

TAFE for Victoria

Five Policy Priorities for a
strong VET sector

April 2018



About the Victorian TAFE Association

The Victorian TAFE Association is the peak body for Victoria's public Technical and Further Education (TAFE) Network. We provide public policy advocacy, governance and workforce relations advice, government liaison and representation, media relations and professional development for Victoria's twelve publicly-owned TAFE institutes and four dual sector universities.

The Association and its antecedents have served the Victorian TAFE sector for over 25 years and have a key role in representing Victorian TAFE institutes and dual sector universities at both state and federal levels. Our members include:



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Foreword

I am pleased to present the Victorian TAFE Association's Policy Statement as a platform for a highly successful vocational education and training (VET) system in Victoria.

This Policy Statement outlines an agenda for change for Victoria's VET system. It proposes a bold VET Strategy to 2025 underpinned by strong commitment of stakeholders and policy actions that recalibrate the system to meet the challenges facing Victoria's evolving economy and communities.

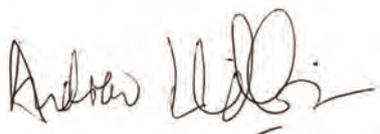
Victoria is performing well but we are facing a period of significant economic and social disruption as new technologies and digital economies transform the economy and the way people work. More than ever, Victoria needs a stable, robust and contemporary VET system to assist all Victorians get the skills and capabilities to keep pace with rapid change and ensure they are not left behind in the race for innovation.

The TAFE Network at the core of VET Strategy will be critical to VET's contribution to Victoria's economic and social prosperity. TAFE doesn't just deliver skills. TAFE equips Victorians of all backgrounds with the skills and capabilities they need for successful jobs and careers, productive lives and good citizenship. We graduate thousands of skilled workers into the economy each year, partner with Victorian businesses for workforce development and innovation, support local communities to grow and prosper and promote Victoria as a premium destination for international students.

The strength of TAFE in Victoria, evident both in the case studies and background context provided in this Policy Statement and in business and community support for TAFE, positions us well to lead a new era for VET in Victoria.

The TAFE Network is committed to providing high quality education and public services for all Victorians. We are also committed to continuing to evolve, transform and adapt to changing industry and community needs. We can do more for Victoria if the policy settings are right for VET and the TAFE Network.

We look forward to continuing to work collaboratively with the Victorian Government and industry and community leaders to achieve a new vision for VET in Victoria.



Andrew Williamson
Executive Director
Victorian TAFE Association

Policy Statement

A strong TAFE Network at the core of VET is essential to Victoria's economic and social prosperity

The Victorian TAFE Association envisages a thriving Victorian VET system that is world class and led by the public Technical and Further Education (TAFE) Network on behalf of the Victorian Government. As the primary provider for Victorian students, businesses, communities and Government, the Victorian TAFE Network is made up of innovative, collaborative, responsive, high-tech and globally connected public institutions that deliver 21st century graduates for Victoria.

This Policy Statement recognises that a long-term strategy is required to achieve this vision. After many years of VET reform and damage to VET's reputation, Victoria needs strategic VET policy to 2025 to reverse declining participation rates in VET and ensure the system is fit to deliver graduates for Victoria's changing economy.

The Victorian economy is performing well and demand for skilled workers is strong, but the nature of work will change for many Victorians. Exponential growth in technologies and platform and gig economics is transforming the way businesses operate and the way work is done. Job growth is shifting from traditional manufacturing to hi-tech and service industries. The race for innovation is demanding new knowledge and higher level digital, technical and innovation skills in the workforce. Victorians will be working with robots and changing jobs more frequently as work is automated or sent offshore. At the same time, a swathe of new jobs will be created that have not been seen before.

The disruption to work, yet to be fully realised, will intensify as the aging workforce retires, industries restructure, global competition increases and economic activity shifts to Asia. Businesses will need a steady stream of highly skilled, innovative and adaptive workers. Victorians will need a broad range of skills and capabilities to enter and remain in the labour market. Workers will need career and education advice and retraining to transition to new jobs in emerging industries. Victorians hardest hit by labour market disruption, often the most disadvantaged in our community, will need support to stay in education and work.

Victoria will need – more than ever – a stable, robust and contemporary VET system with the public TAFE Network at its core to meet the breadth and complexity of these challenges.

In Victoria's competitive training market, where TAFE competes with private for-profit and not-for-profit providers for VET funding, TAFE brings leadership, stability, quality, continuity and equity to Victoria's education system. With strong public service foundations, TAFE caters for over 200,000 Victorians undertaking secondary, VET and higher education qualifications and courses.

Victorian businesses and communities work closely with TAFE to improve workforce productivity and innovation and generate economic growth and employment. TAFE generates substantial export revenue for the Victorian economy and employs 10,000 Victorians across metropolitan and regional locations. Victorian TAFEs deliver almost 80% of all the transnational education offered by TAFE in Australia.¹ TAFE partners with the Victorian Government to deliver on Victoria's public education policy objectives.

Sustaining a strong public TAFE Network at the core of VET is essential to Victoria's economic and social prosperity.

The Victorian TAFE Association proposes that a stable, robust and contemporary VET sector can be achieved through a comprehensive VET Strategy to 2025 that articulates a vision for VET with stakeholder commitment and continued Government investment in the VET system. Key objectives of the Strategy will be to raise the status and reputation of VET, reverse declining VET participation rates in Victoria and position a revitalised public TAFE Network as steward of VET in Victoria's broader tertiary education system.

"An effective tertiary education system needs a sustainable and strong TAFE network...in the same way it needs a strong public university network".

Business Council of Australia | Future-proof. Protecting Australians through education and skills, 2017

This Policy Statement outlines a series of recommendations for a VET Strategy grouped under five policy priorities:

- Priority 1 A stable, robust and contemporary Victorian VET sector**
- Priority 2 Empowering a world-class Victorian TAFE Network**
- Priority 3 Boosting innovation and productivity in Victorian businesses**
- Priority 4 Ensuring equitable access to TAFE for all Victorians**
- Priority 5 Expanding TAFE's global engagement**

The Victorian TAFE Association and its members stand ready to work with the Victorian Government and with industry and community leaders to realise these priorities.

Summary of Recommendations

1 A stable, robust and contemporary Victorian VET sector

VET Strategy to 2025

- 1.1 That a whole-of-government approach is adopted to develop a long-term Victorian VET Strategy to 2025 engaging widely with stakeholders for implementation in 2020.
- 1.2 That the public TAFE Network is placed at the core of the VET Strategy as steward of the system on behalf of Government.
- 1.3 That a Victorian VET Leadership Council, comprising representatives from Government, VET and industry is appointed prior to 2020 to oversee the development and implementation of the Strategy.

TAFE at the core of the VET Strategy

- 1.4 That contractual service and funding agreements between Government and TAFE institutes are based on a three-year cycle and reflect each institute's operational costs and community contributions.
- 1.5 That building, maintenance and other funding anomalies impacting on dual-sector universities are addressed.
- 1.6 That the Victorian Government fully utilise the TAFE Network to deliver training for Government projects and activities.

2 Empowering a world-class Victorian TAFE Network

Investing in TAFE's teaching workforce

- 2.1 That state-wide workforce development strategies are implemented to build teacher professional capability in:
 - Professional inquiry and applied research;
 - Course design, delivery and assessment; and
 - Capacity to work with industry and in cross-cultural contexts.
- 2.2 That a state-based voluntary registration system is established to support lifelong learning and career development for Victorian VET and TAFE teachers.

Less red tape for TAFE

- 2.3 That the Victorian Government identify opportunities to streamline red tape for TAFE to support productivity, efficiency and responsiveness.
- 2.4 That the Commercial Guidelines for TAFE are reviewed to give TAFE Boards more autonomy to respond to local education and training needs.

3 Boosting innovation and productivity in Victorian businesses

Keeping Victorian workers productive and competitive

- 3.1 That the Victorian Government work with the TAFE Network to pilot self-accrediting authority for approved TAFE institutes to develop niche courses and micro-qualifications for employers in priority industries, with scope for further development and more extensive roll-out into the future.
- 3.2 That Victoria's VET funding framework is expanded to fund niche courses and micro-qualifications for lifelong learning in priority industries and industries in transition requiring reskilling support.

