



The Community Services and Health Industry Skills Council (CS&HISC) Submission:

The Standing Committee on Education and Employment's Inquiry into the role of the technical and further education (TAFE) system and its operation

April 2013

The Community Services and Health Industry Skills Council's role is to lead, advise and assist on workforce development and to deliver the national work-based qualifications and occupational standards for the community services and health industry. Our work helps ensure an appropriately trained and high quality community services and health workforce, and qualifications developed by CS&HISC support over 500 job roles undertaken by over 1.37 million workers in Australia. It is anticipated that the health and social assistance workforce will need to grow by between 35% and 77% by 2025ⁱ to meet increased demands; this growth has profound implications for the vocational education and training sector.

The CS&HISC has a very strong interest in the role and performance of the TAFE system. TAFE providers are the foundation of Vocational Education and Training system involved in the development of the Community Services and Health Industry workforce. TAFE's decentralised infrastructure employing a hub and spoke approach, its reach into regional, rural and remote communities, its number of students, trainees and apprentices ensures its essential role within Australia's education system. Our submission addresses each of the points highlighted in the terms of reference for the inquiry:

1. The development of skills in the Australian economy
2. The development of opportunities for Australians to improve themselves and increase their life and employment prospects
3. 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
4. The operation of a competitive training market
5. Those jurisdictions in which Territory/State Governments have announced funding decisions which may impact on their operation and viability.

1) Development of skills in the Australian economy

In considering TAFE's contribution to the development of skills to support economic growth, it is important to first describe the scale of provision. According to NCVER data, 1.3 million students and trainees were enrolled in courses at TAFE and other government providers in 2011, this equates to or 66.3% of publically funded provision.ⁱⁱ Of these 178,430 were enrolled on courses within the Health (HLT) and Community Services (CHC) training packages, which equates to 67% of publically funded provision for the two training packagesⁱⁱⁱ. In addition there was also at least a further 14% enrolled on accredited community services and health courses at TAFE institutes^{iv}, giving an estimated total of approximately 203,000 students and trainees on publically funded community services and health programs¹.

Gaps in the workforce caused by difficulty recruiting and retaining staff have financial implications for industry in terms of effort expended to recruit staff, the additional costs associated with casual workers and in relation to reductions in productivity associated with staff shortages. Education and training is part of the solution to this problem; as investment in training impacts recruitment and retention rates^v. Furthermore, as explained in more detail in section three of this submission, TAFE's reach into the regional, rural and remote communities puts it in a unique position to deliver education and training that will support the recruitment and retention of workers in areas where recruitment and retention are typically more difficult than in metropolitan areas.

Further efficiencies are offered by vocational education and training, as it is focused on ensuring that individuals gain the skills and knowledge that they need for work, whether that is to enter the workforce for the first time, re-enter the workforce, get a new job or improve their skills. In this way TAFE and the rest of the VET sector contribute to ensuring that the workers are appropriately trained for the job that they do.

TAFE's hub and spoke structure supports efficiencies that would be difficult/ impossible to achieve in multiple unrelated local organisations. For example, in New South Wales, TAFE NSW is organised into ten institutes based on geographical regions, the ten Institute Directors are members of the TAFE NSW Executive Group which works collaboratively on key issues and joint activities. There are also examples of regional TAFE institutes, which despite their relatively small size, are delivering a

¹ All figures sourced from NCVER on course enrolments and student outcomes are not inclusive private provision or unaccredited training, due to the fact that Registered Training Authorities delivering these programs are not currently required to report them to NCVER. As a result the figures relating to numbers of health and community service students are not fully representative of total health and community services enrolments.

number of related health and community services programs, this offers the potential for cost efficiencies in delivery by sharing teaching staff and resources across multiple programs^{vi}. In community services and health there is an additional dimension; the economic impacts of the population's health on the economy. It follows that an appropriately trained and high quality community services and health workforce plays a fundamentally key role in improving health outcomes and delivering efficiencies in the community services and health industry. TAFE institutes are key agents for delivering these quality workforce driven improvements due to the high proportion of community services and health training they deliver.

2) Development of opportunities for Australians to improve themselves and increase their life and employment prospects

TAFE: key strengths

The key strengths of TAFE are its visibility and accessibility across Australia; the supportive and flexible learning environments it provides; training is planned and delivered through strong partnerships with industry; and its ability to get a broader range of individuals into employment.

