Chapter 5

Providing Skills and Opportunity
CHAPTER 5
PROVIDING SKILLS AND OPPORTUNITY

THE ECONOMIC CONTEXT

Sustained Economic Performance

Ian Macfarlane, the Governor of the Reserve Bank of Australia, observed that:

More and more, development economists and economic historians are coming to the conclusion that, at the deepest level, a sound institutional framework is the crucial ingredient for sustained economic performance, and that it is far more important than distance, geography or the presence of resources. (Macfarlane, 2004)

Mr Macfarlane went on to identify the first two requirements of a sound institutional framework as the protection of property rights and constraints on the capacity of Government and other elites to exercise arbitrary power. He identified the third part of the institutional framework as:

Some degree of equal opportunity so that people can invest in human capital formation. In this area, by far the most important component is access to education and an economic structure where positions of importance and authority are open to all comers on the basis of merit. (ibid)

TAFE Institutes as major, well established, widely distributed and accessible vocational education and training institutions play a key role in the process of human capital formation and in providing equity of access to human capital formation in Australia.

The Business Council of Australia concluded in a recent major report:

The vocational education and training sector has a critical role to play in supporting the development and maintenance of skills, ingenuity and capabilities that are required by Australian enterprises. (BCA, 2004)

However, the BCA report also concluded that

Rapidly changing skill requirements, the need for heightened flexibility in how and when training is delivered, the intertwined nature of technical and generic skills are some of the factors pointing to the case for fundamental changes to the VET sector to align with the new skill paradigm in business. (ibid)

TAFE NSW

TAFE NSW is part of a national industry-led system of vocational education and training (VET). TAFE’s mission is to deliver products and services that improve the competitive advantage of industry in NSW and address the impact on people, organisations and communities of continuous technological, economic and social change. It provides the skills training needed by industry and the community and through this contributes substantially to NSW retaining its position as the healthiest economy in Australia. Because TAFE is a public provider, it has a commitment to meeting the needs of all NSW. TAFE plays a key role in the sustainability of rural and remote NSW: the more remote the area, the more essential TAFE delivery becomes.

1 Much of this introduction is quoted or adapted from work undertaken for TAFE NSW by Peter Noonan of the Centre for the Economics of Education and Training, Monash University.
TAFE NSW is resourced through a combination of state and Commonwealth funding, and through commercial activities. It is the largest VET provider in Australia and among the largest in the world, providing approximately 90% of the VET undertaken in NSW. Its training for young people equips them with the skills they need to gain and keep their first jobs. Its second chance education programs provide opportunities for people to gain skills they did not gain as young people. Its programs for mature workers allow them to re-skill and upgrade their skills so they can continue to contribute to the economy and to society.

Responding to Changes in the Labour Market

Over the last decade or more, the NSW TAFE course profile has changed in response to shifts in the labour market, with significant growth in areas such as information technology, hospitality, and community services to give people the general skills for employment and further learning. In recent years, these shifts have largely been achieved through a redirection of effort from areas of lower demand or low priority. Provision for equity groups has also increased.

At the same time, there has been a dramatic change in the structure of TAFE NSW. About 10 years ago, nearly 3000 head office staff administered 137 individual colleges which were the size of the average high school. Today, 10 NSW TAFE institutes, the size of regional universities, effectively manage their own affairs within the governance, planning and budgetary framework set by the State Government through the NSW TAFE Commission. The Commission itself has been absorbed within the Department of Education and Training, with a significant reduction in, and redeployment of, staff.

Over the last several years, TAFE NSW has been operating in an environment of increasing demand and increasing efficiency, at the same time as budgets have been reduced.

TAFE funds were effectively frozen for years; and when growth funding came in 2001 – 03, it fell well short of the rise in student demand. (Horin, 2005)

This is mirrored across the VET sector. Commenting on the release of the Department of Education Science and Training (DEST) report, Skills at Work, the Australian Financial Review reported:

While there has been a 100 per cent increase in the numbers in training, recurrent spending on the system by governments has lagged far behind … strip out spending by state governments, and the increase from the federal government has been even smaller: 19 per cent. At the same time, employers are squeezing the public purse. They are calling for better and better training of employees, but increasingly transferring this responsibility to the public coffers. (Priest, 2005)

In summary, since 1998, TAFE NSW has increased output, reduced costs, decreased reliance on government funding, transformed its modes of delivery, extended its range of programs, services and products, implemented major reforms in structure and governance and met all government budget and output targets with minimum industrial or public disputation.

From Skills to Capability

Over the past decade, much has been written about the need for Australia – along with other mature and even developing economies – to make the transition to a knowledge based economy. That debate has been undertaken in largely theoretical terms and overly focussed on pure research and innovation (Noonan, 2001).

The demands of a knowledge economy are now a practical reality in Australia. Skills shortages across the labour market are widespread, as discussed below. Shortages in specific areas have been driven by sustained high levels of economic and employment growth and, to some extent, are cyclical in nature. However, regardless of the economic cycle, ensuring that Australia has sufficient people with the technical skills and the broader capabilities to work in complex modern workplaces will underpin participation levels in the Australian labour market and determine future productivity growth in the Australian economy.

The magnitude and complexity of this task is greater now than at any point in recent Australian history. The workforce is ageing, and the gap between the number of people entering the workforce and those retiring is closing rapidly. The following graph from Access Economics highlights this trend.
Figure 4: The Retirement Crunch Is Coming

Retirements vs Labourforce Entrants

Access Economics concludes that:

… the effects of employment growth, staff turnover and retirements will amount to 12½ million people over the next decade – or around 1¼ million people per year.

Not all of those 1¼ million people per year new to their occupations will require training, but many will, especially as Australia’s industry structure changes towards a more highly skilled future.

Given that total employment is 9½ million, it is estimated that the average industry or occupation needs to plan on 1-in-8 workers being new (or newly returned) to their occupation every year … (Access Economics, 2004: 20)

The Commonwealth Department of the Treasury has identified the need to raise labour force participation levels in Australia as one of Australia’s key economic challenges, with education and skills identified as the key to raising levels of participation in the labour market (Department of the Treasury, 2002; 2004).

Skills Shortages

During the course of the Futures project, the issue of skills shortages came increasingly to prominence. It reached a point where major companies were reportedly cancelling projects due to a lack of skilled workers. An example of this was the mining company Bronzewing, in Western Australia, which recently reported it was unable to reopen its gold mine because of skills shortages. Group Training Companies gave another example of the importance of vocational education and training to the Australian economy:

How critical the skills shortage crisis is becoming is rammed home by the fact that with Australia’s unemployment rate now at just 5.1% (the lowest since 1976), and is expected to drop even further this year … Surely we should be doing everything in our power to produce a generation of home grown skills and not import them from far off lands?

Moreover, in recent times, the chief economist of the ANZ has warned that national skills shortages are already holding industry back even as the economy continues to grow. (GT Network, 2005: 2)

The Reserve Bank reportedly expressed a similar view:

The RBA has said that skills shortages are threatening to push up inflation and that the economy must be kept in check by higher interest rates. (Allen, 2005)
The Prime Minister, John Howard, was reported to have stated that the skills shortages were the product of a strong economy. However, a report in the *Australian Financial Review* cited a University of Western Sydney research paper as saying that … *an increase in the use of contractors and labour hire firms, rather than in-house tradespeople has led to an erosion of their training.* (Morris, 2005)

The following table demonstrates the comparative decline in apprenticeship enrolments in TAFE NSW during a period of increasing enrolments, while enrolments by trainees were variable.

**Figure 5**

<table>
<thead>
<tr>
<th>Enrolments</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apprentices</td>
<td>47,268</td>
<td>46,454</td>
<td>44,829</td>
<td>46,783</td>
</tr>
<tr>
<td>Trainees</td>
<td>11,759</td>
<td>10,303</td>
<td>11,953</td>
<td>14,207</td>
</tr>
<tr>
<td>Other Enrolments</td>
<td>401,881</td>
<td>447,739</td>
<td>469,301</td>
<td>480,980</td>
</tr>
<tr>
<td>Total</td>
<td>460,908</td>
<td>504,496</td>
<td>526,083</td>
<td>541,970</td>
</tr>
<tr>
<td>Apprentices as % of enrolments</td>
<td>10.26%</td>
<td>9.21%</td>
<td>8.52%</td>
<td>8.63%</td>
</tr>
</tbody>
</table>

Because it is employers who take on apprentices prior to their presenting to TAFE for training, this downturn reflects a decline in employment of apprentices by industry, an issue that governments and industry are beginning to look at very seriously. The TradeStart@TAFENSW initiative, announced by the State Government in March 2005, was designed to assist in addressing this issue.

