

Submission to TAFE Inquiry

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As a person that has worked in TAFE in a metropolitan college in WA over the last 28 years I have become concerned at the direction at a national and state level TAFE has taken. I would like to the committee to note how these changes have impacted in the following areas:

The development of skills in the Australian economy;

Over the past decade in particular there has been an ongoing reduction of dollars going into TAFE colleges. The impact of the reduction means as a TAFE College we have to look at the affordability of offering courses and simply if it is not viable we don't offer the course or cease running the course.

As perfect example of this, the college that I work at offers various art qualifications and has offered this over the past 30 years but will cease this year as it has been deemed as unaffordable to maintain delivery. These artists make a valuable contribution to the economy but now the opportunity for this to continue has diminished greatly. The only other training provider in the state can't accommodate everyone and the cost of doing the course is substantially more, squeezing out those students that can't afford to pay or have the capacity to repay a debt.

It now appears that as a result of reduced funding that courses that are not viable will simply not be offered by any training provider especially if it is costly to run or no hope of making a profit. Both federal and state governments need to be more proactive to ensure they are more responsive to training needs for future skills training and be less knee –jerk reaction to industry once they say that there already is a skills shortage in an area.

To be a "smart country" you need substantial investment in all sectors of education including VET, so that opportunities will be available for people to engage into training in their desired area. However, with reduced funding comes a reduced range and scope of courses that can be offered. The outcome of this means that Australians have to look overseas for training and the importation of skilled migrants to fulfil the needs of industry, especially in specialist areas.

The development of opportunities for Australians to improve themselves and increase their life and employment prospects.

People in the prime of their working lives make up the largest share of those on unemployment benefits, a trend that reflects greater insecurities at work. Official figures show those aged 25 to 34 and 35 to 44 are the two biggest groups to receive Newstart payments. Between them, these two groups account for nearly half of all Newstart recipients. This clearly demonstrates that there needs to be a more accessible system for people to both retrain and to keep training to be abreast of changes that evolve in their working lives. Technology in particular is a key driver in the changing role of one's employment. Recent changes with the introduction of an entitlement model have seen the ability to both access training and afford training being massively reduced. Examples include some course fees increasing by over 400%, and the financial support to have ongoing training above a Certificate III level ceased. Yet at the same time the idea that there's a job for life, is no longer the reality in Australia. The system now penalises you for seeking continual training and the people most affected by this are those in the lower socio economic who can't afford to retrain to enhance their employment skills.

Operation of a competitive training market and state funding;

Whilst it has been a government agenda to open up the training market to that of a more competitive market, it has come at a cost. Victoria has the clearest example of how the entitlement model has massively opened up the market to be competitive but also brought a lowering of standards, caused scams in signing up students to courses and ramped up costs if you were seeking further training. The system is fatally flawed in many areas. Firstly it dramatically alters the concept VET sector is providing a public service to that of a user pays for a service. Where TAFE's traditionally received funding not only for the delivery, it also provided many ancillary services that is often required by young students in their studies. Added to this is a reduction in state funding. Over the last term of government in WA, we have steadily seen the decrease of funding from 90% down to currently 60% per student contact hour (SCH). As a result the college that I work at is unable to make up the 40% gap in SCH and as a result has seen the shedding of a significant number of staff. Examples of this at the college I work at has seen the removal of counsellors, student services, reduction of career advice, removal of teams and individuals responsible for the school coordination, strategic partnerships, the development of electronic teaching resources and training aids, RPL (Recognition of Prior Learning), cutback and closures of libraries and other key support and core services such as facilities, just to name a few sections. Cutbacks on such a major scale do at the end of the day impact the students. I have noticed our quality slip in both the delivery and non delivery areas simply because we can't afford the staff to do all of the tasks that are required. For our college to make ends meet our former Managing Director at the commencement of this year told staff that we need to (in round figures) make \$1,000,000 profit a week to prevent us going into debt. The bizarre part to this the more students we gain the bigger the actual dollar gap causing debt to increase. The college also only has limited recourses to service the fee for service courses.

To add more pressure to the situation private providers can pick out the most profitable aspects of training courses, ie. Courses with low infrastructure costs, whilst leaving TAFE with the lesser profitable sectors because of high infrastructure and markets that are not in high demand, community courses, or the capacity of people to pay the costs associated with private training. As a result in Victoria and other states, TAFE colleges have closed or downsized, as well as a number of trained and highly skilled staff put out of a job. This has had the highest impact in country and remote areas where the training simply cannot survive.

There are many instances being highlighted now in the media where courses provided by private training providers, whilst on paper looks to be delivering a quality product but don't. One has to really question how for example a private RTO can deliver the same course in two weekends what takes 18 months as a full time student at a State (TAFE) College. Clearly the quality and competence is severely compromised and unfortunately it is the student at the end of these courses who realise that the process has let them down on receiving a proper qualification. Industry as well, particularly in Victoria are starting to realise this and are now asking why is there such a training gap opening up in their industry where the qualification isn't worth the paper it is printed on.

It is my hope that eventually we examine the past and look at how and why the TAFE system worked so well. One of the key drivers to this is that at a federal and state level a philosophical change has to occur that TAFE is about providing a public service for any person seeking tertiary education and it is not about being self sufficient through fee for service and other revenue generating concepts. All levels of government must accept a responsibility that TAFE has to be funded accordingly and not on the concept what is the absolute minimum funding to keep it operational or under fund it forcing it to close. The disastrous results as seen particularly in Victoria has demonstrated handing training over to private providers who can only operate on a profit base, disadvantages all sectors of the community, the young students, people seeking retraining, people working in the industry, the disadvantaged, the low income sectors, families and ultimately government when there is unskilled labour. We need a properly funded TAFE sector that engages all sectors of the community, industry and government.

Yours sincerely

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