Summary of Recommendations

3 Boosting innovation and productivity in Victorian businesses

Industry-driven innovation partnerships

- 3.3 That by 2019, an innovation and applied research framework is implemented for TAFE in Victoria to stimulate industry-driven applied research partnerships with Victorian businesses.
- 3.4 That a grant scheme to develop specialised research capability and infrastructure in TAFE and a competitive funding scheme to stimulate applied research projects between TAFE and Victorian businesses are implemented.

4 Ensuring equitable access to TAFE for Victorians

Equitable funding for TAFE students

- 4.1 That a comprehensive review is undertaken of funding and support policies for:
- Rural and regional students in TAFE;
 - Secondary students studying Victorian Certificate of Applied Learning (VCAL) or Victoria Certificate of Education (VCE) in TAFE vis a vis counterparts in school settings;
 - Students with a disability studying in TAFE;
 - Students studying higher qualifications in TAFE;
 - Women seeking to enter or re-enter the workforce; and
 - Students from Indigenous and Torres Strait Islander and CALD communities.

Improving outcomes for young Victorians in schools

- 4.2 That funding is provided to remove barriers to participation in VET in Schools (VETiS) for students from disadvantaged backgrounds.
- 4.3 That VETiS qualifications are reconfigured as vocationally-focused preparatory programs as part of the VCE that emphasise foundation skills and preparation for work rather than specific standalone VET qualifications for a job.

5 Expanding TAFE's global engagement

Strengthening the TAFE Victoria brand in international markets

- 5.1 That the Victorian Government develop a strategic framework to support the TAFE Network to attract international students and grow transnational delivery and high-value VET projects offshore.
- 5.2 That the Victorian Government and its representatives working offshore promote TAFE Victoria as the Victorian Government's premium VET provider in international markets and Government relations.

Expanding global mobility for TAFE staff and students

- 5.3 That the Victorian Government work with TAFE to expand global mobility opportunities for Victorian TAFE students and teachers.
- 5.4 That the Victorian Government support Victoria's involvement in the WorldSkills International Competition through representation by senior Government officials and financial support for Victoria's WorldSkills Team at levels at least commensurate with other states and territories.

CONTENTS

Foreword	1
Policy Statement	2
Summary of Recommendations	4
Policy Context	7
Victoria's changing work order	7
The case for a stable, strategic VET Policy to 2025	8
Victoria's TAFE Network	11
TAFE Vision 2025	12
VET Policy Priorities and Principles	12
Policy Priority 1: A stable, robust and contemporary Victorian VET sector	15
Victorian VET Strategy to 2025	15
TAFE at the core	16
Policy Priority 2: Empowering a world-class Victorian TAFE Network	19
Investing in TAFE's teaching workforce	19
A voluntary teacher registration system	20
Less red tape for TAFE	20
Policy Priority 3: Boosting innovation and productivity in Victorian businesses	23
Keeping Victorian workers productive and competitive	23
Partnerships for industry-driven innovation	24
Policy Priority 4: Ensuring equitable access to TAFE for all Victorians	27
Equitable funding for TAFE students	27
Improving outcomes from VET in Schools qualifications	29
Policy Priority 5: Expanding TAFE's global engagement	31
Strengthening the TAFE Victoria brand in international markets	31
Expanding global mobility opportunities for TAFE staff and students	32
References	35

Case Studies

1 TAFE at the core of Victoria's economic transition: The Gordon	10
2 TAFE at the core of strategic industry partnerships: Wodonga TAFE	14
3 TAFE at the core of regional development: Federation Training	18
4 TAFE at the core of Victoria's apprenticeship system: Holmesglen Institute	22
5 TAFE at the core of Victorian innovation eco-systems: Kangan Institute	26
6 TAFE at the core of inclusive vocational education in Victoria: Victoria University Polytechnic	30
7 TAFE at the core of global mobility for Victorian VET students: Box Hill Institute	34

Policy Context

Vocational education and training (VET) is critical to Victoria's economic and social prosperity and must keep pace with changing labour markets.

Victoria's changing work order

Victoria is entering a period of accelerated social and economic disruption. Exponential growth in computing power, device connectivity, data volumes, platform and gig economics, automation and augmented intelligence are changing the way people work and how business is done.²

"The importance of VET-trained workers will increase as industries adapt to new demands and technologies and require higher skills and more frequent skill updates."

Innovation and Science Australia 2017 | Australia 2030: Prosperity through Innovation

Industry transformation has led to the decline in manufacturing jobs and growth in jobs in the service industries, especially in health care, social assistance and retail. The impact of automation and augmented intelligence is not yet known. The full impact of the disruption is predicted to hit sometime after 2020.³ Labour markets will also be disrupted by demographic change and an aging workforce and the shift of global economic activity to Asia.

Some jobs will be lost due to the availability of offshore workers and automation. Jobs at risk of automation involve lower skilled, routine tasks in industries such as manufacturing, construction, transport, postal and warehousing, retail, accommodation and food service.⁴ The Foundation for Young Australians predicts that 70% of young people are currently starting jobs that will be radically affected.⁵

"Digital peer-to-peer platforms will allow people to perform a range of jobs at once or pursue their own entrepreneurial ambitions in their spare time."

Jennifer Westacott 2017, CEO Business Council of Australia | Future-proof. Protecting Australians through education and skills

While some jobs will be lost, many new jobs and industries will be created. In 2016, almost 15% (2.2 million) of the Australian adult population (18–64 years) were early-stage entrepreneurs who created their own business.⁶ While this indicates a strong foundation for growth, the Chair of Innovation and Science Australia warns that Australia still falls behind global peers in the race for innovation and must work harder to accelerate innovation performance.⁷

In Victoria, small business often lacks the time and resources to develop new innovations.⁸ With well over half a million small businesses, this could have major consequences for Victoria's competitiveness and innovation performance. The pending retirement of aging workers will also have a significant impact with a 6% shortfall predicted in the number of workers needed across Australia to maintain growth in gross domestic product by 2030.⁹

To remain competitive, employers in Victoria's high growth industries are calling for workers with innovation and leadership capabilities.¹⁰ There are also calls for workers with 21st century skills and capabilities who can generate innovation, productivity and new business.¹¹ These include negotiation skills, critical analysis, creative thinking and problem solving skills, enterprising mindsets, business literacy, accountability, a service orientation and the capacity to find and evaluate information.¹²

Higher-tech skills and the capacity to work with robots, big data, virtual realities, cyber security and 'new media' will be in demand and are predicted to be at a premium in 2020.¹³ Science, technology, engineering and mathematics (STEM) skills are already in demand and are linked with 75% of the fastest growing occupations, innovations and wage premiums in Australia, suggesting that these too will be highly sought-after skills.¹⁴

According to the Business Council of Australia, two out of every three jobs in the future will require potential employees to have a tertiary qualification.¹⁵ In today's labour market, roughly 60% of jobs require workers to have at least a Certificate III. People without tertiary qualifications will struggle to enter and remain in the workforce. Young people without senior secondary school qualifications are already overrepresented in Victorian unemployment figures¹⁶ and at risk of unemployment, poorer health outcomes and low-income levels over their lifetime.

The case for a stable, strategic VET Policy to 2025

The rapid and disruptive change confronting Victoria will require a stable, robust and contemporary VET system. Victoria's VET system – consisting of public TAFE institutions, dual sector universities and private for-profit and not-for-profit providers – delivers vocationally-orientated skills and capabilities to almost 1 million Victorian students each year.¹⁷ But the number of Victorians participating in VET is falling,^a including apprentices and trainees,¹⁸ even though demand for skilled tradespeople is strong and industries are reporting skills shortages.¹⁹

Major factors contributing to VET's damaged reputation include a series of well-publicised funding scandals, mismatches between Government funding and labour market needs, depleted VET budgets and ongoing uncertainty in policy and funding settings. The combined effect has undermined public confidence and interest in VET qualifications and careers with flow-on effects to the TAFE Network.

Employers, frustrated with the VET system, are questioning if traditional models of VET will produce the broad range of skills and capabilities they require in their workforce to remain competitive. The system is too complex and difficult to navigate and it is evident that traditional VET qualifications, based on technical competencies for one job that are obtained early in a person's career in a single tertiary learning experience, no longer meet the needs of 21st century workplaces.