While the Commonwealth’s New Apprenticeships Scheme has seen an overall growth in apprenticeship numbers, this growth has not been in traditional trades (DEST, 2004: 27 – 28) where some of the serious shortages are:

> *The skills report, completed by the Department of Education, Science and Training … confirmed that the broadening of traditional apprenticeships … had caused a huge rise in formalised training in sectors like clerical work and sales but a decline in traditional trade apprenticeships.* (Tingle, 2005)

As the table above shows, apprentices only represent a small proportion of all TAFE’s students. As knowledge work becomes part of more and more occupations, the demand for second chance education can only be projected to increase, while the data from Access Economics show that training and particularly re-training will become ever more important. That students aged 40 to 49 are the fastest growing group in TAFE NSW provides strong evidence that this has already begun.

**A Sustainable TAFE NSW in a Sustainable NSW Economy**

To support the economy in NSW, TAFE will need to be able to respond to new and continuing demands on its capacity and capability. Partnerships with industry will become increasingly vital, particularly to allow students to access cutting edge industry facilities and equipment, if students are to have the skills industry needs. The BCA Report on the Vocational Education and Training System – Key Issues for Large Enterprises argues that:

> *From the perspective of the business community it is important that the public VET sector is able to access the level of resources required to deliver high quality and relevant training, particularly in the area of entry level skills development.* (BCA, 2004: 99)

The report goes on to identify as major issues the fact that public VET providers have a relatively narrow funding base and that revenue growth has severely lagged behind student activity growth (despite growth in fee for service and ancillary trading revenue). The report raises a specific concern that public VET providers maintain cash balances by not covering the costs of capital depreciation, relying instead on specific purpose capital funding, with a consequence that facilities are not replaced until they are past their use by date (ibid). This analysis could be taken further to include investment in equipment and technology
and, more generally, in product development, staff capability, market analysis, branding and business development.

The level of recurrent funding available to deliver government-funded programs will also determine levels of participation in TAFE and the quality of outcomes. However, nationally, total investment in VET from public and private sources is declining relative to the schools and higher education sectors. This decline will continue if current trends continue.

Clearly, a strong and sustainable TAFE NSW is essential to a healthy NSW economy and a resilient labour market. The response from the community, discussed below, demonstrates that they value TAFE NSW but are looking for a wide range of improvements. TAFE’s role will now be to meet the challenges their submissions represent while remaining sustainable and resilient itself.

**SUMMARY OF RESPONSES FROM THE CONSULTATION**

… the relationship between TAFE and industry is vastly improved but needs to go further. (Industry meeting)

The key message, especially from industry, was that TAFE is travelling along the right path but still has some way to go. It was clear from the responses that TAFE is seen to provide a valued service but, equally, there are many areas in which that service could be improved. In general, respondents said that TAFE needed to be more flexible, both in its dealings with industry and in meeting the needs of individual students, although some respondents were:

**Pleased by the flexibility and adaptability of current TAFE approaches locally – particularly tailored responses to a particular industry need.** (Industry meeting)

A key area of agreement was that TAFE has not been sufficiently successful in promoting its achievements and benefits to the community at large.

Responses about TAFE came from industry, students, community members, including parents, and staff of TAFE and schools. Given the differing concerns of these groups, it is not surprising that many of the views expressed about TAFE were widely divergent, for example:

- some see TAFE as a business while others strongly disagree
- some want more courses at more colleges; while others suggest that TAFE reduce the number of courses offered at each college and create areas of specialisation.

Others expressed views which described different aspects of the same needs. For example, many respondents wanted TAFE to improve its products and services, but in different ways:

- many in rural and regional areas, and from small and medium businesses, want more customised service at the local level
- large employers want a single point of contact for statewide coordinated service through a relationship or account manager.

In analysing the responses, the first overarching issue for TAFE which emerged was whether TAFE should be ‘everything to everyone’, or whether it should be selective in the products and services it provides.
If TAFE is to be ‘everything to everyone’, the need for increased resourcing for TAFE is clear: many respondents called for more funding for TAFE. Industry sought stability in TAFE through a clear Government commitment to TAFE.

There needs to be a government commitment to a publicly funded TAFE system. There is a need to sustain or improve funding for TAFE. (Industry meeting)

On the other hand, if TAFE is to become more selective in the products and services it provides, it will be important to ensure that all its customers are aware of this shift and accept the reasoning behind it.

A second overarching issue was who TAFE’s customers are, since a shift is apparent in TAFE’s customer focus. Traditionally, because TAFE is a public sector organisation, the Government has been both its primary customer and funding provider. That focus is shifting to industry, community and the individual citizen in New South Wales who, together with Government, hold the collective ownership of TAFE.

The Business Council of Australia has affirmed that ... education and training is one of a handful of really significant drivers of individual business performance and growth across the economy as a whole (BCA, 2004: 5). TAFE NSW is a key part of the industry-led vocational education and training sector. At any one time, 9% of the population in NSW aged 15 to 64 is enrolled in training at TAFE NSW.

Respondents said that they want to be able to update skills through industry-relevant training that is accessible, consistent and delivered in a professional and effective manner. Comments and potential strategies were focused around six themes:

- supplying what the customer wants
- being there when you need us
- valuing people
- organisational culture
- sharing the benefits, sharing the costs
- a long-term commitment to TAFE.

Under these principles, major areas of comment were about:

- improved servicing of industry skill needs through a broadened and tailored product and service range; and
- a more accessible TAFE; improved teaching performance; and increased work experience opportunities.

In addition, students, parents and the community wanted:

- a highly accurate advisory service especially prior to enrolment and
- the ability to enrol in units or modules rather than a whole qualification, when that suited their needs.

Respondents commented on the people who work in TAFE. They wanted TAFE teachers to combine personal qualities, teaching skills and technical currency. They wanted staff to be supported by a flexible system. They wanted the organisation to identify and develop leaders with the skills, capability and behaviours needed to take TAFE into the future. And finally TAFE staff said they wanted to work in a
SUPPLYING WHAT THE CUSTOMER WANTS

CONTACT POINTS FOR INDUSTRY

One of the most important messages about industry in NSW is that it is not homogeneous. The issues for industry in rural NSW are not the same as the issues for industries in regional or metropolitan areas. The issues for large national and multi-national enterprises are not the same as the issues for small and medium enterprises (SMEs). Consequently, some respondents raised quite diverse issues while there were other issues which were common across the responses. The issues reported in this section were principally those of large enterprises. Issues for SMEs and rural and regional industries are discussed in the next section.

Industry reported that it does not know who to deal with in TAFE and that it often has to deal with TAFE people who are not from the industry area. This lack of statewide coordination makes it extremely difficult. (Industry meeting).

Respondents wanted TAFE to provide highly expert and informed single points of contact for industry; and relevant individualised products and expert training services to meet industry's current and future needs.

Formalise the brokerage between the particular company/industry organisation and TAFE, so industry knows what is on offer and so TAFE knows what is needed (eg location issues; technician level training as well as apprenticeships). Clear points of contact are needed eg Client Account Managers. The process should be systematised. (Industry meeting)

Industry asked clearly and repeatedly for a coordinated statewide (or national) strategic approach for developing cohesive and consistent curriculum that addresses current, emerging and future skills gaps:

Dealing with different TAFEs for the provision of services in regional settings or even statewide settings creates a lot of logistical and communication problems … and there is not a coordinated management approach to monitor and report on the effectiveness of training. (Industry meeting)
This was supported by TAFE staff:

*Difficulty is often experienced when TAFE liaises with industry as it is often complex and diverse and on occasion maybe in competition with … [itself].* (TAFE staff meeting)

Industry repeatedly stated that it wanted a client manager or account manager who had industry expertise and a strong and clear understanding of local, state and national contexts. Industry also repeatedly called for a cooperative approach within TAFE (rather than the competitive intra- and inter-Institute approach).

Industry also wanted TAFE to operate on a longer-term planning and budgetary cycle to:

… deploy the resources where future policy is being made. Allocate TAFE resources to the industries that are growing and important and need to be sustained. (Industry meeting)

This issue is discussed at the end of this chapter.

One large national enterprise suggested that TAFE consider segregating its market clients to deal with the special needs of small, medium and large-scale enterprises. This segmenting approach to the market would allow TAFE to develop strategies to meet the requirements of individual market segments.

