

The operation, regulation and funding of private vocational education and training (VET) providers in Australia. TITAB Australia response

Introduction

TITAB Australia is an industry body responsible for managing a vocational training assessor network for cabling in telecommunications and has a range of roles relating to training and assessment in telecommunications technical areas.

TITAB Australia provides some training products to the telecommunications sector and has a well-recognised role in industry as a skills needs adviser in telecommunications customer premises, access networks, NBN, switching and digital television. TITAB Australia is a business unit of CITT and works in close association with ADTIA (Australian Digital and Telecommunications Industry Association).

TITAB Australia also manages the largest telecommunications customer premises cabling provider registry in Australia and is accredited by ACMA (Australian Communications and Media Authority) in the registrar role.

TITAB Australia is a member of a number of industry committees and participates in a number of industry training activities relating to quality assurance, assessor requirements and training needs analysis in most areas of telecommunications - and also regulatory aspects in the customer premises sector. Training Package development work, which is now usually managed my IBSA (Innovation and Business Skills Australia) has also been contracted to TITAB from time to time.

Terms of reference

- (i) The access private the VET providers have to Commonwealth and state public funding. In general, the access to Commonwealth and State public funding appears to be satisfactory. However there is often a delay in in the provision of such funding that falls behind industry needs, particularly in the context of ever-changing technologies. Often the industry regards the amount of funding devoted to engineering and technical training to be inadequate compared to some other areas of the economy. However, this is a matter of judgement in the system from time to time and industry often makes representations on these matters, although often these representations are fragmented, enterprise based and not uniform.
- (ii) The cost of education at private VET providers. The cost of education at private VET providers is significant and where fee for service is provided without Commonwealth or State public funding, is often a significant burden for individuals seeking to gain qualifications for entry to the industry and for upgrading of existing skills.



Competitive pressures tend to keep the rates at comparative levels between private RTOs (Registered Training Organisations), however, costs can be onerous, particularly in comparison to public training providers for similar programs. Often TITAB Australia receives complaints about the quality of private VET providers training compared to the public TAFE system when costs are compared for similar programs.

- (iii) The regulatory regime private VET providers operate within. In general terms the regulatory regime for private RTOs is satisfactory. However there is often a lack of quality oversight by the territory and state agencies responsible for quality assurance and in many cases audits are undertaken by operatives who are not skilled in the subject matter where the audits are conducted. Consequently there is often a focus on less important matters such as the dates on training materials, rather than the outcomes of the RTO delivery in the context of quality.
- (iv) The operation of VET-FEE-HELP. There needs to be more transparency in this area. Often programs are marketed to secondary school students at year 11 and year 12 where costs are quite significant and usually carried by parents. Many of these programs which are marketed by private RTOs, do not lead to satisfactory job outcomes and are more of a revenue raiser for them than a quality service. There are also a number of cases where long-term unemployed persons have been offered programs and then incur debts where again there are not suitable job outcomes. Sometime in the future it would be wise to conduct a small review of the VET-FEE-HELP operation with a view to ensuring greater transparency and more targeted delivery.
- (v) The quality of education provided by private VET providers, volume of lending requirements and graduate outcomes. The quality of delivery can vary substantially from trainer to trainer, particularly in the technical areas of telecommunications. Although nationally there are suggested hours allocated for competencies and qualifications, in practice, while funding may be based on such notional hours (usually developed in the Victorian VET agency as a benchmark) course delivery can be significantly less (even down to 25%) than the notional hours which can mean extremely poor training outcomes. To some extent this is a matter of implementing a quality assurance program at the state and territory level and ensuring that an audit system works and that proper delivery hours are maintained.



In terms of staff quality this is usually not a problem, as training staff are often drawn from industry and have a reasonable level of currency in their skills and knowledge. Qualifications for trainers and assessors are well known and generally adhered to.

- (vi) Marketing and promotional techniques employed by private VET providers and education brokers both domestic and international.

 Marketing and promotional techniques can vary in quality and the level of honesty of presentation. However in many cases the market pressures can be brought to bear on the rogue element. There is some concern from time to time over how courses are presented internationally and sometimes courses delivered in Australia do not meet the expectations that were created in the original presentation overseas. In the majority of cases, marketing and promotional techniques are high-quality, although some concerns are often expressed regarding how some enquiries are handled by the VET providers and education brokers. This can sometimes be less than satisfactory with a focus on enrolment and financial returns rather than the interests of the student.
- (vii) Any incidents or allegations of non-compliance with regulation and funding arrangements at private VET providers. There are occasionally incidents or allegations of non-compliance and these are usually taken up with the responsible state or territory agency. There are mixed responses from these agencies and often incidents or allegations of some quite serious non-compliance matters are not followed up expeditiously and this can lead to tensions at the RTO or customer level. To a large extent this relates to Item (iii) of the terms of reference and the quality assurance processes within the state or territory as well as the quality of assurance and audit tools within the RTO.
- (viii) Political donations made by private VET providers. TITAB Australia has no views on this matter and we have no evidence to indicate there have been RTOs compromised with service delivery or links to government, by such donations. However, funding and resource allocations made at the state and territory level should always be transparent to avoid any appearance of bias as a result of possible political connections



- (ix) International comparisons to the Australian funding and regulatory regime. It is difficult to make comparisons, however, it is obvious that many Asian countries in particular, are subsidising technical training to a much greater extent than is the case in Australia.
- (x) The operation regulations and funding of private VET providers specifically offering courses in aged care and early childhood education and the labour market outcomes. TITAB Australia is only involved in technical engineering training and has no comment to offer in regard to this sector. However as an observer it appears that in most cases job outcomes are satisfactory
- (xi) Related matters. There are a number of related matters and particularly in relation to training packages such as those in telecommunications where often there is a preference among private RTOS for delivering individual competencies or competency sets rather than certificated qualifications as the financial returns are much greater. This can mean that the public TAFE system carries a greater cost burden than would be the case if the differing training requirements were spread reasonably even across the private and public sectors so that no one sector carried a greater burden for the high cost areas than the other

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