occasionally, however, a



few individuals find the school system fails them or they fail with the style of learning provided. Community colleges have long been committed to the 'pathways' concept and offering adults another chance at learning.

Building a learner's VET potential can often begin through a 'foundation' course; it gives the new student the self-confidence to be prepared to take on further, higher qualified training. CCA members can attest to students who may have come to a college for the first time to undertake a personal development/lifestyle learning course only to realise that they enjoy and are capable of gaining greater education knowledge in the environment and are then better prepared for studying a comprehensive VET course. We would therefore argue that work skills/VET reform must take into account reforms for those student groups that are not capable of immediate entry at a certificate III or above level.

A specific reform in the next decade will therefore be based around the challenge of maintaining sufficient numbers of appropriately trained VET tutors and teachers who are capable of delivering teaching at both Certificate III and above, as well as Certificate I and II. CCA members have identified through many years of learning delivery that the social inclusion agenda and its related issue of youth disconnect from education, may require intense 'one on one' style training. A challenge in delivering this learning, together with non-accredited but creditable self-development courses, is finding and keeping suitable trainers.

Despite the challenges with employing casuals and contractors, our members persist because it is evidenced by the results, that placing people through personal development and introductory educational courses, does lead on to people undertaking VET skill courses thereby helping workforce participation rates. CCA members consistently note that the pathways outcomes success, be it a job, traineeship or other higher qualification training assists the skilling of individuals throughout Australia.

CCA and its members wish to be part of the VET reform agenda over the next decade. However, the up-skilling agenda brings special demands to NFP community-owned deliverers of training. We believe that whatever the reforms may be, the historic features of the community colleges sector which attracts students to our training venues will continue to be an important part of the VET process and include:

- Flexibility in our learning processes, noting the specific needs of students to accomplish their full potential to become part of Australia's economic productivity;
- An individual approach - which may sometimes mean that not all students will complete a full qualification, but will allow them to segue into other educational institutions or gain employment;
- An increasing number of young people who have disengaged from school but who through an empathetic and 'adult learning' approach re-engage through community colleges and realise their education and work potential.

CCA concludes by stating that the role of our members is to serve their local communities whether they be located in metropolitan suburbs, regional centres or rural townships and in addition to offering VET courses to the general population, our members do place an emphasis on providing a transitional pathway out of community disadvantage and contribute to the development of communities and individuals because they are an accessible sector able to effectively engage the most educationally disadvantaged learners. Community colleges distinctive teaching styles are complemented by often wide ranging non-traditional learning support for individuals and groups, which is effective in building social capital and by default the wider productivity and economic benefits the country seeks.