Industry and TAFE staff called for TAFE to take a lead role in improving consultation between industry and enterprises: a number of respondents commented on the role of the Curriculum Centres in this regard. Some respondents suggested TAFE take on a more general brokerage role with local and statewide operations. This would involve TAFE in linking employers with innovative and relevant skill solutions at the local and statewide levels. Operating on the local level would ensure that the real needs of individual enterprises are being met and statewide coordination would ensure the cross fertilisation of skill requirements, products and services across the state:

Strategic networks need to be fostered and developed at local/ regional levels to ensure the ‘real’ needs of enterprises are being met. State-wide management of such networks (via units like TAFE NSW Curriculum Centres) would ensure the cross fertilisation of skill requirements, products and services across the state. (TAFE staff member)

**THE NEED FOR IMPROVED LOCAL COLLABORATION**

Many respondents wanted TAFE to listen to, collaborate and engage with industry (particularly with small and medium employers) and with the community (particularly in rural and regional areas), to ensure that TAFE products and services reflected local needs. The suggestions and advice received indicated that TAFE needs to increase its capacity to be more focused on workforce skill development to address the skill requirements of local and regional enterprises and communities.
Respondents called on TAFE to have regular, direct and effective engagement with industry and the community to ensure that TAFE products and services meet local needs.

They suggested many ways by which TAFE could improve its collaboration with industry and the community were suggested. One suggestion mentioned frequently was for TAFE to be more active on industry boards and associations. There were also many calls for improved partnerships between TAFE and industry, in particular with small and medium businesses.

Partnerships were seen as a vehicle for sharing industry-standard equipment and facilities and delivering workplace (on-the-job) training and work placement and employment opportunities, as well as:

- increasing effective consultation with industry
- linking to industry experts, guest speakers and mentors
- jointly evaluating products and services to identify currency and relevance.

Respondents also suggested that partnerships with industry would provide an effective means of developing regional strategic plans to identify and meet regional skill needs. This was not just seen as an opportunity to work with large enterprises but also with SMEs.

Industry wanted to have a leadership role in TAFE course content, local TAFE course offerings and timetabling of course offerings and the setting of standards for student and teacher performance, as well as having feedback opportunities in these areas. They also wanted to see improved reporting to employers from TAFE on individual student performance and outcomes.

One issue repeatedly raised was the need to work more effectively with SMEs, for example in tailoring courses to meet their needs. Respondents said that SMEs did not have a sufficient voice in the VET sector, particularly given the large number of people they employed across the state. An example of such an issue was the design and relevance of Training Packages:

> The people who provided input into the introduction of training packages were large firms; small firms are too busy earning a dollar! Training Packages are of limited relevance to most small employers. There needs to be a system in place where the views of small businesses can be listened to. Most small business people do not know how training packages work. The system must be made easier for them to know how they work. (TAFE staff meeting)

**ADVISORY AND ENROLMENT SERVICES**

There were many calls from community, parents, students and TAFE staff for improved advisory, counselling and support services to students, particularly prior to enrolling in a course, but also during and at the end of the course. One respondent referred to the Western Australian Department of Education and Training Report, *Deciding on a Better Future*, stating:

> Without relevant, easily comprehended and timely information, people are more likely to enrol in inappropriate courses and hence withdraw. (TAFE staff meeting)

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*TAFE needs to give more support to small businesses in identifying and providing training and ongoing support.* (TAFE staff meeting)

*Recognition of the importance of small/medium business and allow them proportional voice in compilation of TAFE courses.* (TAFE staff meeting)

*TAFE needs to provide more regular progress reports & feedback to industry on how a particular student is going. Can be done through the internet, so both employers and students can access via web.* (Industry meeting)

*Move more into business and develop relationships with SME’s. Have a model that suits small business.* (Industry meeting)

*Not only does enrolling in an inappropriate course result in a waste of human capital, personal distress, disappointment and discouragement for the student but also significant inefficiencies and financial waste for TAFE.* (TAFE staff meeting)
Many believed that students make uninformed decisions about the courses they choose to enrol in. They said that as a result students are often unprepared for the study commitment required and have false expectations about the chosen qualification and occupation. They wanted clear, accurate, plain English information and advice from knowledgeable and expert TAFE or school career counsellors. This should be about course content; and training and career pathways for all students prior to enrolment. Some stated that school students did not always have access to appropriate and sufficient information about the full range of pathways and occupations. (This is discussed in the section on students aged 15 to 19 in Chapter 2.)

Accessing support also appeared to be hampered by a lack of awareness of services available:

> … good pre-enrolment information and career counselling … is critical to TAFE’s success and to the cost effective use of its resources. (Parent and TAFE staff member)

Some respondents also felt that students were hampered in gaining appropriate information by the disinclination of some students with a disability to disclose their disability.

Respondents said that an important part of getting the right advice to students, and in providing the right post-HSC pathways, involved listening to students about what they needed from TAFE, respecting students as individuals and taking into account their life experiences and skills.

Parents, TAFE students and staff wanted to see more frequent, better and, in some submissions, compulsory information sessions at the school and in the community. Some respondents also wanted:

> Employers to assist TAFE in the recruitment of TAFE students. (Industry response)

Respondents wanted TAFE to provide individualised advisory and counselling services for students, in particular before enrolment, to assist students to make informed study and career choices; and to ensure effective and efficient use of TAFE resources.

> Require all students to participate in an orientation to TAFE. These are not section specific and work best with mixed groups as pre-enrolment exercise[s]. Topics [might] include the adult study environment, rights and responsibilities, expectations, support available and how to access it. (TAFE staff meeting)

They requested written and on-line material about:

- course offerings, durations and costs
- the skills required by and details about specific occupations and vocational pathways
- information about careers, for students leaving TAFE at the completion of their studies
- better information for school students about TAFE, including its support services.
They also wanted to see better consultation with current students through increased face to face discussions between students and teachers in the classroom; regular surveys to establish students’ opinions and follow-up actions on student suggestions; and exit surveys of students to investigate employment rates post-training. They also called for previous students to be consulted about future course content and structure.

They asked for TAFE to consult with students about provision:

… if the resources are available, TAFE can ‘customize’ a particular course to the students’ needs. For example, I am studying Certificate IV in … [IT] and for the Diploma course next year, the teachers are considering integrating CISCO Academy into the course. This was initiated by discussion between students and teachers. … I think if our input is used to develop courses, it would better cater [for] our needs. (TAFE student and staff meeting)

Respondents suggested that TAFE staff make follow-up contact with those people who sought advice from TAFE about courses and careers. They suggested that: Course Information Centres be staffed with people who know the TAFE system, rather than casual employees; and TAFE should fund specific staff to undertake these roles, rather than allocating them to existing staff.

One respondent called for the expansion of the existing TAFE counsellors’ network and the establishment of a Vocational Counselling Service. Concerns were also expressed about the quality of information about careers available on-line.

Respondents also suggested that TAFE provide a service in each Institute that linked students with employment opportunities. Some respondents suggested this could involve TAFE investing in employment liaison officers to assist students with employment opportunities, while others thought it could be achieved through better links with existing services, such as job networks.

Finally, respondents suggested that smaller class sizes could be achieved through efficiencies resulting from better subject choices by students and the resulting increase in effective use of resources.

**Application Processes**

TAFE NSW has a statewide Application Processing System (APS) for high demand courses, which involves a written application and, for some courses, the presentation of a portfolio of work or an audition. Some respondents felt that the APS, together with the fee increase in 2004, had had a detrimental impact on enrolments. Others thought that the APS discriminated against people of non-English speaking backgrounds:

Courses are getting harder to access. The application process discriminates against NESB students. Students who undertake entry level training cannot progress due to the application process. Better pathway planning required for introductory courses into higher levels. (Multicultural Community Focus Group)

We need better mechanisms to gain feedback from students. One is systematic exit surveys. This includes tracking students post course completion and generating quality student destination information to use in marketing just as the universities do. (TAFE staff member)

Ensure that there are regular follow-ups for students who have previously accessed assistance and these follow-ups follow the student through the educational life of the student. (TAFE student meeting)

TAFE needs to take a greater involvement in being a labour intermediary. (Industry meeting)

TAFE needs to have links with job networks, for increased employability of students. Employment outcomes are paramount for students completing their training. Referral system for students into local industries. (TAFE student meeting)

TAFE introduced the new application procedure – fees were increased and ½ yearly payments were accepted. This backfired as many students did not return for 2nd semester. (TAFE Staff member)
A number of other respondents, however, thought that it should be extended:

*All enrolments should be under an application system, with interviews held. … Screen students to ensure they are enrolling in the correct course.* (TAFE student meeting)

Other respondents listed a variety of means of improving the appropriateness of student enrolments into courses, including pre-screening, selection tests and compulsory information sessions:

*…require each section to have an information session prior to applications closing or prior to actual enrolment. Make attendance at such a session worth twenty points in the application process or a required part of the enrolment process.* (TAFE staff meeting)

### INDIVIDUAL LEARNING PROGRAMS AND STUDENT DIVERSITY

In TAFE NSW:

*The Act states that it should provide for educationally or vocationally disadvantaged groups such as women, Aborigines, persons of non English speaking background, persons with disabilities, and persons in rural areas. TAFE should provide courses and qualifications which are transportable and allow them to develop a career.* (NSW Teachers Federation)

Many respondents wanted increased support and respect for students. They called for more learning programs or training plans to be designed for individuals that clearly stated the modules and outcomes to be achieved and which identified and met individual training needs.