The Victorian TAFE Association calls for a collaborative and strategic effort to transform VET into a stable, robust and contemporary system fit for 21st century industries, jobs and careers.

^a Overall participation in VET in Victoria fell by 5.2% at the start of 2017 from the same period in 2016. The number of apprentices and trainees in training fell from 135,900 in June 2012 to 61,800 in June 2017 and the number of commencing apprentices and trainees fell from 38,400 to 8,500 over the same period.

We welcome the work of the Commonwealth and Victorian Governments to reform the apprenticeship and traineeship system. But we call for longer-term, bold, strategic and coordinated strategies for the broader VET sector in Victoria to strengthen stakeholder commitment and Government investment in the system's future and to restore industry and community confidence in VET qualifications.

Without these strategic policy interventions, the Victorian TAFE Association is concerned that participation rates in VET will continue to fall with serious long-term consequences for Victoria's business productivity and education and employment opportunities for all Victorians. A strong TAFE Network at the core of VET is essential to reversing this trend.

CASE STUDY 1

TAFE at the core of Victoria's economic transition

Building local communities: The Gordon Institute of TAFE

The Gordon Institute of TAFE in Geelong, winner of the Victorian and Australian Large Training Provider of the Year awards in 2017, has been at the forefront of VET in supporting local industries and communities in the Geelong region to adjust to major economic restructuring. The closure of the Alcoa metals plant in 2014 and the Ford assembly plant in 2016 resulted in the loss of over 1,300 jobs, impacting local supply chain companies and small businesses.

Skilling the Bay, a unique regional collaboration led by The Gordon and delivered in partnership with Deakin University and the Victorian Government, was established to assist the economic and social transition of the Geelong region. Central to supporting the transitioning is the delivery of key projects with partner organisations that raise education attainment levels, increase workforce participation rates and grow existing and emerging industries through targeted skills development. Examples of recent projects include: Skilling the Health and Community Services Workforce, Digital Technologies Program, and Skills for Advanced Manufacturing.

The Gordon, through Skilling the Bay, has collaborated with Geelong's composites manufacturing companies to identify skills gaps in the sector. As a result, an Australian-first 'course in the use of carbon fibre in composite manufacturing' was developed to build capacity in the industry to produce lightweight, high performance composite components, such as wheels, sporting goods and aerospace and automotive components. A number of retrenched automotive manufacturing workers have since completed the course, building on their existing skills, and have secured employment in this emerging sector.

Skilling the Bay is an excellent example of TAFE at the core of Victoria's economic transition in partnership with the Victorian Government bringing industries, community leaders, employers, schools, social support agencies, higher education providers and research groups together to generate innovation and boost economic growth and community prosperity.



Photo courtesy of The Gordon

Victoria's TAFE Network

TAFE transforms the lives of Victorians, supplies the Victorian economy with skilled graduates and underpins economic growth and community well-being.

TAFE in Victoria is the most diverse public VET system in Australia²⁰ with seven regional institutes, six large multi-sector metropolitan institutes (five of which are higher education providers) and four dual sector universities.

The TAFE Network delivers industry relevant education and training to over 200,000 students, including those studying VET and higher education courses and about 6,000 senior secondary school students. In addition, TAFE generates substantial export income for the Victorian economy, employs 10,000 Victorians across metropolitan and regional locations, manages almost \$2 billion of Victorian public assets and ensures the delivery of high quality public education for Victorians of all backgrounds and geographic locations.

Qualifications supplied by TAFE include pre-vocational and foundation courses, secondary school qualifications (VCE, VCAL and VETiS), VET certificates, diplomas and advanced diplomas, higher education associate, bachelor and master degrees and apprenticeships and traineeships. Over 70% of all Victorian apprentices study at TAFE.

TAFE students represent a broad and diverse demographic profile. Large numbers are 25 plus years of age. Students from low socio-economic and culturally and linguistically diverse (CALD) and non-English speaking backgrounds are well represented in TAFE, as are Indigenous students, women and students with a disability. In the first half of 2017, almost 40% of TAFE's commencing students (aged 20 – 64) had no prior Certificate III and 30% were unemployed.²¹

Many of the TAFE Network's students study in Victoria's main employment sectors and priority skill areas. A significant number of students are working and have engaged with TAFE to acquire new skills and capabilities. TAFE is also involved in local innovation eco-systems and supports communities through economic transition in partnership with Government and industries. The case studies provided throughout this document are testament to TAFE's success in these highly strategic and important endeavours.

Victoria's TAFE Network is renowned for its strong links and partnerships with industry and for industry-based learning. It is recognised for well-developed industry engagement strategies and the delivery of education and training that is strongly informed by employers and industry partners. Increasingly, TAFE is known for applied research activities that put research into practice in real-world industry and community settings, providing 'fresh eyes' and practical solutions to solve industry and community problems.

Regional members of the TAFE Network play a critical role in providing VET to local communities, even in 'thin' training markets and remote locations across Victoria. Victoria's regional TAFE institutes contribute significantly to local economic and community development, and their importance to regional areas cannot be underestimated. Proximity and convenience to an educational institution is often a key factor in decisions regarding further study. The presence of TAFE contributes to the participation of regional Victorians in tertiary education and helps address issues such as regional youth unemployment and disengagement from education.

Indeed, Victorian dual sector universities and TAFE higher education providers play an important role in raising higher education participation. Thousands of Victorians, many from disadvantaged backgrounds who are traditionally underrepresented in higher education, choose vocationally-orientated higher education in TAFE for its applied learning model. It is not surprising to find university graduates studying in TAFE to gain high-level skills and transition to work opportunities. TAFE institutes also have strong partnerships with universities to facilitate the transition from VET to higher education for their students.

The TAFE Network is also active in international markets, attracting thousands of international students to Victoria each year and delivering up to 80% of the transnational education provided by TAFE institutes nationally.²² TAFE's international activities build the global knowledge and capabilities of Victorian students and graduates that industries need to compete in an increasingly globalised economy.

TAFE Vision 2025

The Victorian TAFE Association's vision for Victoria's VET system is to be the best in the world, led by a dynamic and celebrated TAFE Network as the primary education and training provider for Victorian and international students, businesses, communities and the Victorian Government. Victoria's TAFE Network is diverse, collaborative, responsive, high-tech and globally connected, producing 21st century graduates, boosting innovation and workforce productivity and addressing disadvantage in our community. TAFE in Victoria is the preferred destination for international VET and applied higher education students and highly sought after by international governments for VET support and advice.

VET Policy Priorities and Principles

To achieve this vision, this Policy Statement sets out recommendations for actions under five policy priorities:

- Priority 1** **A stable, robust and contemporary VET sector for Victoria**
- Priority 2** **Empowering a world-class Victorian TAFE Network**
- Priority 3** **Boosting innovation and productivity in Victorian businesses**
- Priority 4** **Ensuring equitable access to TAFE for all Victorians**
- Priority 5** **Expanding TAFE's global engagement**

These are outlined in further detail in the following section. The following principles have guided the recommendations and should underpin future VET strategy, policies and funding programs.

<p>VET Policy Priorities and Principles</p>	<p>Contemporary</p>	<ul style="list-style-type: none"> • VET is a valued and integral part of Victoria's education sector. • VET is a pivotal component in ensuring Victoria's economic prosperity. • VET is integral to the development of applied research and innovation in Victorian businesses. • VET gives Victorians the skills and capabilities needed for work, life and global citizenship for public and private good. • A healthy VET system promotes quality, equity, diversity and innovation to meet stakeholder needs and expectations. • A strong collaborative public TAFE Network is the steward and quality benchmark for Victoria's VET sector. • Victoria's TAFE Network is globally engaged and recognised internationally as a world-leader.
	<p>Sustainable</p>	<ul style="list-style-type: none"> • Funding for TAFEs in Victoria recognises the cost differentials between public and private providers. • Funding for TAFEs in Victoria recognises their strong community service role and profile. • Funding for TAFE recognises the operational costs of stand-alone TAFE institutes and dual sector universities. • Victorian VET policy is based on long-term strategy and 3-year planning and funding cycles. • Access to Government-subsidised training is determined by public benefit.
	<p>Accessible</p>	<ul style="list-style-type: none"> • The VET sector engages with Victorians of all backgrounds, educational capability and working status. • All Victorians have access to independent and proactive career guidance throughout their working lives. • All Victorians have access to reliable, relevant, current and easily understood information to inform their choice of VET provider and qualification.
	<p>Excellent</p>	<ul style="list-style-type: none"> • State-wide workforce development strategies drive excellence in VET. • Research, inquiry and collaboration underpin professional teaching practice in TAFE. • Risk-based quality assurance models and internal continuous improvement underpin VET quality.
	<p>Accountable</p>	<ul style="list-style-type: none"> • TAFE institutes are autonomous, efficient and financially viable public institutions working in partnership with the Victorian Government. • Victorian VET providers are accountable to the Victorian public for VET outcomes. • The performance of Victoria's VET system is benchmarked against similar systems in other countries.

