



**Submission to the House of Representatives Standing Committee on
Education and Employment
Inquiry into the role of the Technical and Further Education system and its
operation**

Women in Adult and Vocational Education Inc. (WAVE) is an NGO, the only national organisation with a focus on women and post-compulsory education and training. WAVE represents the interests of women and girls in the broad areas of adult, vocational and work-related education and training, and the links between these, employment outcomes and labour market positions.

We are a member of economicSecurity4women (eS4W), and support their submission and comments on education and training. WAVE collaborates with Adult Learning Australia (ALA), and is a voting member of Asia South Pacific Association for Basic and Adult Education (ASPBAE).

WAVE's research and consultation for the last decade and a half highlights the need for updating, resourcing and implementation and evaluation of specific policies for women and girls in vocational and work related education and training, along with improved employment outcomes.

WAVE welcomes the opportunity to contribute to the National Inquiry into the role of the Technical and Further Education (TAFE) system and its operation.

The Development Of Skills In The Australian Economy

The ongoing development of skills is of utmost importance to the future economic wellbeing of Australia and all Australians. Although workforce participation for women in Australia is increasing, it remains highly problematic and an ongoing site of both research and angst. Old assumptions and trends around gender, workforce diversity and labour market segregation endure, despite decades of research and strategies¹. WAVE is well aware of the 'patchwork' and 'two speed' nature of Australia's economy and the current dilemmas it is confronting (Kaspura 2013), along with the ongoing concern and discourses around skills, skills shortages and skills predictions. However, the politics of skill has a long history of discriminating against 'skill' associated with feminised occupations and work, in terms of the status of skill ascribed to feminised work (including care work); pay levels, levels and availability of training. In many ways, vocational education and training (VET) reinforces and reproduces such inequities².

¹ For detail see, for example, WGEA 2013 a *Women in the workforce: by occupation* February 2013 http://www.wgea.gov.au/sites/default/files/2013-02%20-%20Women%20in%20the%20Workforce%20-%20Occupation_accessible.pdf and

WGEA 2013 b *Gender Workplace statistics at a glance* April 2013 http://www.wgea.gov.au/sites/default/files/2013-04%20-%20Stats%20at%20a%20glance_0.pdf

² See NCVER 2012 *Women in vocational education and training: participation and outcomes*

In foregrounding the major economic priorities for Australia to 2022, Grattan Institute (Daley et al 2012) highlight the top three reforms required as female workforce participation, tax mix reform and older people's workforce participation (p13), with vocational education and training playing a significant role in reforms and the future economic wellbeing of Australia (Ibid p69).

WAVE is concerned that women and girls continue to be over represented in and directed to training courses that result in casualised work with low levels of pay. A current case is that of direct care provision in aged care- an area of increasing demand and skills shortage.

We refer also to comment by OECD *Employment Outlook 2012* in relation to Australia, that although our economy compares well with other major developed countries, under employment continues as a major issue, with implications for 'long-term consequences for career progression, earnings potential and retirement income'. Significantly, the Report comments further that:

(t)his is of particular concern as the majority of Australia's underemployed workers are women, who already suffer from lower earnings and retirement income than men.³

Underemployment *is* an issue for many Australian women. As noted by the OECD *Employment Outlook 2012*, Australia's rate of underemployment is much higher than the OECD average of 5%. Further, the high numbers of the female talent pool no longer in the labour force, along with the worrying trend as reported by ABS⁴ 'that female participation rate fell in the 15-19, 20 – 24 & 45-54 age brackets' is of concern, especially in a weaker employment market.

This disadvantage, present and future, continues to concern WAVE, and has implications for the manner in which women and girls access VET, whether the career counselling they receive is informed by gender analyses, and so if the study and work choices they make are fully informed, whether through VET in Schools, welfare to work programs, Job Services Australia or elsewhere. It is an issue of social justice.

WAVE would like to draw the Standing Committee on Education and Employment's attention to the report and papers on the WAVE website (<http://www.wave.org.au/>) from the research undertaken in 2011, entitled "*I can't think of any occupation women can't do!*" – Career Pathways for Women and Girls: Emergent and Non-traditional Occupations and Industries (Viable Work)⁵. Some of the information in this submission has been drawn from this work.