*By allowing and encouraging more choice and flexibility in methods of assessment and presentation of assessment tasks to take into account individual students’ learning styles, strengths and weaknesses.* (Industry meeting)

They wanted teachers to recognise and address the individual learning needs of students (for example, gifted and talented, non-English speaking background, hearing impaired, intellectually disabled, general education needs). They also commented on the need to work with students to ensure they had the skills to study in an adult learning environment:

*Structured learning is important for majority of young people who may not be equipped with skills for managing their own learning. Personal contact, interaction with teachers, rather than self paced learning, provides greater support.* (TAFE staff meeting)

They also wanted teachers to match the pace of delivery and to the capability level of the class and individual. This included the provision of individualised programs and flexible assessment modes for students with disabilities and students whose first language is not English. They called for the use of more teaching aids and learning
resources; and improved clarity and expression of lecture notes and assignment explanations. Both TAFE students and staff also wanted to see lecture notes available on-line.

Many respondents wanted increased availability and ease of access to tutoring and counselling of individual students during their studies, by teaching staff; by industry and Centrelink representatives. They also wanted to see increased mentoring, for example of younger student by employers, to help them gain access to the world of work; and of older students by younger students, to help them learn to manage new technology. Some referred to this as a buddy system, and thought it was particularly needed for students experiencing difficulties, those with special needs, and those in rural communities. One student commented on the need for this to be provided outside the student’s own family or even community:

> If your family [is] unemployed [and] all your community [is] struggling where do you get a mentor[?] Do you know mentors exist[?] (Personal submission)

Other respondents commented on the need for support and welfare services for TAFE students. There were also a number of respondents who called on TAFE to provide vocational and life skills courses for younger students, both as support programs in schools and in TAFE itself. (This is discussed in the section on people aged 15 – 19 in Chapter 2.)

Trial or ‘taster’ experiences in TAFE and visits to industry for students prior to enrolling in TAFE and early in their TAFE course were also suggested. These visits would help to give students realistic expectations of occupations and workplaces.

These suggestions came particularly from, but were not limited to, groups representing people with disabilities and indigenous community groups.

> TAFE should offer support/life skills/social skills programs in the schools to under 14 year olds to engage them in further education. Provide orientation and taster courses to introduce TAFE courses to Year 8 & 9 school students. School Counsellors are spread too thin and cannot properly support students with special needs. (Community and Interagency Group meeting)

Responses from Indigenous community groups stated that there were attributes of TAFE provision which were appreciated and suggested strategies for working more effectively with Aboriginal people:

> TAFE needs to work with the communities to help people to set goals. It is important to have special TAFE staff (eg Aboriginal Coordinators and Outreach) to come into the community and work with the people and motivate them. (Indigenous community meeting)
Aboriginal people also called on TAFE to work with industry to improve employment opportunities and outcomes for indigenous people and to allow adequate time for people to complete their studies but without compromising standards. They also wanted TAFE to provide learning which integrates theory and practice:

> There needs to be an integration of theory and practical as many Aboriginal people are not good at ‘book learning’ – in many indigenous communities people don’t see any relevance in education and training. Grandparents and parents haven’t had employment and therefore there needs to be programs that will assist in changing community attitude. There is a need for good role models and learning must be positive and practical so young people are motivated. (Indigenous Community Group)

A number of respondents commented on the needs of students of non-English speaking background, especially younger students:

> NESB students and their families are a vulnerable group that needs targeted programs and on-going assistance to help with educational outcomes. Often, NESB students are unable to receive support in the home, due to language and education barriers of parents and older siblings. Young refugee people in particular often require extra assistance with schooling and homework and their home is not always suitable for a quiet study environment. (Ethnic Communities Council)

Students with behaviour problems were seen to be an increasing problem for TAFE, as well as for schools, and a number of strategies were suggested:

> Students with disruptive behaviours should be given support by opening up different learning options either by taking the student out of the environment and being placed in a special classroom to produce the class work required … Also by seeing the mature age students returning to TAFE given their own life experiences (ie the mature students’) the disruptive students may see there are options available for them to input their ideas now and not waste opportunities. (TAFE staff member)

Respondents suggested a three-strike or yellow card/red card approach, ensuring students’ poor behaviour had consequences and, following this, allowing them a fresh start. Other strategies suggested included teacher training in and resources for managing students with behaviour problems, as well as assigning teachers with expertise and a particular interest to work with specific groups of students. They also called for:

- cooperation with parents and with other agencies
- support from counsellors
- consistent guidelines on discipline
- specialist classes or classrooms
- providing programs like WOW (Work Opportunities for Women) for men.

It was also suggested that TAFE Institute planning and delivery be modified to cater increasingly for older students (older than early 20s) who have broader life experiences and different expectations of their training:
Planning efforts at Institute level are being concentrated on persons less than 20 years of age yet the statistics in this paper confirm our own observations, that older students are statistically more significant. (TAFE staff meeting)

Traditionally TAFE has provided training for young people for their first job, often in trades and related occupations. Increasingly TAFE is catering for an older student population which is seeking training to upskill or retraining for a career change. The average age of a TAFE student in the period from 2000 to 2004 was 31. The importance of TAFE as a provider of second chance education was emphasised by a number of respondents, including the TAFE Teachers Association (TAFE TA):

*TAFE through sections like Outreach plays a valuable role in the provision of opportunities for people who did not complete their secondary education and who may not otherwise pursue further education.* (TAFE TA Outreach Special Interest Group)

**BROADER RANGE OF PRODUCTS AND SERVICES**

TAFE was called on to provide a broader product range that was more closely aligned to employment opportunities particularly in the local or regional area; and for current and relevant support materials and resources to meet customers’ needs:

*TAFE … needs to develop a mechanism, that demonstrates that they listen and respond to consumer requests at student, community, industry and peak body levels. Strategies need to meet customer demands in order to remain competitive.* (TAFE staff meeting)

There were some areas, however, where respondents felt that TAFE was offering a very flexible service:

*Flexible Learning Centre at Hornsby is fantastic – as a full time worker, it allows me to participate when you want, in evening, can demonstrate competence by doing assessment, without having to be in classes. … Evening sessions are really catering to us.* (TAFE student meeting)

Many people in rural and regional areas asked for an enhancement of local training provision to suit their local needs. Many of these respondents wanted more courses, at more times and at more colleges. Others, however, suggested that TAFE reduce offerings at colleges and move toward specialisations at identified sites or … develop properly resourced, strategically focussed centres of excellence and inform industry about where these were located (Industry meeting and TAFE and industry meeting).

There were calls from students, industry and staff of TAFE to update its courses and delivery to match changing industry needs and technologies; and for TAFE to use current, industry standard equipment, machinery and resources.

Many people wanted more short courses and the opportunity to enrol in modules (subjects or units), rather than long courses leading to a...
Qualification, as a way of addressing the need for rapid updating of specific skills in the workplace.

Allow module or unit based enrolments … [to allow a student to] update and choose units or modules that would further enhance and upgrade existing qualifications. (Parent and TAFE student)

Short course or module enrolments were not universally supported, with some people continuing to support the national training system of training package courses and nationally transportable qualifications.

Respondents called for increased flexibility in teaching methods; increased on-line offerings and the integration of chat rooms into the learning environment; and blended learning opportunities. They asked for mobile and virtual campuses. They wanted more on-the-job training (or work experience) and the ability to move between courses to cater for changes of study or career goals.

They wanted a more flexible system that provided:

- more training hours (campuses being open for longer hours)
- more information about and ease of access to recognition of their existing skills and knowledge
- a ‘mix and match’ approach to timetabling.

They also wanted TAFE to cease turning away prospective students from high demand areas and cancelling classes after they had started.