Visibility: TAFE is an easily recognisable and accessible provider of education and training, both in metropolitan and regional areas. TAFE institutes have strong community presence especially with:

- school leavers as schools have links with TAFE through VET in Schools programs
- migrant populations as they are often first point of entry to formal education through ESL and prevocational courses
- local industry and employers.

Accessibility: Access to VET programmes is relatively affordable with relatively low levels of fees and charges; exemptions for low income groups and the exemptions for low income groups; and VET FEE HELP, which allows students in full fee VET programs to pay for their training after completion on an income contingent basis. Again the geographical reach of TAFE into regional, rural and remote areas plays an important part in making TAFE accessible to regional, rural, remote and disadvantage communities.

This is explored in more detail in section three of this submission. Another key tool for making programs accessible to a wider audience is the utilisation of the Open Training and Education Network (OTEN) which offers greater flexibility for students through online provision of appropriate learning and training content for wide a range of programs; supporting students to work their training around their other commitments.

Supportive learning environments: Many TAFE institutes have child care facilities, which make it easier for parents to access study programs. Support services like child care, counselling and career guidance services provided by TAFE help to provide a supportive learning environment and have the potential to increase retention by tackling some of the issues that make students drop out of programs.

Industry partnerships and pathways to employment: TAFE providers are expert in developing relationships with industry partners. By involving employers in the development and delivery of programs that are relevant to the workplace and respond to industry requirements. Data from the 2011 Employer Satisfaction Survey, which is based on responses from a randomly selected sample of employers, support this view. Employers were asked to report their level of satisfaction with the quality of training delivered by the main provider, all providers performed relatively well and TAFE outperformed other provider types in the unaccredited training category^{vii}. Employers in health care and social assistance were, on average, more satisfied that training had met their skill needs than employers in other industries^{viii}.

The strength of these relationships, coupled with the delivery of a wide range of entry level qualifications providing a first step into further education, training and employment, support good graduate employment prospects. As evidenced by data in the 2012 student outcomes survey, which reported that 86% of community services and health graduates and module completers from TAFE and other government institutes reported to be in either employment or full time education^{ix}.

TAFE: areas for improvement

All TAFE providers need to be responsive to regional and national skills shortages in planning the provision and promotion of courses provision and promotion. By drawing on national, regional and local information about the current and future workforce, providers can target provision and promotion of programs to address specific current and anticipated workforce shortages.

External barriers and levers for improvement

It has been recognised that local and regional industry peak and advisory bodies have an important role in supporting TAFE to understand the economic directions and workforce skill requirements of their region^{vi}. In community services and health, funding for the state and territory level industry training advisory bodies, which have been key sources of workforce information and support, is starting to be withdrawn. Therefore, there is likely to be an increasing need for TAFE institutes to look elsewhere for this support, which may be found from national bodies, including CS&HISC. The

advantage of national bodies in performing this role is their ability to take into account interstate workforce migration patterns and national policy drivers impacting workforce development.

As well as additional capacity to build understanding of local and regional workforce and economic issues, TAFE could also be supported to access and use more up to date on local, regional and national skills shortages and guidance on future workforce demand to assist them their corporate service planning. In health, the National Health Workforce Innovation and Reform Strategic Framework for Action 2011-2015^x, highlighted the need for enhanced workforce planning capacity, both nationally and jurisdictionally, taking account of emerging health workforce configuration, technology and competencies. The CS&HISC believes that there is a need for improved regional modelling on health workforce supply to inform future planning and provision of education and training at all levels. This improved planning would also assist TAFE providers to prepare for future industry reform.

3) Delivery of services and programs to support regions, communities and disadvantaged individuals to access training and skills and through them a pathway to employment

Context: the community services and health workforce in regional, rural and remote areas

Persistent skills shortages in remote and rural areas have been noted in recent Health Workforce Australia publications.^{xi} Vocational education and training, including what is offered by TAFE providers, is essential to addressing shortages in the community services and health industry workforce. This is particularly the care those for occupations for which there is persistent shortages in remote, regional and disadvantaged communities.

