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Website: www.vinnies.org.au
Donation Hotline: 13 18 12

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Committee Secretary
House Standing Committee on Education and Employment
Parliament House
Canberra ACT 2600
Australia

A small, handwritten signature in blue ink, possibly reading 'J.E.', enclosed in a thin black rectangular box.

Via email: ee.reps@aph.gov.au

**Submission to the Inquiry into the role
of the Technical and Further Education
system and its operation**

The St Vincent de Paul Society (the Society) is a respected lay Catholic charitable organisation operating in 148 countries around the world. In Australia, we operate in every state and territory, with more than 50,000 members, volunteers, and employees. Our people are deeply committed to our work of social assistance and social justice, and we run a wide variety of programs around Australia. Our work seeks to provide help for those who are marginalised by structures of exclusion and injustice, and our programs target (among other groups) people who are homeless and insecurely housed, migrants and refugees, people living with mental illness, and people experiencing poverty.

On 25 March 2013, the House of Representatives Standing Committee on Education and Employment announced an *Inquiry into the Role of the Technical and Further Education (TAFE) System and its Operation*. The Society's member states and National Council have consulted, and the Society welcomes the opportunity to contribute this submission.

Introduction

The Society believes that every Australian has the right to "a place to learn". This right is enshrined in Article 13 of the *International Covenant on Economic, Social and Cultural Rights*, which states that primary education must be free to all, and binds parties to a progressive realisation of free and accessible secondary and higher education. As a signatory to this Convention, the Australian government has a duty to its citizens to both increase the accessibility, and decrease the cost, of educational opportunities.

The Society is actively engaged in many educational programs around Australia, at all levels. For example, we participate in early education programs in the ACT, we run homework centres for high school students in Western Australia, and we are a partner in the successful Catalyst Clemente higher education program across Sydney and Perth.

The Society agrees with the Committee that TAFEs play a critical role in the training and development of Australians, providing a pathway to training and skills which are increasingly needed to access employment.¹ This might be called the **instrumental** value of TAFE: providing skills to the nation. However, we believe that there is also **intrinsic** value in all education that cannot simply be measured in economic output: the value in broadening people's minds, their understanding of the world, and giving them greater self-confidence. This is linked with TAFEs' recognised role in regions, and in providing educational opportunities targeted at disadvantaged groups.²

¹ Media release of the Committee, issued 25 March 2013, 'Education and Employment Committee to launch inquiry into TAFE system'.

² Media release, above.

This submission now addresses the relevant terms of reference.

1. The role played by TAFEs in the development of skills in the Australian economy

In line with their instrumental functions, TAFEs have a key role in delivering skills into our economy. Indeed, a study has shown that, when compared to a private provider model, TAFEs create a higher-skilled economy, with a broader range of skill training.³

TAFEs are also more responsive than private providers to areas of skill-shortage within the economy, and TAFEs cater to these needs. A recent wide-scale analysis by the Centre for Policy Development (CPD) showed that in Victoria, for example, the rate of TAFE students who are being trained for roles affected by skills shortages was 50% higher than the rate of students being trained for such roles in private facilities.⁴ TAFEs clearly deliver much-needed skills into the Australian economy. Moreover, these skills are taught to a high level: a national survey found that around 80% of employers are satisfied with the education apprentices and trainees receive from TAFEs, and 90% were satisfied with all other training towards nationally recognised qualifications.⁵

2. The role played by TAFEs in the development of opportunities for Australians to improve themselves and increase their life and employment prospects

TAFEs are fundamentally linked to employment opportunities. Many see a TAFE course as a route to gain or update skills that will help them enter the workforce. The CPD study cited above showed that attendance at a TAFE course is correlated with a \$324,632 increase in lifetime earnings.⁶ This is a huge benefit to the 1 million students enrolled in TAFE each year.⁷

However, attendance at TAFE offers much more than skills entering into the economy and increased economic participation for individuals. Education of all kinds gives people an

³ Allen Consulting Group, *The complete package: The Value of TAFE NSW* (May 2006) 34 (at voiced.edu.au/content/ngv15747 last accessed 17 April 2013).

⁴ Christopher Stone, Centre for Policy Development, *Valuing Skills: Why Vocational Training Matters* (November 2012) 8 (at cpd.org.au/2012/11/valuing-skills/ last accessed 17 April 2013).

⁵ National Centre for Vocational Education Research, *Survey of Employer Use and Views of the VET System* (2011) (at ncver.edu.au/publications/2409.html last accessed 17 April 2013).

⁶ Stone, above n 4, 3.

⁷ Australian Education Union, *the Value of TAFE in Australia – Fact Sheet* (March 2013) (at stoptafecuts.com.au/files/5313/6564/9809/Factsheet_Value_Of_TAFE.pdf last accessed 17 April 2013).

opportunity to improve themselves and their lives by learning about the world, challenging themselves, and meeting like-minded people. Self-determination, increased sense of meaning, and improved social connections are very important **intrinsic** benefits that TAFEs provide to students. The personal development elements of the services TAFEs provide also have flow-on benefits to the community more broadly.