A number of respondents called for expanded flexible delivery options:

- TAFE needs to provide greater flexibility in learning, assessment and training pathways. TAFE is being presented with a complex range of problems in addressing the training requirements of traditional and new and emerging industries. Teaching staff need to embrace new methods in delivering training and strategies that engage industry as a partner in the training of its workforce. While there are examples where teachers have embraced new delivery arrangements this is more the exception than the rule. (Industry meeting)

There were, however, also calls for the provision of structured learning opportunities that would assist young students lacking established study habits. One person observed that traditional learning remained valuable and in many instances appropriate; and that it should not be ignored:

While new trends in VET Pedagogy embrace a wider suite of delivery models including flexi learning, [and] workplace learning the value of institutionalised learning must not be ignored – as in many instances it is the most appropriate model. (TAFE staff member)

There were a number of calls for allowing enrolments throughout the year, one suggesting the provision of facilities for students to catch up. TAFE currently permits enrolment throughout the year and is usually still accepting enrolments in November each year for a limited number of courses. The expansion of this process to all courses would address people’s needs.

Many respondents asked for support for students particularly:
• more childcare services, including in the evening to allow single working parents to attend TAFE courses
• transportation to rural and regional campuses and
• accommodation for students.

Issues around commercial delivery were also mentioned. Most respondents on this topic suggested ways of increasing commercial revenue and improving commercial delivery, while the NSW Teachers Federation stated it did not support any increase in commercialisation.

Students and industry commented on the timetabling of course offerings. Most wanted increased offerings at a range of times to suit the part-time worker and also to suit industry needing seasonal training or training at a specified time of day. Respondents also called for:

_The introduction of industry specific intensive training programmes - on campus - over weekends and holiday periods, which could potentially include workplace experience with industry partners on evening and night shift. This type of training will enhance the TAFE-Industry alliance, showcase partners and their respective facilities to a broader audience, and introduce industry participants to potential new employees._ (Bankstown City Council)

**RELATIONSHIP BETWEEN TAFE AND SCHOOLS, UNIVERSITIES AND ACE**

**TAFE and Schools**

Many people (TAFE students and respondents from schools and community groups) called for closer links between TAFE and schools. Respondents wanted TAFE and schools to operate in mutually beneficial and supporting ways to ensure the best outcomes for students:

_We can improve educational outcomes by placing greater emphasis on planning, collaboration and combined professional development arrangements._ (TAFE staff meeting)

Suggested strategies to improve the links between TAFE and schools included the broadening of vocational education and training (VET) options in schools to include:

• ‘taster’ and transition programs, mentioned above
• the opportunity to complete secondary school through TAFE
• visits to school by TAFE careers advisers and
• targeted programs for special needs students (for example, basic skills for students with a disability).

Comments on the needs of 15 to 19 year olds (discussed in Chapter 2 of this report) emphasised the importance of stronger vocational pathways within the framework of a stronger HSC. These strategies are of benefit to schools by increasing their course offerings without the need for increasing their facilities or teacher expertise. However, they do not focus on the need to address reading, writing and maths difficulties for school students who subsequently come to TAFE and industry without sufficient basic skills.

_Employers require students to possess basic skills, eg. maths. Trades students must be able to do basic calculations._

**Transport to Campuses is a huge problem. TAFE needs to look at the problem and ways of assisting students to get to country campuses.** (TAFE student meeting)

**Equip our business units with people skilled at performing in a commercial environment, including resources to compete locally and internationally.** (TAFE staff member)

**Schools need to link to TAFE to ensure that students have achieved the skills necessary for success in TAFE courses.** (Parent and school staff, member)

**It is vital that there must be cooperation between schools, TAFE and universities and there needs to be easy transition for students between all three of the institutions.** (Personal submission)

**The Ourimbah Campus on the Central Coast is an excellent example that could be modelled in other areas. Cooperation in Schools and TAFE in the Hunter region is excellent.** (Community meeting)
Problems with literacy/numeracy need to be identified earlier. Opportunity for TAFE to be involved. Numeracy & literacy problems should be picked up in early childhood, not passed onto TAFE & employers. (Industry meeting)

Industry saw limited benefit in links between TAFE and schools. Industry respondents said that the content of the VET courses taught in schools should provide pre-vocational skills; while the content in TAFE courses constituted training for employment and was what industry was interested in. Industry wanted reading, writing and maths skills to reach an appropriate level in schools prior to the release of students into the TAFE system and trades courses. Others saw no benefit for TAFE in being in the same department as schools. The different ways schools and TAFE are funded were also seen as an impediment. This is also discussed in the section concerning students aged 15 to 19.

One respondent suggested the implementation of a model similar to the Victorian Local Learning and Employment Networks:

Establish in each LGA [Local Government Area] an education and training planning mechanism to support complementary provision, improve communication and link educational planning to long term community and economic development and priorities - needs to include schools, TAFE, ACE [Adult and Community Education], job network providers, council economic development and Youth Officers etc. (Industry meeting)

**TAFE and Universities**

When considering links between TAFE and universities, respondents wanted more articulation for TAFE courses into university courses. More broadly, people wanted recognition in the community of the value of TAFE qualifications. They also wanted to see more flexibility, allowing students to undertake the programs which best met their needs, from whichever sector offered them.

Some respondents made comparisons between TAFE and universities. Most commonly this was in the context of providing a broad range of career development information to students aged 15 to 19 years old, and this is addressed in detail in Chapter 2.

Others raised the concern that there should be far more effective articulation between TAFE and universities, allowing TAFE graduates to have the qualifications they gained in TAFE more readily recognised by universities. They also requested improved training pathway planning to remove barriers to higher level qualifications.

However, one respondent commented on the difficulties of achieving better credit transfer:

Training packages need to have a better link with University subjects. Within the competencies there is a range of interpretation and a variation in the quality of the outcome. Underpinning skills and knowledge have been eliminated in the training packages. University unable to identify the competencies and knowledge of TAFE subjects. TAFE and Universities need to communicate to the community on the credit transfers available to students. (TAFE staff meeting)
TAFE and ACE

The Adult and Community Education (ACE) sector, through the Board of Adult and Community Education (BACE), commented on the difficulty they perceived TAFE would have in the future in continuing to meet the needs of students in general education programs, while increasing commercialisation and meeting industry and Commonwealth priorities to address skills shortages.

ACE saw a future where TAFE and ACE could work together in … rural and regional NSW, especially in small and remote communities, [where] TAFE will find it difficult to maintain a physical presence. (BACE)

The BACE submission commented on the sustainability of the ACE sector and saw an increased role for ACE provision in the areas of literacy, numeracy and language. The submission also suggested that Outreach be moved from TAFE to ACE:

As TAFE re-prioritises, turns its focus more and more to meeting the needs of industry and becomes increasingly dependent on industry for commercial revenue, the education and training system as a whole needs to respond by developing mechanisms for strengthening communities, creating new educational pathways and fostering social inclusion. ACE is an existing mechanism for supporting people looking for foundational and employability skills and pathways into vocational training and for providing general adult education programs for equity groups. (BACE)

A submission from the TAFE Teachers Association (TAFE TA) Outreach Special Interest Group (Sig), however, described the ongoing importance of Outreach to TAFE.

The BACE submission also emphasised its role in indigenous education in regional and rural New South Wales, with more than 6000 students enrolled in 2003.

APPRENTICESHIP SYSTEM

During the course of the Futures project, the issue of national skills shortages came to the fore, as discussed in the introduction. A key aspect of this was apprenticeships. Reports, both in the media and from the Commonwealth Government, showed that while there had been an increase in apprenticeships overall, these had not been in the traditional trades areas, where the shortages were reported to be. It should be noted that TAFE NSW does not ‘own’ the apprenticeship system nor employ the apprentices, although it does train many of the apprentices in NSW.

Respondents saw the need to make apprenticeships more attractive, particularly to young people. Respondents from industry said that the current ‘one size fits all’ apprenticeship system is not useful and some called for a reduction in the amount of time taken for an apprenticeship. The challenge is to configure a flexible apprenticeship system that increases the engagement of industry (large, medium and small) in the training of apprentices:

The tourism industry sees that tourism training will be reduced to a three-year apprenticeship in the future and TAFE will have to come to terms with training for more mature people who want to enter the industry. (Industry meeting)
This comment was echoed by a respondent from a traditional trade area:

*There are massive shortages in the auto industry and the auto apprenticeships are seen to be very inflexible. The auto industry would like to see the four-year apprenticeship reduced to three years – the first year being deleted.* (Industry meeting)

Many people commented on problems in the apprenticeship system, which was described as needing to provide benefits and incentives to all involved:

*Learning experiences have to be structured and supported not only to the students’ needs but also to industries’, giving the best outcome for the student and all concerned. E.g. Ensuring that the Apprenticeship Board liaises with TAFE in monitoring employee/employer’s relationships and offering more apprenticeship places, increase the basic wage for apprentices and better incentives for employers in those industries where there is a shortage of skilled and qualified tradespeople. Market trades as an attractive career.* (TAFE student)

There was a number of calls for the provision of incentives to employers to encourage them to take on apprentices (for example, tax incentives, or legislating a set ratio of apprentices to employees); and for the provision of incentives to young students to take up apprenticeships (for example, a review of the pay structure; and a guarantee of employment).