Difficulties associated with recruiting to rural and remote locations are evidenced by the disparity in the number of health care professionals between metropolitan and the most remote parts of the country. For example, ABS data indicate that in 2011 'remote' areas had:

- 915.4 nurses per 100 000 population (compared to 1,175.8 per 100 000 in major cities)
- 113 generalist medical practitioners per 100 000 population (compared to 227.8 per 100 000 in capital cities).^{xii}

There are other strong workforce shortages that are not specific to regional and remote areas, rather they relate to occupations where there is growth in the numbers required and/ or that have less than attractive terms and conditions, for example existing shortages in Aged and Disabled Carers and Nursing Support and Personal Care Workers identified by DEEWR^{xiii} and potential future shortages in the nursing workforce projected by HWA^{xiv}. Appropriate, high quality training has an important role to play in addressing shortages in the health and community services workforce; particularly when

responding to a new or increased need for particular role. To this end there are a number of training and workforce development programs that CS&HISC is involved in that will help fill existing or anticipated gaps in the health and community services workforce. For example, the application of Certificate III qualification in health administration to support the training and introduction of Clinical Support Officers, a new role of which there are now over 500 workers employed in the NSW Public Health system.

In addition to skills shortages, services and programs aimed at supporting rural, regional, remote and disadvantaged communities to access training are able to target specific training needs of those from, and/ or planning to work in, these communities. In this way, providers are able to design and deliver health and community services education and training programs that address the need:

- for developing generalists rather than specialists e.g. supporting health professionals to develop a wider range of competencies, with appropriate access to specialists as required
- to increase local capacity to 'grow your own' workforce, as students originating from rural and remote communities are more likely to return to work in these communities
- to utilise information technology to support distance-based social and professional relationships and activities
- to develop a workforce best equipped to meet the health and support needs of the local community that may include a high proportion of those who are socially disadvantaged.

TAFE's contribution to supporting regions, communities and disadvantaged individuals

TAFE providers actively work to support regions, communities and disadvantaged individuals, particularly rural, regional and remote communities as well as individuals of Aboriginal and Torres Strait Islander descent and lower socio-economic groups. TAFE institutes employ a range of strategies to support regions, communities and disadvantaged individuals including:

- **Programs targeted at specific population groups**, for example - a Certificate IV in Aboriginal Torres Strait Islander Primary Health Care (Practice) was developed and delivered by TAFE NSW – Western Institute in partnership with Greater Western Area Health Service. The program successfully met a local need for a training pathway for members of the Aboriginal community to gain employment within the health sector, as well as the need for workers with an in depth understanding of the cultural context and health care needs of the local community.^{xv}
- **Provision of training online** – i.e. the wide range of programs offered through Open Training and Education Network (OTEN), which offers greater flexibility for students through online

provision of appropriate learning and training content for wide a range of programs; supporting students to work their training around their other commitments.

- **Pre-vocational courses**, for example the TAFE equivalent of Year 10 (CGE) and Year 12 (TEPC) are fundamental to better equipping early school leavers with the skills that they need for employment. As well as providing disillusioned young people with a second chance in education, these courses can also be used to address workforce shortages by offering lower entry requirements for subjects relevant to local shortages.

Supporting regional, rural and remote communities: TAFE's ability to respond to the needs of remote, regional and disadvantaged communities and skills shortages in the local health and community services workforce is supported by providers being part of the local community. Geographical mapping of providers of community services and health education and training programs indicates that 50% of TAFE institutes have their major campuses in regional and rural locations, with further campuses in smaller communities and a range of outreach centres, TAFE providers also operate mobile and e-learning facilities to aid regional and remote student participation^{xvi}.

Enrolment data from 2011 demonstrate that 70% of those students from regional (inner and outer) and 72% of students from remote and very remote areas on community services and health training programs were at TAFE institutes^{xvii}. The 2012 student outcomes survey, which draws on responses of a proportion of graduates and module completers, indicates that 86% of community services and health graduates and module completers from TAFE and other government institutes reported to be in either employment or full time education, for students from regional areas this was even higher (88%)^{xviii}.

Supporting disadvantaged communities and individuals: Vocational education and training is accessed by Aboriginal and Torres Strait Islanders and individuals of lower socio-economic status. Whilst there is always more to be done to attract and retain students from disadvantaged backgrounds, VET sector enrolment data compares favourably to equivalent data for the university sector. For example, 2011 enrolment data for the Community Services and Health training packages that 20% of enrolments were of low socio-economic status and 6% reported to be from indigenous backgrounds.^{xix} In comparison, university data for the same year (2011) indicates that 1.4% of enrolled health students self-identified as indigenous, and 15.4% of all domestic students (data on health students as a separate group not easily available) were of low socio-status as defined by their postal area.^{xx}

Opportunities to enhance TAFE's contribution to supporting regions, communities and disadvantaged individuals

As previously mentioned, TAFE providers need adequate support to build understanding of local, regional and national workforce requirements, that best enables them to model course provision on local skills and workforce needs in order to provide the appropriate regional remote and disadvantaged communities.