3. The role played by TAFEs in the delivery of services and programs to support regions, communities and disadvantaged individuals to access training and skills and through them a pathway to employment

The Society believes that everyone should have “a place to learn”. This is especially important for disadvantaged and excluded individuals, as education can offer them pathways out of poverty and isolation, both by preparing people for entry into the workforce and increasing their social connectedness, empowerment and sense of self.

TAFEs offer unrivalled access to education for disadvantaged people. For example, TAFEs have a greater share of disabled students (7.2%) than the private education sector (4.2%), and also has a greater presence in regional and rural areas, with 20% of TAFE students living in regional Australia compared with 14% of students of private further education providers.⁸

Many TAFEs also offer specific programs that target and benefit disadvantaged people. For example, the Western Sydney Institute of TAFE runs a range of programs that are targeted at helping Aboriginal and Torres Strait Islander people find work, and these courses are free.⁹ That TAFE, and others, also provide “outreach” programs, whereby officers go out into the community and actively engage with disadvantaged people, many of whom will then go on to some sort of structured learning and ultimately employment.

The well-known Year 10 and HSC courses are another example of how TAFEs help provide disadvantaged individuals, who for reasons such as poverty, illness, and family problems have been unable to complete high school, with an opportunity to access the training and skills that other Australians take for granted.

Recent migrants to Australia can also be tremendously helped by TAFE language and skills courses. The Society notes the Asylum Seeker Resource Centre’s current ‘Right to Work’ campaign, to which the Society is a signatory, which makes the point that attending a TAFE

⁸ Stone, above n 4, 11.

⁹ This is run through its Aboriginal Education and Training Unit.

course leads to employment, as well as a real sense of empowerment, for migrants needing a skills update.¹⁰

People without secure accommodation are also routinely excluded from mainstream education. One example of how TAFEs are playing a role in helping these people turn their lives around is in Holmesglen, where a housing facility for young homeless people is located on the TAFE grounds, and is linked in with the educational services that the TAFE provides.¹¹

At least one TAFE in regional Australia is also feeding its resources back into the community by hosting a Mens' Shed - a crucial service that keeps isolated men engaged with their communities.¹²

4. The role played by TAFEs in those jurisdictions in which State Governments have announced funding decisions which may impact on their operation and viability

For many Australians, TAFEs may accurately be described as an essential rung in their educational ladder.¹³ They provide an invaluable pathway to employment for many trying to enter or re-enter the workforce for various reasons, including many vulnerable groups for whom the Society supports, for example single parents, unemployed people, migrants and refugees, those with mental or physical disabilities, older Australians in poverty, and ATSI people.

As such, the Society has been deeply concerned by significant cuts to TAFE funding in Victoria and New South Wales, and proposed cuts in Queensland.

At its root, de-funding TAFE means removing a very large and accountable institution which performs a huge amount of public good. In contrast, the largely unregulated private providers which will take TAFEs' place are highly unlikely to perform any similar public good. They have been shown to lack real commitment to developing skills that Australia needs, they are far less interested in helping disadvantaged groups access education, and

¹⁰ Asylum Seeker Resource Centre, righttowork.com.au (2013) (last accessed 17 April 2013).

¹¹ Holmesglen, *Holmesglen Home to New Youth Foyer Project* (at holmesglen.edu.au/showcase/news/holmesglen_home_to_new_youth_foyer_project last accessed 17 April 2013).

¹² The Shed Online, *Sunraysia Men's Shed Inc - Mildura* (at theshedonline.org.au/discussions/topic/6015 last accessed 17 April 2013).

¹³ This phrase from Leesa Wheelahan, University of Melbourne, 'TAFE Cuts Will Harm the Economy, Boost Crime Rate: Experts' *The Conversation* (September 2012) (at theconversation.com/tafe-cuts-will-harm-the-economy-boost-crime-rate-experts-9597 last accessed 17 April 2013).

private providers will be much less likely to value the broader personal development of their students. The cause of this deficit in the private sector is simple:

The *raison d'être* of a private provider is to make a profit. If it delivers a community service, this is a bonus, but it's not what drives the provider. While any surplus generated by a TAFE institute is, by definition, reinvested in community service activities.¹⁴

Additionally, with TAFE disproportionately helping vulnerable people as described above, both creating pathways into employment and helping with sense of self, these excluded people are most at risk when services are cut. For example, there is evidence that young migrants with a history of disrupted education are highly disadvantaged when funding cuts to TAFE lead to entry-level projects being abandoned.¹⁵

The Society is pleased that Parliament is taking an active interest in the future of TAFEs in Australia. We believe that TAFEs are one of the core education pillars of our society, which provide both instrumental benefits to the economy and enormous intrinsic benefits to the one million Australians studying there. Due to TAFEs' public service nature, the Society believes that any move to a privatised VET system will come at huge cost to the community.

Dr John Falzon
Chief Executive Officer

¹⁴ Brendan Sheehan, 'Naphthine Falls Short: TAFE Needs More than a Bandaid' *The Conversation* (March 2013) (at theconversation.com/naphthine-falls-short-tafe-needs-more-than-a-bandaid-12808 last accessed 17 April 2013).

¹⁵ Refugee Council of Australia, *Submission to Australia's Refugee Program 2013-2016* (2013).