Some employers were concerned about the expense associated with taking on an apprentice (particularly if the student moved onto a different employer after the completion of the apprenticeship). Some in industry wanted legislated processes to prevent employees leaving employers for an identified period after their training. Some stated that the duration of the contract of training (indenture) was too long.

The State Government initiative, TradeStart@TAFENSW, announced in March 2005, was designed to address a number of these issues.

Some people commented on the need for industry to be involved with TAFE in the selection process for apprentices to ensure applicants have sufficient ability to cope with the training. Currently, however, most apprentices are already employed before they come to TAFE for training.

There was a call for a review of the practice of offering both apprenticeships and traineeships in the same industry area. The concern was that since traineeships attracted lower wages than apprentices and resulted in lower skills levels, enterprises with short-term skills goals would be likely to engage trainees in preference to apprentices, to the potential detriment of skilling long-term. Concerns were also raised about the role of the Australian Technical Colleges.

Respondents, including parents and TAFE students, wanted the Government to improve the pay and conditions for apprentices and to redress real or perceived exploitation of trainees. Others wanted the pay of apprentices and trainees to be according to industry needs.

There were many calls for more pre-apprenticeship courses being offered and for increased practical ‘hands on’ training or work.
placements and workshops that are relevant to the workplace; with many wanting to have compulsory work placements introduced.

Industry called for a flexible apprenticeship system:

- that recognised existing skills and knowledge from either vocational or educational experience (for example, completion of pre-apprenticeship courses prior to Year 10, Year 10 certificate or the HSC)
- in which students could start their training at different points in the course depending on their existing skills and knowledge.

Multiple entry points into an apprenticeship that permitted the recognition of existing skills and knowledge, gained for example through completing the HSC, would address a number of industry concerns.

Finally, industry commented that TAFE and industry must work together to ensure an apprentice gains all the skills they need:

_Employers need to understand that TAFE provides the technical skills for apprentices but it cannot provide the depth of practice that the apprentice requires in practical skills required by the industry. Industry needs to do this._ (Industry meeting)

**BEING THERE WHEN YOU NEED US**

There were many respondents who stated that TAFE was not promoting its achievements and services sufficiently:

_TAFE needs to market itself more vigorously, both locally and overseas. … People in the community need to understand what TAFE now is … TAFE can no longer rely on students dropping into the course information centre on the off chance that we have something. … Many people within TAFE, let alone in the wider community, are completely unaware of the range of courses, quality of facilities and flexible pathways which TAFE offers._ (TAFE staff member)

This was borne out by the many comments and suggested strategies which reflected a lack of understanding of the products and services currently available from TAFE NSW. For example, many people called for on-the-job training or work placements in TAFE courses to give students a better idea of the workplace environment. Currently, all TAFE apprenticeship and traineeship courses and many other courses include compulsory on-the-job training (work experience modules or units). This ranges from 30% to 90% of courses, depending on the industry area. Other people called for summer school programs. TAFE has run Summer Schools for a number of
years now and these have been expanded each year. These comments suggest a strong need for TAFE to promote itself more effectively so that the community knows what TAFE offers.

Overall, respondents wanted to see improved industry, community and school knowledge about the training, products and services available in TAFE. They called for TAFE to promote its willingness and capacity to meet new skilling needs, with delivery when and where it is needed. They also wanted TAFE to turn around the current view held by some people that the careers for which TAFE provides training are less valuable than other careers. (This is discussed in some detail in the section on students aged 15 to 19.)

Community, parents and TAFE staff wanted improvements in information about the links between course options and subsequent employment prospects so that students, parents and employers are able to make more informed training choices:

*How TAFE informs the community about itself and how it relates to the community needs to be addressed. TAFE needs to recognise that money [spent] on ‘relating’ to the community and assisting students to select the most appropriate course is well spent.* (TAFE staff meeting)

Specific suggestions for improved promotion included developing promotional brochures with local current offerings to supplement the TAFE Handbook, particularly when there have been changes to offerings since publication of the Handbook; and funding a program of informing the community throughout each year about TAFE and its courses using high quality promotional materials, faculty based information days at TAFE campuses and in schools and the community.

Other suggestions included:

- making the TAFE Handbook free and improving its organisation
- providing expanded advertisements in the printed press, including the local and ethnic press and providing television advertisements throughout the year
- providing clear, accurate TAFE course information and fee exemption advice to employment agencies
- providing a pre-recorded video on the TAFE internet with a chat room facility.

They also wanted to see TAFE’s achievements publicised, though one respondent pointed out that this was already being done through publications such as *TAFE Link*.

Respondents also called for:

- improvements in the accuracy of course profiles in Institutes
- consistent information across Institutes to reduce customer confusion
- clearer course naming, using well-known names of jobs rather than Training Package titles
- improved assistance to students in making informed choices about courses
increased employment outcomes and job placement services would also assist in the promotion of TAFE to potential clients.

They also asked for better processes for recognition of prior learning (HPL) and improved promotion of HPL, because it was seen as an important attractor of potential students both in the context of on-the-job and Institute-based training. One respondent, however, called for less HPL to ensure students learned new skills:

Reduce the amount of RPL allowed when training to get national qualifications so that students actually learn new skills and knowledge rather than just getting a piece of paper for skills and knowledge they already have. (Industry member)

The comments about TAFE promotion can be summarised by the idea that TAFE needs to become clever with their marketing – you may pay more but quality is better. (Industry and TAFE staff meeting)

VALUING PEOPLE

TEACHERS

The teacher makes or breaks what happens. (TAFE student meeting)

While a number of submissions made positive comments about TAFE teachers, many parents, students, industry and community respondents wanted them to improve their performance and competence.

Respondents identified a series of areas where they saw the need for improved teaching:

- improvements in knowledge of current workplace skills and requirements
- the use by teachers of correct written and spoken English
- improved teacher organisation, planning, preparation and classroom management
- improved empathy and emotional intelligence when dealing with students especially students of non-English speaking backgrounds and students with a disability.

They wanted to see consistent quality in teaching across TAFE and suggested annual reviews of teacher performance be undertaken. There were also many calls for teachers to be industry specialists as well as being accomplished teachers. Both skills sets were valued highly and equally by TAFE students.

Ensure teacher-knowledge is up to date and that they are able to use/teach about latest technology in the field of study and

TAFE needs to work more on RPL especially for mature aged students. (Industry meeting)

We need to put out material showing how we compare to private courses and how TAFE training is better and cheaper. (Industry meeting)

[There is a need for] teachers with expertise, care and commitment to student welfare. Many of the teachers at Bradfield College fit this mould. They go out of their way to help students, to build their self esteem and self confidence, to be sensitive to their needs and to be extremely professional. (School staff member)

Great teachers plan their module presentation, present a mutually agreed timetable to the class within two weeks of the start, and then stick to it. The last thing students need is chopping and changing during the time a module is being covered. (TAFE student)

The teacher is a facilitator. A good one has to provide different methods of learning. It is important for TAFE teachers to know about different learning styles. (TAFE student meeting)
Many industry respondents and students suggested that teachers ‘return to industry’ regularly, or be employed by industry and be part-time teachers in TAFE. They called for:

... a compulsory Return to Industry program every 3 years for teachers to keep up with industry skills. (TAFE staff and parents meeting)

They called on TAFE to:

- continuously improve teacher performance through professional development, rewards and incentives
- increase support for all categories of teachers, but particularly for part-time casual teachers
- provide professional development for teachers.

A number of staff respondents commented on the negative impact of employing part-time, casual teachers:

Most teachers in TAFE are P/T and P/T teachers are not supported sufficiently. This affects the level of support they are able to give to students. (Multicultural Community Focus Group)

An effective performance management system, with sanctions and incentives, was seen to be an important tool for managing staff. Most respondents, however, emphasised the importance of effective recruitment. Improved recruitment procedures were seen as one means of improving teacher performance: respondents suggested that TAFE ensure that successful applicants have the appropriate mix of skills and knowledge before recruiting them rather than having to manage poor performance after employment. They stated that TAFE needed to select people with the right personal qualities and relevant industry skills and then provide them with appropriate pre- and in-service training, ongoing support and the right mix of resources.

Some respondents suggested that, where incentives, counselling, mentoring and other forms of assistance did not result in improved teacher performance, the employment of a poorly performing teacher should be terminated.