CASE STUDY 2

Strategic industry partnerships: Wodonga Institute of TAFE and the Australian Defence Force

Wodonga Institute of TAFE, located on the border between Victoria and New South Wales in north-east Victoria, is deeply embedded in the local economy and its community. The Institute provides a range of VET qualifications and courses for local industries and students across 11 locations in the City of Wodonga and the shires of Alpine, Indigo and Towong. In addition, partnerships with universities provide seamless pathways for students to transition into bachelor degrees in nursing, early childhood education and care, community services and management.

Wodonga TAFE has long partnered with local industries to meet workforce development needs. A partnership with the Army School of Health over the past five years has delivered the Australian Defence Force Medic Course (ADFMC) as initial training for all Australian Defence Force (ADF) medics in the Army, Navy and Air Force. The partnership is one of very few ADF contracts for tri-service delivery.



Delivered on site at Latchford Barracks in Bonegilla, the ADFMC includes a Diploma of Nursing (which meets the eligibility requirements for an Enrolled Nurse with the Australian Health Practitioner Regulation Agency) and a Diploma of Paramedical Science (Ambulance). Wodonga TAFE teachers are located on site to train and support Medic

trainees and also utilise a digital platform for flexible online delivery installed by Wodonga TAFE at the Latchford Barracks. The Barracks provides fully simulated learning environments including battle contexts complete with monsoonal rain, bomb explosions and gunfire and replicated submarine or ship settings.

This is a strategically important training partnership that requires strong collaboration between the ADF and Wodonga TAFE to sustain quality learning experiences and outcomes for Defence Force personnel.

Photo courtesy of the ADF

Policy Priority 1: A stable, robust and contemporary Victorian VET sector

Key messages

VET's full potential contribution to Victoria's economic and social prosperity can be realised through:

- A bold VET Strategy to 2025 underpinned by strong stakeholder commitment; and
- A strong, sustainable public TAFE Network at the core.

Victorian VET Strategy to 2025

Building confidence in VET qualifications and outcomes in Victoria is a top priority for VET policy. VET's reputation has been tarnished, evident in declining participation rates both in Victoria and nationally.

It is clear that VET is perceived in the community as the 'poor cousin' to schools and universities. School students from a young age form the impression that universities are preferable to VET for prestige, educational quality and career opportunities.²³ In addition, Victorian employers are frustrated by constant policy and funding changes and are concerned that VET may not meet their future training needs.²⁴ The concerns extend to the apprenticeship and traineeship system.²⁵

VET providers are concerned with policy and funding changes delivered 'on the run' that drive financial and planning uncertainty and impact on their capacity to adapt to changing market needs.

The Victorian TAFE Association recommends that the Victorian Government, in consultation with VET stakeholders, develop a comprehensive Victorian VET Strategy to 2025 that is underpinned by a new social settlement^b between Government, industry, communities and VET providers.²⁶ A new social settlement would agree the purpose of VET, provide a vision for the sector to 2025 and outline the role of Government, providers and employers in sustaining a quality VET system.

A VET Strategy to 2025 should aim to recalibrate the VET system to support 21st century industries, businesses and workplaces. It will provide direction, stability and clarity for stakeholders and build confidence in Victoria's businesses and communities that public investment in VET is well placed for future generations.

Getting VET Strategy right will require strong collaboration and co-operation across VET stakeholders. The Victorian TAFE Association recommends the appointment of a VET Leadership Council, comprising representatives from Government, tertiary education and industry, to oversee the development and implementation of the Strategy.

^b There are broadly three agents in the ownership and management of educational qualifications: providers (universities, colleges, institutes and schools), the state and civil society (professional, occupational and industrial communities and organisations). The structure of VET and how it relates to work are the outcome of a social settlement between these stakeholders, mostly between the state and civil society (Keating, 2008).

Policy Priority 1

In the longer-term, we recommend that the Victorian Government develop a broader Tertiary Education Plan for Victoria,^c to overcome the reputational and structural divide between VET and higher education for a more coherent and accessible tertiary education sector.

VET Strategy to 2025: Recommendations

- 1.1. That a whole-of-government approach is adopted to develop a long-term VET Strategy to 2025 engaging widely with stakeholders for implementation in 2020.
- 1.2. That the public TAFE Network is placed at the core of the VET Strategy as steward of the system on behalf of Government.
- 1.3. That a Victorian VET Leadership Council, comprising representatives from Government, VET and industry is appointed prior to 2020 to oversee the development and implementation of the Strategy.

TAFE at the core

A sustainable and strong public TAFE Network is essential to the stability, quality and good stewardship of Victoria's VET system. TAFE's public foundations are highly valued by the Victorian community and distinguish it from the private, for-profit training sector.

However, the high value ascribed to the TAFE Network by the community has placed institutes under pressure to meet their expectations. The pressure is most acute for institutes operating in 'thin' regional markets over large geographic areas and in training areas where delivery is expensive. The high costs impact on TAFE's capacity to sustain services and ensure quality learning experiences and outcomes for students and local industries.

The cost of maintaining aging infrastructure and digital systems can be prohibitive and also directly impacts on the quality of physical and online learning environments. Over 70% of the Victorian TAFE Network's portfolio of public property, plant and equipment equires ongoing maintenance.²⁷ In addition, dual sector universities do not receive Victorian Government funding for maintenance of TAFE infrastructure.

The Victorian TAFE Association recommends that the Victorian Government strengthen and sustain the role of TAFE by allocating funding to institutes according to their specific training markets, operational and infrastructure needs and community contributions. This will include addressing funding anomalies for dual sector universities and reviewing rural and regional loadings for TAFE institutes against the full cost of provision.

"The system must enable public providers (whether dual sector TAFE providers, stand-alone TAFE institutes, or the Adult Community and Further Education network) to meet community service obligations."

Victorian Chamber of Commerce and Industry 2016

^c As proposed by the VET Funding Review in 2015 and by Professor Kwong Lee Dow in 2009 in the *Report advising on the development of the Victorian Tertiary Education Plan*.

We also recommend that the Victorian Government fully utilise the breadth of capabilities and geographic locations of the TAFE Network to deliver training projects and activities for Government agencies as their preferred training partner. TAFE's current networked response to training the disability workforce across Victoria for the National Disability Insurance Scheme (NDIS) project is demonstrating the potential of this recommendation.

Tensions related to policy changes and late notice of funding for TAFE can be alleviated by the adoption of three-year contractual and funding agreements between Government and TAFE in line with longer-term Victorian Government objectives. We suggest that the agreements reflect the structure of the mission-based compacts between the Commonwealth Government and universities.

TAFE at the core of VET Strategy: Recommendations

- 1.4. That contractual service and funding agreements between Government and TAFE institutes are based on a three-year cycle and reflect each institute's operational costs and community contributions.
- 1.5. That building, maintenance and other funding anomalies impacting on dual-sector universities are addressed.
- 1.6. That the Victorian Government fully utilise the TAFE Network to deliver training for Government projects and activities.

TAFE at the core of regional development

Regeneration and renewal: Federation Training in Gippsland

In the Gippsland region, Federation Training has been pivotal in supporting economic transition and the growth of new industries in the Latrobe Valley after the closure of Hazelwood Power Station and Carter Holt Harvey's Morwell sawmill. This resulted in over 900 workers losing their jobs and flow-on effects across supply chains and local businesses in the region.

With a campus in Morwell, Federation Training partnered with the Latrobe Valley Authority to help displaced workers retrain for new jobs in other industries. The Skills and Jobs Centre at Federation Training was integrated with the Worker Transition Service, a program jointly managed by the Authority and the Gippsland Trades and Labour Council. According to the Latrobe Valley Authority, in the first half of 2017, more than 400 workers sought career advice and training from the Centre. Today, over 1,100 people are registered.