It should be noted that the costs of providing TAFE services in regional Australia are higher than in metropolitan centres, due to the additional costs associated with maintenance of dispersed campuses, staff travel between campuses, high proportions of student fee exemptions and concessions and limited scope to offset costs with international student fees or service revenue streams.^{vi} Regional loadings that recognise these additional costs help ensure that TAFE institutes in regional and remote areas are sustainable. Better mechanisms for calculating the additional costs associated with regional and remote provision and for allocating the appropriate Government funding are required.

4) Operation of a competitive training market

Drivers for competitive training markets

A competitive 'demand' led training market is being promoted and facilitated by state/territory governments, in line with national policy. This demand led training model is an attempt by governments to create a competitive training market, as well as being a tool to cut funding for training where there is not a demonstrable need for the training being delivered. Competitive training markets are also attractive as they put the customer, often understood as the prospective student, at the heart of the system by basing future provision on the popularity of programs with previous cohorts of students. Furthermore, current industrial agreements have been criticised for not being flexible enough and competitive training markets appear to offer a solution to this lack of flexibility.

Key considerations for operationalising a competitive training market

The essential nature of the services delivered by the health and community services workforce mean that any persistent shortages or gaps in the workforce will have a negative impact on patients, other service users and their carers. This should be taken into consideration when operating any competitive training market that involves the education, training and development of the community services and health workforce. In particular whilst competition between providers might be used to improve choice for students, competition without mechanisms for regional and national oversight of

provision could lead to shortages of appropriately trained workers for particular occupational groups and/or specific geographical areas. Therefore, CS&HISC would advocate a health and community services training system which seeks to respond to societal and employer demands as well as student demand. In line with this, the CS&HISC believes that there is a strong case for incentives to be offered for those occupations (in for instance health and community services) for which there are identified industry demand and strong employment prospects so as to ensure students are encouraged to undertake these roles.

To be able to operate effectively in a competitive training market, TAFE teachers need specific skills to be able to take on roles that extend beyond teaching. TAFE teachers need to be able to conduct training and needs analyses, and be able to support employers with job-redesign. In this way TAFE teachers need to be expert training and workforce consultants, as well as teachers. Where TAFE teachers do not have these skills, appropriate funding and support will need to be provided.

Impact of competitive training markets

The demand driven training market has been facilitated by governments initiating structural and far-reaching reform of their TAFE systems, so that in most states and territories TAFE budgets have been cut and/ or tied to demand. For example, Victoria led the agenda to a demand driven training market early in 2011, this approach led to the rationalisation of TAFE colleges and the merging of some colleges with higher education providers. Also, the current New South Wales government is transforming TAFE NSW and its institutes to become more locally responsive, flexible and autonomous and TAFE NSW has also been authorised to reform the employment model to achieve flexibility. One of its priorities set by government is meet specialist skill needs and training in rural and remote areas.

Most recently the state government has agreed to redefine the role of TAFE as a public training provider operating in a competitive skills market with particular emphasis on refocusing capabilities of its workforce to respond more effectively to the skills training needs of the economy and revised and competitive industrial relations arrangements for the TAFE workforce to address cost pressure in areas such as restrictive attendance time and normal hours; loadings and overtime; and additional leave entitlements.^{xxi}

It is still too early to assess the full impact of these changes, however competitive training markets come with the risk that if they are implemented without sufficient regard for the broader employer and societal demand and requirements for appropriately trained and qualified workers, the approach could reduce the TAFE's ability to meet the projected 35% to 77% increase in demand for workers in the Community Services and Health Industry for 2025.ⁱ

5) Jurisdictions in which State Governments have announced funding decisions which may impact on their operation and viability

As explored in section four, most jurisdictions are working to reform TAFE and moving towards demand driven models which have significant implications for the funding and viability of TAFE providers. Again, it is too soon to see the impact of any changes on the operation and viability of TAFE. However, CS&HISC is concerned that changes that threaten the viability of TAFE institutes and services will lead to reductions in TAFE's capacity to support the development of the community services and health workforce, which ultimately could compromise the quality of care in the future. It is also essential that governments consult with industry and TAFE providers before making any decisions that might impact on future workforce provision.