People who advocated incentives suggested the following ways of improving teacher performance:

- improved valuing and rewarding of quality teacher performance
- the sharing of successful class management
- ‘inspirational leadership techniques’
- salary packaging and allowances
- housing and spouse or partner employment in hard to staff areas.

A number of respondents wanted to see rewards in the form of incentives for their sections, in addition to or in place of personal rewards:

... TAFE teachers need to see a series of concrete advantages for their section to reward them for enrolments gained in commercial ventures. ... greatly improved procedures need to
be set in place to support teachers in the realisation of TAFE Plus courses including market research, advertising, course development and resources. (TAFE staff member)

Some respondents suggested that teacher skills and knowledge be matched to model appropriate skills to students; and that industry representatives become involved in TAFE classes, for example as guest lecturers. Respondents also suggested that more flexible staffing arrangements be introduced including sharing staff between schools and TAFE, targeting mature age workers for recruitment and increasing the number of part-time permanent positions. Teacher exchange between schools, TAFE and universities was suggested.

One respondent suggested that TAFE teachers serve an apprenticeship, an idea also raised in the context of school teachers:

The rate of having ineffective teachers could potentially be reduced by having them serve a type of apprenticeship with entry via part-time teaching and the gradual building of teaching skills. In TAFE it does not alleviate all mismatches, but it helps people prepare themselves mentally and physically for meeting students in a learning context which is full of challenges. (TAFE staff member)

The value placed on administrative and support staff was clear from the many calls for increased administrative support for teachers to allow teachers to focus more directly on teaching and to enable innovation. Respondents said that the removal of administrative support from TAFE structures was making it increasingly difficult for education staff to focus on educational issues. They also said that the ‘tension’ between administrative and educational functions should be addressed.

The issue of succession planning was also raised. One response stated that it was Important to consider the issue of the ageing workforce in course planning and curriculum design (TAFE staff meeting).

Another response stated:

Succession Planning: Industry is not convinced that TAFE has the capacity to continue to maintain current levels of delivery. There was a perception that TAFE’s ageing workforce and lack of succession planning would diminish TAFE’s capacity to meet industries training requirements. (Industry meeting)

**LEADERS**

Most of the responses about leaders in TAFE were from TAFE staff. Respondents wanted to see early identification of possible future leaders, with systems put in place to develop their skills and capabilities. It was noted that leadership may be seen at all levels of the organisation.

Succession was seen as a critical issue and respondents called for a statewide comprehensive leadership development strategy. Some people wanted leaders to have closer links with industry; others wanted them to have an educational background. A number of respondents wanted leaders to have formal qualifications in management or leadership.
Leaders should complete a recognised qualification in leadership/management, such as a Graduate Certificate in Leadership in the Workplace or Certificate IV similar to the Certificate IV in Assessment in the Workplace. (TAFE staff meeting)

They also wanted leaders in TAFE to have skills in strategic development and business development and achieving cost savings. Change management was also described as a key skill area:

Great emphasis should be placed on change management and providing skill development in change management strategies. … There is a need to establish formal statewide and regional networking groups for future leaders to develop skills and exchange experiences. (TAFE staff meeting)

Some felt people management skills were most important; others financial skills. A holistic approach was suggested, as was the development of selection criteria reflecting VET leadership and management capabilities … informed by recent research. (TAFE Managers Association)

Some respondents proposed dual leadership pathways. One of these was to allow people access to leadership positions while remaining in the classroom: advanced skills teachers and master teachers were referred to. Another view was that the dual pathways should consist of administrative and educational leadership roles.

Again, the importance of administrative and support staff to respondents was clear. A number of submissions stated that Head Teacher positions had become overloaded with administrative duties, which took attention away from the educational and business aspects of the job, and that support staff and structures should be provided to assist in this.

Future managers will need to be provided with support structures geared to the core activity of educational delivery – teaching. Too often managers are servants to processes and ‘support’ units. (TAFE staff member)

As with teachers, recruitment was seen as a key issue. Some people wanted to see efforts made to increase the possible recruitment pool, in order to bring in new ideas, but others felt that leaders should be found from within, to bring a knowledge of the organisation to leadership positions.

Effective recruitment was again seen as the key to managing performance. Some respondents felt that the interview process was not sufficient in identifying leaders; some questioned the merit selection process, while others supported it. One submission referred to NSW Police as an agency where leadership competencies have been developed for recruitment purposes. It was also noted that good teachers and good leaders do not necessarily have the same skill sets.

Other strategies identified for building good performance, as well as addressing low performance, included:

- appropriate performance management, including retraining and upskilling programs
• mentoring and shadowing schemes, including targeted opportunities to act in leadership roles
• 360 degree review scheme.

More movement across the schools and TAFE sectors, both in terms of careers and secondments, was also suggested.

Rewards and recognition suggested for high performing staff included:
• return to industry programs, specialised training and sabbaticals
• formal recognition and award schemes for leadership positions
• performance-based remuneration.

Respondents also wanted to see good leaders rewarded with more challenges and trust.

There were respondents who emphasised the importance of the student, to the business of all members of the Department, including leaders:

*Future and current leaders need to … accept … that the whole educational system … is ultimately there for the benefit of students, and not the other way around.* (TAFE student)

Respondents also called for senior management to recognise, value and support the good leaders already in place. People wanted to see a culture that encouraged innovation and risk-taking. They also wanted leadership roles to be clarified in a way that gives appropriate authority, responsibility and accountability (TAFE Managers Association). They called for a culture that accommodated risk-taking, within boundaries, and understood mistakes being made:

*Recruit leaders that are not conservative, that are innovative, exciting, effective communicators and have a strong management skill set. Improve the recruitment process by moving towards a performance based assessment rather than the superficial interviews that focus on conventional day to day processes.* (TAFE staff member)

**ORGANISATIONAL CULTURE**

As with leaders, most of the respondents who commented on organisational culture with reference to TAFE were TAFE staff. It was clear from the responses that TAFE staff valued the TAFE culture they described and did not want to see it lost in the larger DET culture.

Respondents called for a vision for collaboration and future direction, which focused on the students and on education. They wanted to see an organisational culture which was transparent, fair, inclusive, trusting, flexible, supportive and collaborative.
To achieve this our leaders should demonstrate capabilities and behaviours that align to new organisational values. There needs to be more individual awareness of all of the organisational processes and this can be achieved through the implementation of a quality improvement approach across the organisation. There should be regular consultation and participation of all levels of management in decision making processes and not a hierarchical approach to involvement. Critical behaviours should be articulated and practised. Delegations and flatter management structures should be established which provide for local decision making. (TAFE Managers Association)

As in the responses to the leaders section, they wanted a culture which encouraged people by valuing innovation, creativity and risk-taking in a supportive environment. They also wanted consultative decision-making, with open and transparent communication across the organisation. They called for a culture of autonomous business units to enable flexibility and responsiveness … that TRUSTS officers to make decisions but holds them accountable. (TAFE staff meeting)

Barriers they identified included the size of the organisation, resourcing, the centralised culture of State Office, inflexible human resources practices, ‘political interference’, industrial award constraints and the adversarial industrial culture.

The current teachers award restricts organisational flexibility – there is a need to ensure that any industrial agreements are appropriate to the organisation’s goals and are flexible enough to enable achievement of those goals. (TAFE staff meeting)

They wanted State Office to offer a service and support approach which enabled good local decision-making and recognised local expertise. They wanted to see a continuation of devolved budgets and accountability for TAFE.

Restructuring was also described as a barrier to achieving the kind of organisational culture respondents wanted to see:

Remove the constant threat of restructure. It … only causes unrest and upheaval in the organisation. I’ve seen many restructures where valuable expertise and experience are lost by culling of staff, leaving the remaining staff over worked with increasing pressure. (TAFE staff member)

To enhance collaboration across the organisation, they called for systems, policies and work practices that recognise the benefits of collaboration, for example sharing both best practices and facilities. Examples given included team approaches between schools and TAFE: in dealing with student behaviour problems; and in VET programs, including appointing a full-time TAFE staff member in each school. (TVET, TAFE-delivered VET for school students, is discussed in the section on students 15 to 19 years old in Chapter 2.) Respondents from both schools and TAFE also wanted the organisation to create opportunities for sharing ideas and collaborating on common issues and mechanisms for people to contribute new ideas:

The DET should encourage and support initiatives for school and TAFE staff to understand each other’s work better. This
should include teacher exchanges, partnering, team teaching and other models so that the approaches to teaching of both parties are enriched. Some models of these arrangements already exist in the delivery of VET subjects and these should be expanded and supported. (Curriculum K-12 Directorate)

The issue of TAFE’s own culture within the context of the Department of Education and Training was frequently raised:

**DET culture has colonised the TAFE culture, there is concern that the TAFE culture was healthier than the DET authoritarian, hierarchical, didactic management style … The department to look at qualities and skills for long term effective management where communication is open and unafraid. (TAFE staff and parent meeting)**

People wanted to ensure that TAFE’s strengths, such as encouraging a team approach to problem solving, were maintained. A number of respondents described a ‘them and us’ culture between schools and TAFE and said that schools did not value TAFE’s contribution to education and training.