The first group of former power station and mill workers recently completed a Certificate III in Non-Emergency Patient Transport delivered by Federation Training in partnership with the Royal Flying Doctor Service to meet the growing needs for non-emergency transport in the Gippsland region.

Federation Training is hosting the Gippsland Tech School on its Morwell campus site. The Tech School – due to open in April 2018 – is a Victorian State Government initiative and one of ten being built across Victoria. It will be a shared learning centre established by a partnership of local schools, industry partners, higher education providers and other stakeholders in the region.

Federation Training is also a partner in Gippsland's emerging Hi-Tech Precinct with the Latrobe City Council, Federation University, the Latrobe Valley Authority and Regional Development Victoria. The Precinct will feature an innovation centre, the Tech School and Federation Training's Morwell campus working together to incubate research and innovation, new business start-ups and product development for the growing health, food and fibre, advanced manufacturing and new energy industries.



Photo courtesy of Federation Training

Policy Priority 2: Empowering a world-class Victorian TAFE Network

Key messages

TAFE can deliver more effectively on the Victorian Government's public education policy objectives with:

- Strategic investment in building capability across the TAFE workforce;
- A voluntary teacher registration system; and
- Less red tape.

Investing in TAFE's teaching workforce

A key priority for the TAFE Network is the development of TAFE workforce capability to skill-up our graduates for 21st century jobs and careers. Traditional teaching practices, while well suited to some learners and teaching contexts, no longer deliver the broad skills and capabilities graduates need for work and life. Contemporary teaching approaches, such as inquiry-based learning (problem-based, research-based and innovative learning) are more likely to encourage students to question, research, analyse and interpret complex information, make judgments with sound evidence and apply their findings in new and enterprising ways.

Inquiry-based teaching approaches require teachers who have well-developed inquiry, research and innovation skills and capabilities. These are professional capabilities that underpin delivery of lifelong learning and continuous improvement and, along with digital and global capabilities, are essential in 21st century work environments. Most new jobs require workers to be lifelong learners, to be technically and digitally skilled and to work across different cultural contexts.

In addition, the TAFE Network identifies the capability of teachers to design courses and assessment tasks, deliver and assess in industry and operate in cross-cultural contexts both in Victoria and offshore as priorities for professional development.

The Victorian TAFE Association recommends that the Victorian Government collaborate with key stakeholders to implement strategic, state-wide initiatives that foster these capabilities. The 'Scholarship Project'^d in England is an excellent example of a Government-funded initiative developing scholarship capability in public further education colleges delivering higher education. The 'Outstanding teaching and assessment program'^e is another initiative designed to enhance the quality of teaching, learning and assessment in post-16 year old education and training, including teachers' digital capability.

^d The Scholarship Project is a three-year project to foster change in teaching practice at the individual institution and system level through the development and adoption of a scholarship framework. See <https://www.aoc.co.uk/teaching-and-learning/college-higher-education-scholarship-project/enhancing-scholarship-in-college> (accessed 4 April 2018).

^e This program focuses "on supporting the development of teaching practice and stronger links with employers with the aim of working towards outstanding provision in the sector for all students on technical routes". See <https://www.aoc.co.uk/teaching-and-learning/outstanding-teaching-learning-and-assessment-project/about-the-programme> (accessed 4 April 2018).

Policy Priority 2

Many TAFE institutes and dual sector universities have implemented teacher capability frameworks to guide their workforce development programs and some are actively developing scholarly capability. State-wide workforce development strategies will lay the foundations for a systemic culture of scholarly practice, lifelong learning and continuous improvement in TAFE and bring the investment of individual institutes into a strategic, consistent and transformational professional development platform for quality teaching.

A voluntary teacher registration system

The Victorian TAFE Association recommends that the Victorian Government implement a state-wide, voluntary professional registration system for VET and TAFE teachers. Interested teachers would be assessed against a set of professional standards to determine their professional development needs and career paths. A system would be developed to track professional development activity, as other industries do to sustain professionalism in their workforce.

This policy intervention will raise the professional status of VET teaching and promote lifelong learning and quality teaching. In England, this approach is making a difference to the status of VET teachers and the quality of teaching and learning. Teachers who register can strive to achieve 'Qualified Teacher Learning and Skills (QTLS)' status if they choose. Over 15,000 teachers and trainers have achieved QTLS status since its introduction in 2008, with clear links emerging between high performing colleges and the number of teachers with QTLS status.²⁸

The Victorian TAFE Association suggests that existing Government agencies could perform a teacher registration function and one of a number of professional capability frameworks that have been developed for VET teachers could be utilised.

Investing in TAFE's teaching workforce: Recommendations

- 2.1. That state-wide workforce development strategies are implemented to build teacher professional capability in:
 - Professional inquiry and applied research;
 - Course design, delivery and assessment; and
 - Capacity to work with industry and in cross-cultural contexts.
- 2.2. That a state-based voluntary registration system is established to support lifelong learning and career development for Victorian VET and TAFE teachers.

Less red tape for TAFE

The TAFE Network's drive to be more innovative, cost-effective and responsive to changing industry and labour market needs is constrained in Victoria by legacy industrial agreements and red tape associated with multiple reporting obligations and complex Government contractual and funding arrangements.

Red tape is directly impacting on the productivity, competitiveness and performance of TAFE institutes and impeding the productivity and cost-effectiveness of Government departments. Significant time, effort and resources across the TAFE Network are allocated to multiple reporting obligations, with disproportionate impact on smaller TAFE institutes.

The Victorian TAFE Association calls on the Victorian Government to support TAFE to improve productivity and responsiveness to local industry, students and businesses by identifying ways to reduce red tape.

We also recommend that an independent review of the Commercial Guidelines for TAFE is undertaken to provide TAFE Boards with more autonomy to make business decisions and to respond quickly and effectively to local community and industry needs. Less red tape and more autonomy will free the TAFE Network to deliver high-quality VET for industries and communities more efficiently and cost-effectively on behalf of the Victorian Government.

Less red tape for TAFE: Recommendations

- 2.3. That the Victorian Government identify opportunities to streamline red tape for TAFE to support productivity, efficiency and responsiveness.
- 2.4. That the Commercial Guidelines for TAFE are reviewed to give TAFE Boards more autonomy to respond to local education and training needs.

CASE STUDY 4

TAFE at the core of Victoria's apprenticeship system

Innovative training partnerships for future trade professionals: Holmesglen Institute

Holmesglen Institute, a large institute delivering VET and higher education in Melbourne's south-eastern suburbs, has developed innovative industry partnerships for trade apprentices.

Recognising the importance of strong industry involvement in apprenticeship and traineeship systems in other countries such as Germany and Switzerland, Holmesglen has partnered with industry bodies to jointly establish highly specialised and innovative training centres to meet the needs of different industries. The aim is to provide world-leading training for Victoria's future trade professionals and facilitate ongoing collaboration between industry and Holmesglen to ensure training needs are met into the future. For example,

- 1 In the electro-technology and telecommunications industry, Holmesglen recently opened Futuretech; a pioneering training centre for electrical and electro technology training and innovation created in partnership with the Electrical Trade Union (ETU) in Victoria. Futuretech offers courses and accredited qualifications for workers including apprentices and focuses on preparing graduates for innovation in the renewable and sustainable energy sector.
- 2 In the plumbing industry, Holmesglen is a leading provider of training for mechanical services. A new Centre of Excellence for Mechanical Plumbing Services is soon to be opened in partnership between Holmesglen and the Air-conditioning and Mechanical Contractors' Association of Australia (AMCA). AMCA is the industry and employer association representing the commercial and industrial air conditioning and mechanical services companies in Australia. The Centre will deliver courses and nationally accredited training for apprentices and employees in the industry, which is changing rapidly due to economic and building activity, environmental issues, changes in technology and skill requirements, especially Building Information Management (BIM) and green work practices.
- 3 To support apprentices through to completion, Holmesglen established a highly successful Apprentice Support Centre in 2016 with a dedicated team of mentors

to support trade apprentices to overcome personal, financial, and educational and employment related issues impacting their training.

