

Does TAFE have a *sustainable* future?



Is a 'market driven approach' really what we want as a society? Be careful what you wish for!

By Jeff Gunningham and Dr Ruth Schubert

TAFE is a national treasure, this network of Technical and Further Education organisations that has evolved and developed over the past 100 years. TAFE has its origins in local organisations, Schools of Mines, and grass roots community groups, that realised there was a need for a third wave of education and training focussed on real and practical skills. In the last 40 years, TAFE has emerged as a united force recognised and valued across Australia, and considered one of the top vocational education systems in the world. Why is it then the national policy directions don't seem to recognise world's best practice in vocational education? If it's not by intent, it must be through a lack of understanding.

In recent years, education has been an issue given national priority; schools and the university sector have had significant additional investment, and we have constantly been reminded that education is critical for a smart country competing in international markets. TAFE trains and educates many

more Australians than universities; annually, 1.7 million people gain qualifications at the trade, paraprofessional and professional levels, considered the heartbeat of the workforce for real business. Yet this education effort is now undervalued as we move into an 'open market' with thousands of private RTOs (independent businesses) cashing in on the government dollar, often providing training in areas not needed, and driving cost to the bottom.

If this was happening in our schools and universities, we would have a national outcry. Experience shows that when governments open up a community service to the free market, quality takes a nosedive, dodgy 'fly by nighters' cash in big time, and governments are embarrassed when budgets are rapidly exceeded. This happened in New Zealand when their vocational system was transformed into an education market and more recently in Victoria with dire consequences. The same occurred with the Jobs Network when the CES was closed and

services put out to tender and there were even more serious consequences in the 'home insulation' debacle.

Are we as Australians not able to recognise and value a system that is world class? This is not to say that TAFE should be put in cotton wool and protected for life. All organisations need to evolve, and innovate. There is nothing wrong with competition and it needs to be encouraged. However, the wrong levers are being used to encourage and facilitate this; effectively the baby is being thrown out with the bathwater. What we need in Australia is managed competition where the government investment in TAFE is protected and utilised in the best interest of the wider community.

As part of this, we will need to improve our productivity and flexibility to ensure we deliver a value for money service. We also need to carry out a review of our system of industry advice and quality control which over the years has become top heavy, highly centralised and overly bureaucratic. Indeed,

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our VET system has gone through massive and turbulent change since the inception of the Australian National Training Authority over two decades ago. This change continues unabated and is driven by often conflicting policies of State and National Governments. In plain words, the VET system in Australia is too complicated and in urgent need of reform.

The white paper *Australia in the Asian Century* makes it clear that education services are critical in the engagement with our Asian neighbours. The current and previous Federal Governments have also belatedly realised that education is a major export earner for Australia, and yet the international student market was seriously compromised by the practice of some unscrupulous private providers. The white paper highlighted that the Australian VET system is indeed world's best, but this is in fact **not VET but TAFE**, with the capacity, skills, and expertise to provide education services in the Asian region. TAFE already has 240 active partnerships in 40 countries with 58,000 students studying offshore. Do we want to risk this export market? Why not ensure that TAFE



with a national and international standing is the recognised pathway for international students on shore and off shore?

TAFE is value for money; the recent report by Independent Economics commissioned by TDA and sponsored by the Federal Government, shows that investment in TAFE has a 18% return on investment. The report showed that this applied to students

who complete a qualification or just a small number of units of a qualification. This also challenged the recent diatribe about 'low completion rates'. When students choose to complete only part of a qualification, this report shows there is a valuable return on investment, and is still needed as a service to students in a 'just enough and just right' model of upgrading skills. The report also highlighted that the expected investment of \$2.3 billion over a five year period was insufficient to address significant levels of industry and individual demand. The modelling also suggested that a further investment of \$1 billion would stimulate more than double the economic impact from \$0.6 billion to \$1.4 billion.

The Higher Colleges of Technology (HCT) in the United Arab Emirates (UAE) provides us with a salient lesson on the principle that 'Quality costs Money'. When Jeff Gunningham was appointed to the role of College Director with the HCT, he had the opportunity to work closely with the then Federal Minister for Higher Education, Sheikh Nahayan bin Mubarak Al Nahayan. At that point, the HCT was in a rapid expansion

phase, and the political leaders of the UAE were yet to be convinced of the return on investment for the local national population.

As a consequence, insufficient funds were provided to supposedly build a world class system. In response, Sheikh Nahayan decided to put his own money where his commitment was. He insisted that quality of delivery was dependent on adequate funding and used his own personal resources to underwrite the recurrent funding of the HCT. After around five years of operation, the HCT was regarded as a quality organisation producing high calibre national graduates, job ready for their fast growing economy. Indeed, they were regarded as of a higher status than the government funded universities and received a range of accolades through such organisations as UNESCO. From that point on, the HCT was properly funded by the UAE Government. Can you imagine the same happening in Australia? We don't think so unless we're lucky enough to find a TAFE version of Twiggy Forrest!

So why is TAFE treated differently? Why is it that real and practical education is not valued as much as the more theoretical academic learning provided in most of our schools and universities? Why doesn't TAFE sit on the same playing field as schools and universities? Partly it's because we have had a long standing preference for elite learning; this can be traced back to the Greek traditions of learning where excellence was best represented in highly structured written/verbal argument. The kind of learning which TAFE specialises in, which is fundamentally



practical and tacit, is not considered as highly developed, or worthwhile. It's perhaps then not surprising that when national policy decisions are made by a group of politicians who know universities, but in the main don't understand TAFE, they don't value it.

This is, however, not true for those politicians from regional and rural Australia who know and appreciate that TAFE is a key Institution in their communities and a source of learning, pride and opportunity. After all, TAFE is in many regional locations the only source of further and higher education. Currently, 23 TAFE Institutes deliver higher education programs leading to over 100 qualifications. This is niche vocational and applied higher education — a combination of real skills and understanding that

employers want.

Public education makes an enormous contribution to the human capital of the nation by providing education and training to a vast number of students. Public education workers are also regarded as 'boundary crossers' and 'honest brokers' able to span the boundaries between their institutions and industry and community, working in the best interests of others without prejudice or focussing on personal financial gain.

Research conducted across the workforce of TAFE in regional South Australia alone, showed that their time in contributing to the social capital of their communities was worth approximately \$8.6 million each year.

TAFE does contribute to the triple bottom line, both in environmental and social sustainability. TAFE in Australia has an enviable international reputation. Yet the system, the staff and the very fabric and essence is at a critical tipping point. This is the time for Australians to wake up to the national treasure that TAFE is, because if we are not careful, our society will get what they wished for and it won't be pretty! ♦

These views are those of the authors and do not necessarily reflect the collective view of TAFE SA.



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