Industry respondents who commented on the combining of schools and TAFE into one department did not see this as having been beneficial, except to some extent in the area of VET in Schools. Industry also said that there was a challenge presented by the combination of schools and TAFE as a different philosophical approach was required. Some people both from TAFE and from industry felt that the two organisations had operated more successfully separately and some even called for them to be separated again, a divorce. Others felt that it was taking too long for TAFE and schools calling for to start working effectively together as one agency.

Respondents wanted to see recognition from State Office that TAFE and schools had separate businesses, with different goals and largely different clients and customers. While some described this as problematic, others thought there was a benefit to a large organisation which recognised that it had different operational arms and allowed and facilitated their different operations within an enabling culture:

**We should ask if it’s necessary for one sort of culture across DET. TAFE and Schools are in very different customer bases and the way we behave and manage our businesses reflects this. We can have two distinct cultures but the same set of values predominately around providing quality learning outcomes for all students. (TAFE staff meeting)**

Finally, some respondents stated:

**Bridges need to be built to address cultural differences/barriers between schools and TAFE. (TAFE Staff meeting)**
SHARING THE BENEFITS, SHARING THE COSTS

The Business Council of Australia (BCA) has previously described the importance of education and training to a company’s bottom line and to the economy of Australia. Training which meets the needs of industry and individuals will be critical for the current and future economic performance of Australia (BCA, 2004).

In 2004, prior to this consultation, a study was released that analysed the employer contribution to training, by acknowledging the value of employee time. It showed that the employer contribution is around 57% of the total national contribution (based on 1996 figures), with an employer contribution equivalent to $16b annually (NCVER, 2004). Industry respondents were prepared to pay for training but were not happy with funding cuts to TAFE – TAFE has been kneecapped (Industry meeting) – and wanted to see a long-term political commitment to TAFE.

In relation to students contributing to their education and training after school, one submission expressed concern about the lack of awareness of fee exemptions by some members of the community. Some people were opposed to students paying the TAFE fee and called for a removal of it. Others commented on the negative impact of the cost of training (including fees, text books, loss of potential income and the cost of travel). A number of respondents also said there should be no further increase in the fees beyond the 2004 increase.

Others expressed concern about the capacity of the working poor to pay fees:

TAFE should be affordable – fees should be within the reach of low-medium income earners. The people most disadvantaged with the current fee structure are those in low paying jobs who do not qualify for financial aid but who want to increase their earning capacity by improving their standard of education. (TAFE staff member)

Most responses about the TAFE fee were focused on changes to the way the fee structure operated, including:

- reducing the TAFE fee for low income earners
- the fee being means tested
- the fee being based on the number of units rather than the level of the qualification
- the fee structure being modified to reflect the level and duration of the course.

A number of respondents suggested alternative payment options including a HECS-type arrangement with deferment of payment until employment; or a year-by-year advancement system:

Students should pay using a HECS type Model. Australia is responsible along with Industry. Investment in training is for the
whole country… A Federal Government incentive for taxation purposes should be introduced. At present there is no incentive to Employers. (Community meeting)

Others, however, insisted that HECS not be introduced for TAFE students.

Many respondents viewed the responsibility for education and training as belonging to the Government or industry. Some called for increased government financial support of students for their training through scholarships, exemptions or other incentives, particularly for students from low socio-economic groups, to ensure that people were not denied the benefits of education and training.

There was another view that the payment by students was acceptable because students receive some benefit from their studies and also because dedication to the course was felt to be proportional to the sacrifices needed to do the course. There was also the view that everyone who benefitted from TAFE should have to contribute to it:

Industry’s the major influence in setting directions for the future for TAFE. As they are the major beneficiary of the TAFE system they need to, indeed have an obligation to, provide a major part of the financial support for TAFE. This may be in the form of a training levy or through the use of industry facilities. The community is also a major beneficiary; therefore the community through the government should contribute a major part of the TAFE budget as well. Individuals benefit from TAFE and therefore some fees are appropriate but they can be a deterrent to potential students. There is a need for scholarships and exemptions, especially for those students living in a low socio-economic position. (School staff meeting)

A LONG-TERM COMMITMENT TO TAFE

TAFE’s goal is to increase knowledge, skill and resilience among individuals and businesses to grow the economy and build the skills of the people of NSW and beyond. (Chair of the NSW TAFE Commission Board, addressing an industry forum during the consultation)

As discussed in the introduction, the issue of skills shortages was brought into strong focus during the time of this consultation, through the media. A number of respondents addressed this issue:

There is a massive shortage in the various aspects of the wool industry. Ten years ago there were 48,000 accredited wool classers nationally. Now there are only 25,000. This is a definite challenge for the future. (Industry meeting)
While some in industry have called for ‘guest workers’ to be brought into Australia (Colman and Korporaal, 2005), others in industry feel that it is essential that skills shortages be addressed by skilling the workforce in Australia, including reskilling mature age workers (The 7.30 Report, 8/3/05). Some respondents linked skills shortages to resourcing of VET and especially TAFE:

**TAFE needs catch-up funding urgently to address skill shortage issues. Industry needs to contribute more to the cost of this skill shortage training …** (Joint school, TAFE and community meeting)

Some respondents felt that industry should contribute more:

**Often industry is a major benefactor from the VET system, with most initial and much ongoing training of their workforce provided by TAFE. There would appear to be some scope for contributions from industry in the same way that individuals now contribute through fee payment.** (Industry group)

High levels of knowledge, skills and competencies derived from education, training and experience have been linked to economic prosperity, fuller employment, and social cohesion. Investment in knowledge, skills and competencies is increasingly recognised as being essential to individual, organisational and national security and success (OECD, 1998). For this reason, other respondents believed that industry’s role in generating income meant that Government should continue to fund training:

**Given the role wealth generation industries play in the economic development of regional communities a commitment to funding for the delivery of training by the government is important.** (Hunter Manufacturing Council)

In commenting on issues for TAFE, the Federation of P&Cs’ Association of NSW stated:

**Industry … needs to contribute to the education process that is a benefit to both the individual and to the industry. It is essential that funding from industry and business reflects this commitment.**

**It is extremely important that TAFE is funded adequately and that any redistribution of funds by successive governments between the TAFE and school sector is never to the detriment of one or the other.** (Federation of P&Cs’ Association of NSW)

Many respondents called on TAFE to continue to seek funding actively from a number of different sources. Other respondents called for TAFE to take on a more business-oriented approach, raising the idea that TAFE should gradually decrease its reliance on government funding and increase its profits through prioritisation. One industry group commented that the flexibility of the service provided should be related to the cost and funding source:

**For commercial activity the delivery and content is flexible and is determined by what the customer wants. However for government funded activity it may not be reasonable for industry to expect the same level of flexibility and customisation.** (Industry group)
A number of industry respondents wanted to see TAFE undertake longer term planning, as discussed above. It was suggested that a longer budgeting cycle would assist here. This is a model that has been adopted in the United Kingdom:

- **The new planning and control regime is divided between** Departmental Expenditure Limit (DEL) spending, which includes most departmental programme expenditure, and which is planned and controlled on a three year basis through the Spending Review process; and **Annually Managed Expenditure** (AME), which is reviewed twice yearly as part of the Budget and Pre-Budget Report process.

- **Firm and fixed DEL plans are set for three years going forward, and are reviewed every two in biennial Spending Reviews.** To enable spending programmes to be planned over the medium term and to avoid wasteful end of year spending, the new regime allows full end-year flexibility (EYF) - that is, departments can carry forward any unspent resources into future years. (HM Treasury, 2005. Original emphases)

A three-year budgeting cycle has also been adopted by the European Union and Sweden, while in New Zealand: During the strategic phase of the Budget cycle, Ministers collectively determine the Budget strategy objectives for the coming three years. (State Services Commission, 2002)

A strong viable TAFE NSW needs a clear, stable and ongoing commitment from the community, industry and Government to resource and support it, within a system which allows for appropriate contributions to be made:

*Public education is only equal to the commitment of the politicians. There needs to be a long term policy that has the commitment of all political parties, that is costed and which has a long term commitment to funding. Such a policy commitment needs to be subject to regular, smaller reviews that ask ‘Can we do it better?’ but without a complete change of policy.*

(Industry meeting)
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