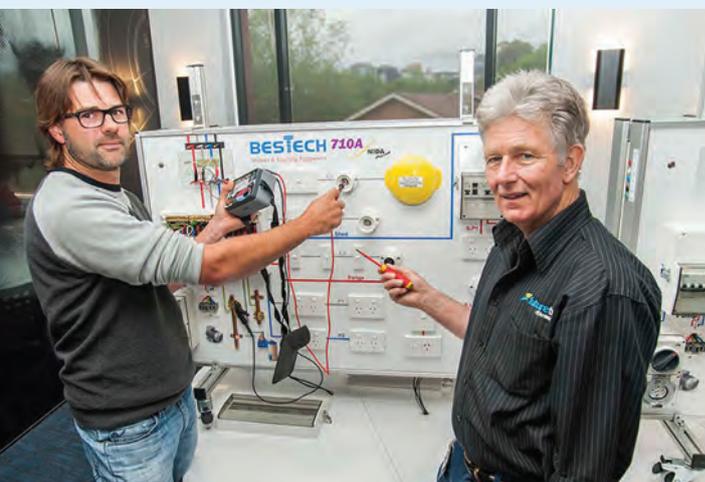


Photo courtesy of Holmesglen Institute

Policy Priority 3: Boosting innovation and productivity in Victorian businesses

Key messages:

TAFE can do more to support productivity and innovation in Victorian businesses with:

- Options to self-accredit niche courses and micro-qualifications for employers;
- Funding models that support lifelong learning for Victorian workers; and
- Policy and funding support for industry-driven applied research partnerships.

Keeping Victorian workers productive and competitive

Demand for continual reskilling and upskilling in the workforce means that more and more Victorians workers will be ‘hopping in and out’ of education and training throughout their working life. Workers will be looking for shorter, more targeted, niche qualifications and courses to ‘stack’ onto their existing qualifications and work experience. Employers are already calling for micro-qualifications that their workforce can tailor to meet the skill needs of their business and for more ‘freedom’ to ‘create’ qualifications’.²⁹

The Victorian TAFE Network is well placed to respond to industry demand. VET qualifications are stackable, made up of units of competency grouped together according to the packaging rules of the National Training Packages and the requirements of the Australian Qualifications Framework (AQF). Many qualifications have structured articulation arrangements from a lower level qualification to a higher qualification.

However, inflexibility in packaging rules means that the skill needs of businesses, especially in new and emerging industries, are not always met. Training packages are in the Commonwealth Government’s purview, however Victoria is one of only two states that can accredit its own (Victorian) qualifications.

To meet industry demand, the Victorian TAFE Association recommends that the Victorian Government pilot self-accrediting authority for approved and interested TAFE institutes to develop and accredit niche qualifications for employers in Victoria’s priority industries. Outcomes of the pilot for TAFE can inform a policy framework and standards for future development and more extensive roll-out.

The TAFE Network is willing to work with the Victorian Government on this important initiative. Universities have the flexibility to accredit their own higher education qualifications. TAFE higher education providers too can apply for limited self-accrediting authority to accredit their own higher education qualifications to Tertiary Education Quality Standards Authority (TEQSA). To be successful, they must demonstrate compliance with the Standards for Higher Education and have well-established internal quality assurance systems.³⁰ This recommendation would serve to extend a similar facility to VET through the public TAFE Network.

Policy Priority 3

In addition, the Victorian TAFE Association recommends that the Victorian Government review the VET funding framework to better support lifelong learning for Victorian workers. We propose a review of:

- Individual eligibility rules for workers with an initial focus on industries in transition in priority industries requiring reskilling support; and
- Funding support for older workers, workers with disabilities, Indigenous and CALD Victorians to continue learning and remain productive in the workforce.

We suggest that the Victorian Government work with interested stakeholders to ensure that lifelong learning funding models are financially sustainable and ensure sufficient 'buy in' from students, industry and the sector.

Keeping Victorian workers productive and competitive: Recommendations

- 3.1. That the Victorian Government work with the TAFE Network to pilot self-accrediting authority for approved TAFE institutes to develop niche courses and micro-qualifications for employers in priority industries, with scope for further development and more extensive roll-out into the future.
- 3.2. That Victoria's VET funding framework is expanded to fund niche courses and micro-qualifications for lifelong learning in priority industries and industries in transition requiring reskilling support.

Partnerships for industry-driven innovation

The value of applied research in public VET institutions such as TAFE to local businesses, economies and students is gaining recognition. In Canada for example, research partnerships between public community colleges (the Canadian equivalent of TAFE institutes) and local businesses have led to significant and sustained technical and social innovation and the transformation of college operations and outcomes for students.

The Canadian Government's College and Community Innovation (CCI) Program is administered collaboratively by three national industry councils: the Natural Sciences and Engineering Research Council, the Social Sciences and Humanities Research Council and the Canadian Institutes of Health Research. Funds are allocated to colleges to build capacity for applied research and facilitate applied research with industry partners and the commercialisation of outcomes.

Almost 3,000 Canadian college and institute staff and 25,000 students have gained practical applied research and innovation experience since the CCI began.³¹ Significant technological and social innovation has been generated in over 400 specialised research centres for the environmental sciences and technology, renewable energies and conservation, health and social services, agriculture, food technology, information and communication technologies, manufacturing, building technologies, forestry and fisheries and sport industries.

Fachhochschulen (universities of applied science) in Germany and Hogescholen in the Netherlands, both TAFE equivalents, are also excellent examples of public tertiary education institutions orientated to applied models of learning and research for small to medium enterprises (SMEs).

Some Victorian TAFE institutes have established applied research centres to investigate business and industry problems and ideas for new products, services, technologies and business practices. Much of their work is with SMEs who benefit from the resources, facilities and expertise provided by TAFE and from engaging with the broader research and innovation systems. TAFE students and teachers involved in applied research projects benefit significantly from innovation and research experience in cutting-edge industry environments.

The Victorian TAFE Association recommends that the Victorian Government invest in an industry-driven applied research program and funding framework for TAFE that draws on the industry-led CCI model in Canada. The program would feature:

- A grant scheme to develop specialised research capability and infrastructure in TAFE; and
- A competitive funding scheme to stimulate applied research projects between TAFE and Victorian businesses.

The recent House of Representatives inquiry into innovation and creativity made similar recommendations to the Commonwealth Government to support applied research in TAFE at a national level.^f While TAFE institutes are already engaging in industry-driven applied research, bold and strategic policy actions will empower the TAFE Network to contribute more fully to Victoria's innovation eco-systems and generate innovation on the 'shop floor' where most incremental innovation takes place.

Industry-driven innovation partnerships: Recommendations

- 3.3. That by 2019, an innovation and applied research framework is implemented for TAFE in Victoria to stimulate industry-driven applied research partnerships with Victorian businesses.
- 3.4. That a grant scheme to develop specialised research capability and infrastructure in TAFE and a competitive funding scheme to stimulate applied research projects between TAFE and Victorian businesses are implemented.

^f Recommendation 29 of the *Innovation and creativity Report* (May 2017) of the House of Representatives Standing Committee on Employment, Education and Training calls for "elements of Canada's Applied Research and Innovation Services model" to be adopted in Australia.

TAFE at the core of Victorian innovation eco-systems

Transforming industry engagement with TAFE: Kangan Institute's Textile and Fashion Hub

Kangan Institute's Textile and Fashion Hub, located in inner Melbourne, was created through a partnership between the Council of Textile and Fashion Industries of Australia (TFIA), Kangan Institute and AusIndustry. The Hub has strong profile in the textile and fashion industry and sits at the core of a vibrant local small business ecosystem.

The Hub works mostly with microbusinesses and SMEs, which make up over 85% of all businesses in the broader textile, clothing and footwear industry. The decline of large scale textile manufacturing in Victoria has forced a transition to high value textiles and fashion which in turn is driving demand for innovation, research and development and training for small businesses, designers and manufacturers.

"Our full time industry experts are available to assist designers and businesses with their garment development and manufacturing requirements, with a series of options and packages for the knitting and printing of garments."

Kangan Institute Textile and Fashion Hub website

The Hub provides businesses with access to state of the art textile and fashion facilities and technologies. Commercial knitting machines, digital fabric printers and 3D body scanners are on hand along with highly skilled Kangan Institute technicians and industry specialists to assist small business owners to design, prototype, run samples and manufacture short-runs of textiles and garments.