In summary, the Community Services and Health industry is projected to experience strong employment growth over the next decade and experience significant difficulties recruiting the number of workers to ensure a workforce capable of meeting an ageing population and growing community expectations in all aspects of care. A sizeable number of the workers required will be those trained within the TAFE system. Furthermore, a large proportion of TAFE graduates come from backgrounds of higher social disadvantage, for these individuals being able to source a job and develop a career is an important step in promoting personal wellbeing as well as contributing to local, regional and national productivity.

TAFE's unique decentralised, hub and spoke infrastructure; its reach into regional, rural and remote areas; low course entry barriers and its close relationship to industry and employers, are key to ensuring a reliable supply of workers to our industry. The CS&HISC strongly recommends that any changes to TAFE operations in Australia be the subject of thorough monitoring and evaluation to ensure that the communities that access and benefit from TAFE do not lose out and that the capacity of our industry to deliver care is not adversely impacted.

References

-
- ⁱ⁾ Australian Workforce Productivity Agency (2012) Future focus: Australia's skills and workforce development needs – Discussion Paper
- ⁱⁱ⁾ Australian Government Department of Industry, Innovation Science, Research and Tertiary Education (Revised August 2012). Australian vocational and training statistics: students and courses 2011
- ⁱⁱⁱ⁾ Data sourced from National centre for Vocational Education and Research via VOCSTATS: Course enrolments 2011 by reporting type and type of accreditation
- ^{iv)} Data sourced from National centre for Vocational Education and Research via VOCSTATS: Course Enrolments 2011 by ANZCO occupation codes and accreditation type
- ^{v)} Skills Australia (2010), *Investment in Vocational Education and Training (VET)*, A REPORT TO THE BOARD OF SKILLS AUSTRALIA, Overview Analysis and Options for Improvement, Peter Noonan Consulting, p. 2
- ^{vi)} TAFE Directors Australia (2011) TAFE's strategic leadership role in regional Australia
- ^{vii)} Table 13: National Centre for Vocational Education and Research (2011) Employers' use & views of the VET system
- ^{viii)} Table 9: National Centre for Vocational Education and Research (2011) Employers' use & views of the VET system
- ^{ix)} Data sourced from National Centre for Vocational Education and Research via VOCSTATS: Student Outcome survey 2012 by reporting type, graduate employment and student remoteness
- ^{x)} Health Workforce Australia (2011). National Health Workforce Innovation and Reform Strategic Framework for Action 2011-2015, Adelaide: HWA.
- ^{xi)} Australian Government, Standing Council on Health (2011). National Strategic Framework for Rural and Remote Health. Canberra: Commonwealth of Australia
- ^{xii)} Australian Bureau of Statistics (2013). Australian Social Trends, April 2013, Cat No 4102.0.
<http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4102.0Main+Features20April+2013>
- ^{xiii)} Australian Government Department of Education Employment and Workplace Relations(2012). Skills Shortage Report: Personal Care Workers. November 2012:
<http://foi.deewr.gov.au/system/files/doc/other/personalcareworkersaus.pdf>
- ^{xiv)} Health Workforce Australia (2012). Health Workforce 2025 Doctors, Nurses and Midwives Volume 1
- ^{xv)} Dr Mitchell, John. Mitchell and Associates (2011). TAFE NSW research project on improving customer responsiveness. *Creating and adding value*. How responsiveness by TAFE benefits its customers.
- ^{xvi)} TAFE Directors Australia (2011) TAFE's strategic leadership role in Regional Australia. Data source Atlas of Australian Public VET, NCVER. Publicly –funded VET providers, by statistical local area, Australia 2006
- ^{xvii)} Data sourced from National centre for Vocational Education and Research via VOCSTATS: Course Enrolments 2011 by student remoteness and reporting type for the health and community services training packages
- ^{xviii)} Data sourced from National centre for Vocational Education and Research via VOCSTATS: Student Outcome survey 2012 by reporting type, graduate employment and student remoteness
- ^{xix)} Data sourced from National centre for Vocational Education and Research via VOCSTATS: Course enrolments 2011 by reporting type, type of accreditation, SEIFA (IOE) & Indigenous status

^{xx)} Australian Government Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education (2012) Higher Education Statistics Collection. Attachment B: Summary of the 2011 full year higher education statistics.

^{xxi)} Queensland government (2013). A Plan – Better Services for Queenslanders. Queensland Government Response to the Independent Commission of Audit Final Report. April 2013