WAVE notes that there still remains a large gap between male participation and female participation in the workforce. Women account for 70% of Australia's part-time workforce⁶.

³ OECD, 2012, *OECD Employment Outlook 2012. How does Australia compare?*
http://www.oecd.org/employment/employmentpoliciesanddata/Australia_final.pdf

⁴ ABS *Persons not in the Labour Force Australia* September 2012 Cat 6220/0 Issued 7/3/2103
<http://www.abs.gov.au/AUSSTATS/abs@.nsf/Latestproducts/6220.0Main%20Features3September%202012?opendocument&tabname=Summary&prodno=6220.0&issue=September%202012&num=&view=>

⁵ Butler & Woolley 2011. This Report and selected associated documents are also available at:
<http://www.security4women.org.au/projects/education-and-training-of-girls-and-women/1439-2>

⁶ See WGEA 2013a & 2013b Op Cit

This is exacerbated by the internationally recognised gender segregation of the Australian labour force, both horizontally (by industry and occupation, and vertically, by employment status). Many women are clustered in fewer occupations, especially some of the female dominated work areas including retail, hospitality and the community care sector. In many industries, women are still under-represented. This is mirrored by and, in turn, reproduced through the gendered enrolments in VET. NCVER (2012, p2) confirm that:

If we look at apprenticeship and traineeships, NCVER data shows that from 1995 to 2011⁷ the proportion of women commencing an apprenticeship or traineeship in the technical and trade occupations has remained a steady 15%, with a similar proportion completing. And the women are almost wholly concentrated in the lower-paid trades of hairdressing and food. This contrasts sharply with the approximately 55% of women making up the commencements in the non-trade occupations.

Construction is the third largest employing industry in Australia (9% of workforce Feb 2011), with a slightly younger workforce than average engaged in mainly full time work. However, it is also the most gender-segregated industry of all 19 industry groups, with male workers accounting for 88.6% of its workforce. Thus women continue to be highly underrepresented in the Construction Industry, with the lowest female employment rate of all industries at 11.4%⁷. Women are employed in areas that have lower than average median full-time weekly earnings. Women are not benefiting from the historical and predicted growth of jobs in this industry.

Mining has experienced the strongest job growth of all 19 industries over the last decade. (SkillsInfo 2011). However, the mining industry's high employment growth rates are also not being enjoyed by women representing just 13.2% of employees, the second lowest of all industries.

Engineering is another case in point. Moreover, it is listed by Grattan Institute (Daley 2012, p19) as one of a few emerging industries where exports are growing, despite the high Australian dollar. As well as low female enrolments, a recent report illustrates again the cultural shift that is needed in attitudes and workplace cultures while at the same time presenting findings that challenge old (negative) assumptions about women's skill sets. In this recent report, Engineering Australia (Kaspura 2013, p1) advises that:

Two key factors must change if Australia is to improve the homegrown supply of engineers. First, engineering in Australia has been, and remains, male dominated. The changes that have occurred during the past two decades have produced outstanding women engineers. For example, in 2011 both the professional engineer of the year and the young professional engineer of the year were women. Despite these examples, the latest census statistics show that women comprise just 11.8% of Australia's supply of engineers and even lower if reliance on skilled migration is discounted. Australian engineering faculties already draw disproportionately on well qualified young men completing school but miss out on the majority of well qualified young women. Attracting more young women into engineering will not just lead to improved numbers, but will maintain the high standards the profession has set for itself.

⁷ See *Historical time series of apprenticeships and traineeships in Australia from 1963*; <http://www.ncver.edu.au/publications/2329.html>

economic Security4Women (eS4W), one of the six women’s alliances, funded a project in 2009 undertaken by Women in Adult and Vocational Education (WAVE) entitled *Women and VET: Strategies for Gender Inclusive VET Reform*. The researchers write of the male dominated VET system, and the struggle that VET has undertaken to “offer programs that appeal to women and, more importantly, enable them to gain sustainable employment outcomes commensurate with their skill and qualification.” (Miles and Rickert, 2009, p. 5) More importantly they go on to say that there is a “link between women’s long-term economic security and equitable access to, participation in, and outcomes from vocational education and training. Vocational education and training offers a pathway to unemployed and underemployed Australians and up-skilling or career progression for existing workers. Research demonstrates that targeted women’s programs within VET lead to increased individual agency, well-being and overall levels of community capacity.” (Miles and Rickert 2009, p. 7)

In an interview with John Mitchell from *Campus Review*, executive director of Group Training Association of Victoria Gary Workman expressed concerns with the impact of the VET reforms on young people including young women:

The Victorian budget in May 2013 reduced the funding for training in fields such as retail, hospitality and business administration, and this has had a larger impact on the options of young females than on young males.