The TFIA, based in the Hub, works closely with Kangan Institute to host industry networking events, workshops and workspaces for local businesses. Training for industry has a strong focus on new technologies, potential export opportunities and securing offshore suppliers, as well as Adobe, knitwear, digital printing, computer aided design, business, body scanner, interior design and visual merchandising is run regularly.

The Hub provides an excellent example of industry-driven applied research partnerships between TAFE and local businesses. It ensures Kangan Institute staff and students are at the cutting-edge of local and international industry practice and part of a vibrant, industry innovation eco-system.

Photo courtesy of Kangan Institute

Policy Priority 4: Ensuring equitable access to TAFE for all Victorians

Key messages

To ensure disadvantage is not a barrier to enrolling in TAFE, Victoria needs to:

- Address funding shortfalls for some student cohorts; and
- Redesign VET in Schools qualifications to improve outcomes for young Victorians.

As educators underpinned by public values, the TAFE Network provides education and training for all Victorians, including those from disadvantaged backgrounds, people from CALD backgrounds, Victorians disengaged from education and work and Indigenous and Torres Strait Islanders. TAFE accommodates many students with a disability including most, if not all, of Victoria's deaf VET students.

Many TAFE students have gaps in literacy and numeracy and some have health, substance abuse and behavioural problems and need significant support to complete their studies. The TAFE Network and the Adult and Community Education (ACE) sector in Victoria are critical to enabling these students to engage with work, education and life.

Equitable funding for TAFE students

The Victorian TAFE Association is concerned that current funding arrangements present inequities for some groups of students studying in TAFE which is impacting on student choice and learning experiences and outcomes. These groups include:

1. **Secondary school students completing VCAL or VCE.** TAFE institutes host about 6,000 senior secondary students who face substantial disadvantage compared with their peers in traditional school settings under the Schools Resource Package. Current arrangements mean that students in schools receive considerably more funding and support compared to students completing the same qualifications in TAFE.³²
2. **Learners with a disability.** Current levels of funding do not cover the full costs of support needed to train this cohort, particularly for deaf students. In addition, funding for students with a disability in secondary schools is not available to the same students in TAFE. We are also concerned that enrolment requirements for VET qualifications may deter potential students with a disability.
3. **Regional and rural students.** Regional students are less likely to progress to tertiary education and, when they do, they are older, study part-time or online and are more likely to leave their studies before completing a qualification.³³ Almost one in four remote students does not continue to a second year of tertiary study. Targeted support is needed to raise participation and completion rates in regional areas.
4. **Commonwealth Support Programs.** While VET Student Loans (VSL) and Commonwealth Supported Place (CSP) funding are Commonwealth responsibilities, they impact disproportionately on disadvantaged TAFE and VET students. The lack of funding support for these students can make VET and higher education a prohibitively expensive proposition. Further, VET and TAFE higher education students often face hurdles that do not affect university students. For example, TAFE higher education students who access FEE-HELP loans do so with an additional 25% fee that is not applied to university students. TAFE students wishing to study VET Diplomas and Advanced Diplomas are limited by caps on VET Student Loans which are impeding both choice and pathways between VET and higher education.

5. **Women seeking to enter or re-enter the workforce.** Support is required to raise female participation in training and in the workforce. This includes support for migrant women, women entering and re-entering the workforce after a period of absence, and addressing funding disparities across the trades that impact on levels of female participation.
6. **Indigenous and Torres Strait Islander and CALD Communities.** Victoria's TAFE Network has a proud history of providing education and training to students from Indigenous, Torres Strait Islander and CALD communities, with strong representation of these groups in TAFE's student body. However, these groups remain underrepresented in education and training in the broadest sense, necessitating a review of support and identification of barriers to participation.

Recent research by the Victorian TAFE Association³⁴ indicates that TAFE is under stress to support learners experiencing disadvantage, partly due to funding inequities and the loss of experienced support staff as TAFE funding has reduced over time. Declining market share has also left less scope for institutes to amortise support costs across a broader student base.

Strategies that have proven successful in retaining disadvantaged learners include placing youth workers alongside teachers for specialised support, providing professional counsellors when needed on campus and building strong connections between institutes and broader 'wrap around' support services in the community. The roles of Koori Liaison Officers and Disability Support Workers have been very successful.

The Victorian TAFE Association calls for a comprehensive review of policy and funding support for disadvantaged TAFE students in Victoria including the allocation of support workers across the TAFE Network. Given the large percentage of students from disadvantaged backgrounds in TAFE, we think this is a priority for the next term of Government to ensure that disadvantage is not a barrier to enrolling in VET and engaging in Victorian communities.

Research undertaken for TAFE Directors Australia shows how difficult it is to achieve positive skilling and employment outcomes for young people with a history of little or no employment who do not have the foundation skills to achieve the level of qualification required for work, particularly in the short term.³⁵

The Victorian TAFE Association suggests that the Victorian Government consider alternative ways to measure the progress of disadvantaged students in VET, modelled for example on contextualised 'value-added' measures in the school sector.³⁶ This approach aims to determine the broader value of funding for these students and how well schools are supporting them.

Equitable funding for TAFE students: Recommendation

- 4.1. That a comprehensive review is undertaken of funding and support policies for:
 - Rural and regional students in TAFE;
 - Secondary students studying Victorian Certificate of Applied Learning (VCAL) or Victoria Certificate of Education (VCE) in TAFE vis a vis counterparts in school settings;
 - Students with a disability studying in TAFE;
 - Students studying higher qualifications in TAFE;
 - Women seeking to enter or re-enter the workforce; and
 - Students from Indigenous and Torres Strait Islander and CALD communities.

Improving outcomes from VET in Schools qualifications

VET in Schools (VETiS) offers an important vocational study choice for students who can complete or gain credits towards a VET qualification and their senior secondary school certificate. Many students who chose VETiS are from low social-economic backgrounds.³⁷

However, inadequate funding means higher fees for VETiS programs can exclude these students from VETiS courses. The Victorian TAFE Association recommends that sufficient funding is provided to remove barriers to participation in VETiS for students from disadvantaged backgrounds.

VETiS increases the dimensions of a senior secondary learning program, complementing and – when done well – integrating with other academic subjects. The educational value of VETiS should be articulated and celebrated. VETiS should be highly regarded for the preparatory role it can play in the transition from school to tertiary education and/or employment. It is vital that VETiS not be regarded as an isolated pathway to employment, but that it sits within a comprehensive senior secondary learning program.

There is ample evidence to show that young people struggle to gain entry to the labour market with Certificate I and II qualifications, except when a Certificate II is recognised as an entry level qualification in pay structures.³⁸ These qualifications are ideal as preparatory/prevocational courses for secondary school students, but their focus on basic technical skills for a job does not prepare young people for the broad capabilities they will need for successful 21st century careers.³⁹

We also share concerns about the quality of VETiS delivered solely by school-based RTOs that may not have sufficient industry experience, relationships or facilities to ensure quality learning and employment outcomes for students.

The Victorian TAFE Association recommends that VETiS pathways are strengthened in schools by developing new vocationally-focused preparatory qualifications within the VCE and VCAL that emphasise the broad-based capabilities for work and provide an appreciation of an industry through structured work experience. New VETiS qualifications would provide part-credit to a VET qualification but would not be full VET qualifications in themselves.

Improving outcomes from VET in Schools qualifications: Recommendations

- 4.2. That funding is provided to remove barriers to participation in VET in Schools (VETiS) for students from disadvantaged backgrounds.
- 4.3. That VETiS qualifications are reconfigured as vocationally focused preparatory programs as part of the VCE that emphasise foundation skills and preparation for work rather than specific standalone VET qualifications for a job.

CASE STUDY 6

TAFE at the core of inclusive vocational education in Victoria

Matching young at risk Victorians with industry skill needs: Victoria University Polytechnic

Victoria University Polytechnic, located in Melbourne's inner west, is the TAFE division of Victoria University. Melbourne's west is the most culturally diverse region in Victoria accommodating people from over 130 different nationalities. The west has a rapidly growing population and is experiencing significant urbanisation and industry transition. As unemployment is currently 8.4% and higher than Victoria's average of 6%, supporting unemployed young people in the west into education and jobs is a priority for Government and Victoria University Polytechnic.

Victoria University Polytechnic's Youth Information Technology (IT) Careers is a good example of a collaborative initiative to achieve this end.

Youth IT Careers provides learners aged 18-25 facing significant barriers to employment with the first step towards an IT career. The program was established in partnership with Microsoft to help get young unemployed and long-term unemployed Victorians prepare for employment.

Students study a Certificate II in Information, Digital Media and Technology which covers the technical and employability skills required to start in work for the IT sector. In addition, students complete modules from the Microsoft IT Academy including digital literacy tests and IT certificates. Students study for nine weeks before being placed in a role (i.e. traineeship in industry) with the support of a youth engagement officer and specialist foundation skills teachers.

Rather than teaching specific technical skills, teachers focus on developing problem solving, digital, coding, robotics and artificial intelligence skills. This approach is highly engaging for students who learn using the latest technologies such as robots and virtual reality technologies.



The Youth IT Careers program is life changing for young people. Jess, a current student in the program, is 21 years old and left school after year 11. She successfully completed the Certificate II in Information, Digital Media and Technology in 2017 and is now working in a full time traineeship while completing a Certificate III in Information, Digital Media and Technology.

Photo courtesy of Victoria University Polytechnic

Policy Priority 5: Expanding TAFE's global engagement

Key messages:

TAFE's international engagement builds the global knowledge and capabilities of Victoria's domestic and international graduates. For TAFE to deliver on Victoria's international education agenda, we need the Victorian Government to:

- Promote the TAFE Victoria brand in offshore markets as the Government owned quality education and training provider;
- Support TAFE Network onshore strategies, including student experience, wellbeing and employability initiatives; and
- Collaborate with the TAFE Network on initiatives to expand global mobility for TAFE staff and students.

International education is Victoria's largest services export industry⁹ with over 175,000 international students studying in Victoria each year. Of these students, approximately 25% study a VET qualification, with 12% of VET students studying in TAFE. The Victorian TAFE Network also delivers over 70% of all transnational education provided by TAFE institutes nationally.⁴⁰

Strong international engagement is important to TAFE. The TAFE Network benefits from diversified income streams, global knowledge and capabilities obtained through international experience, networks and business activities, and the achievements of its graduates globally. Victorian industries benefit from international students and graduates in the workforce and education-related services and tourism. Domestic students benefit from an internationally-relevant curriculum, globally literate teachers, learning alongside international counterparts and from opportunities to learn in other countries as part of their studies. Victorians benefit from the diversity international students bring to communities, state education export revenue and the soft diplomacy fostered through TAFE's international partnerships and relationships.⁴¹

Strengthening the TAFE Victoria brand in international markets

There is significant scope for the TAFE Network to grow inbound international student numbers, particularly in regional areas, and expand transnational delivery and engagement in offshore VET projects and consultancies. The TAFE Victoria brand is strong, Victoria's international student market is growing driven by demand from Asia⁴² and international governments are increasingly looking for support to build capacity in their VET systems.

However, competition from other international education providers and destination countries is increasing, as governments recognise the significant economic, social

⁹ International education has been Victoria's largest source of services export income for over a decade, generating in the order of \$6.5 billion in 2015/16. See <https://economicdevelopment.vic.gov.au/priority-industries-sectors/international-education/economic-value-of-victorias-international-education> (accessed 11 April 2018).

Policy Priority 5

and diplomatic benefits of international education. To strengthen TAFE's international engagement, the Victorian TAFE Association welcomes further collaboration with the Victorian Government to:

- i Develop a strategic framework to support TAFE to compete successfully in international markets, particularly institutes new to international education;
- ii Promote the Victorian TAFE Network as the Government-owned premium provider of quality VET, higher education and ELICOS qualifications and capacity building in strategic international markets and government relations;
- iii Raise awareness and understanding of VET and the opportunities offered by the TAFE Network in Victorian Government representatives working offshore promoting the TAFE Victoria brand; and
- iv Invest in opportunities to enhance TAFE international student experience, and student and graduate employability.

Strengthening the TAFE Victoria brand in international markets: Recommendations

- 5.1 That the Victorian Government develop a strategic framework to support the TAFE Network to attract international students and grow transnational delivery and high-value VET projects offshore.
- 5.2 That the Victorian Government and its representatives working offshore promote TAFE Victoria as the Victorian Government's premium VET provider in international markets and government relations.

Expanding global mobility opportunities for TAFE staff and students

An important part of TAFE's international engagement is the provision of global mobility opportunities for students and staff. Global mobility builds international knowledge and capabilities to work in and across other countries and cultural contexts. Two-way global mobility between the TAFE Network and their global counterparts encourages knowledge exchange, stronger business partnerships and international links.

However, opportunities for global mobility for TAFE students are limited when compared with those available to university students. For example, TAFE students can access the limited number of Commonwealth Endeavour Scholarships and Fellowships, but our higher education students cannot access the New Colombo Plan, which provides opportunities for university undergraduate students to undertake longer, supported study in locations across the Indo-Pacific region.

Some TAFE institutes have established their own internal programs to provide TAFE students with shorter global mobility opportunities. TAFE staff members also have access to Overseas Fellowships offered by Victoria's International Specialised Skills Institute (ISSI).

The Victorian TAFE Association is committed to expanding global mobility opportunities for TAFE staff and students. We propose that the Victorian Government

work with the TAFE Network to explore strategies and initiatives to support more and systemic global mobility options for staff and students across the TAFE Network.

We recommend increased support by the Victorian Government for Victoria's participation in WorldSkills at least to levels commensurate with other states and territories. This would include representation and attendance by the highest levels of the Victorian Government at international WorldSkills events. The increased levels of support and success of Victoria's VET representatives at international WorldSkills events will showcase and confirm Victoria's reputation as a global VET leader and promote Victorian VET exports at the highest international levels.

The Victorian TAFE Association also recommends the development of a Victorian international student alumni strategy. The strategy would create strong ambassadors for Victoria's VET system by providing success stories drawn from our former students, many of whom are industry, education and community leaders in their home country and internationally.

Expanding global mobility for TAFE staff and students: Recommendations

- 5.3 That the Victorian Government work with TAFE to expand global mobility opportunities for Victorian TAFE students and teachers.
- 5.4 That the Victorian Government support Victoria's involvement in the WorldSkills International Competition through representation by senior Government officials and financial support for Victoria's World Skills Team at levels at least commensurate with other states and territories.

TAFE at the core of global mobility for Victorian VET students

Globally connected graduates: Box Hill Institute's Global Education Network

The Global Education Network (GEN) at Box Hill Institute was jointly founded by Box Hill Institute and Southern Alberta Institute of Technology (SAIT) Polytechnic in Calgary, Canada in 2001 to promote two-way global mobility for students.

Since then, Kirkwood Community College in Cedar Rapids, Iowa in the United States and the Institute of Technical Education (ITE) in Singapore has joined the GEN partnership.

"The study tour to New York gave me a better understanding of American society in general; how the politics impact on commerce; income disparity and lack of opportunity for ethnic minorities in USA; how differently Americans do things compared to Australia; how large the NYC economy is and its impact and influence in the greater American economy."

Box Hill Institute Commerce Student

GEN members are not-for-profit, publicly-funded colleges specialising in two-year associate degree or diploma programs with a reputation for excellence in their country and close relationships with local industries. Each organisation provides visiting students, teachers with the resources and support they need while studying in their country.

GEN provides students with opportunities to study abroad for up to six months as part of their studies. Study abroad programs are based on merit rather than on the economic circumstance of students. Some offer students a credit toward their academic qualification and opportunities for work experience. Students studying at Box Hill Institute can choose from a number of study abroad options including:

- Short exchange programs, generally of 2–3 week duration,
- Intensive four week study tours to a range of countries focusing on a specific topic in the curriculum;
- Semester abroad programs up to six months and including work depending on visa requirements;
- Community projects which combine community service with structured learning in local or overseas settings; and
- Global learning projects which involve students from GEN countries studying together on a specific project.

Box Hill Institute has a dedicated Study Abroad Office to assist students to access these programs and support them while they are offshore. The office also provides support to visiting international students. Scholarships are available from Box Hill Institute to assist Victorian students with the expense of studying abroad.

GEN is a well-established and highly successful partnership that has set a benchmark for global mobility programs in TAFE.

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The peak body for Victoria's **TAFE** network