He goes on to say that a “lot of the programs that females have traditionally gone into are the ones that have been heavily affected by the new funding arrangements.”

Given these critical issues for the Australian economy, WAVE expresses concerns around the current VET reforms being supported by the Federal Government. Under the COAG reforms introducing a competitive training market and entitlement based funding, the TAFE system has been put under considerable pressure. The TAFE market share has dropped in Victoria from 90% to under 50% since the skills reforms were implemented. Yet it is TAFE that has the capability to provide full service qualifications, and to ensure that women and girls have access to a range of qualifications with student support services. WAVE strongly supports this role for TAFE.

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 VET sector attracts disproportionately more disadvantaged learners than any other educational sector. VET provides tens of thousands of Australians with the dignity, security and self worth that flows from successful participation in education and successful engagement with the workforce and society generally.

Skills Australia⁸ (2011) advised the proportion of disadvantaged students in VET and higher education as hereunder:

	<u>VET sector (%)</u>	<u>Higher education sector (%)</u>
Indigenous	4.3	0.8

⁸ The Australian Workforce and Productivity Agency (AWPA) replaced Skills Australia 1st July 2012 See: <http://www.awpa.gov.au/about-us/Pages/History.aspx>

Non-English speaking home	12.1	3.8
People with disability	5.9	4.1
Low socio-economic background	29.2	15

It is critical that any proposed changes to VET do not undermine the ability of disadvantaged groups to access VET, and especially TAFE with its strong equity and support role in this area along with its community service obligations.

WAVE strongly supports greater funding of foundation and access courses in TAFE, given their impact on women and girls in moving into vocational courses and gaining the initial skills and confidence to move into the workforce. Outreach programs delivered by TAFE Institutes have a strong reputation for running courses for women and girls in communities and workplaces that target the particular needs of particular groups. As funding for vocational education and training has been reduced in many areas, particularly for TAFE, many of these courses targeted at women and girls have been wound back. TAFE, without adequate funding, is unable to deliver the courses required by many communities.

WAVE strongly supports the continued funding of the TAFE system in all states and territories, so that it can continue to offer a wide range of quality courses that meet the needs of industry and the local communities it serves and enhances.

We are particularly concerned that TAFE's role as a public institution in rural and regional centres be recognised, where TAFE has a role in not only providing education and training but also is a major employer. We strongly support TAFE's role in meeting community service obligations, which can be so vital for many women and girls. At the same time, some TAFE facilities need to be modernised to cater for the specific needs of female students and trainers, such as in providing facilities for breastfeeding.

Recent research undertaken by two WAVE members focused on women's programs run in TAFE. (Simon and Bonnici, 2013) The research carried out five case studies and measured these programs against the principles for successful equity programs identified by NVEAC, including:

- * supported learner pathways and transitions built into the learning experience
- * training being integrated with work experience and/or aligned with areas of labour
- * embedded support for foundation skills
- * the voice of the learner being heard and acted upon

The research concluded that all five of the programs studied, in NSW and South Australia, clearly meet the NVEAC requirements for successful equity programs. The case studies had the following outcomes:

- * to build confidence and help women regain dignity
- * to strengthen the community to enable people to work together
- * to rebadge skills and raise awareness of what is expected at work
- * to increase skills for further study or employment
- * to accelerate skills and to have real and meaningful outcomes
- * to build skills, knowledge and confidence so that the women can join the workforce, volunteer or embark on further study

- * to support the women to see themselves as learners who are capable of studying a wide range of subjects, with pathways to further education and employment
- * to provide women with support and an inclusive environment for skills development
- * to provide work experience where possible.

The feedback from teachers and students strongly agreed that there is an important place for women's only programs in TAFE. They provide an opportunity to gain or refresh skills for the workplace with industry tasters and support for foundation skills. More significantly, these courses provide a comfortable and safe environment that will recognise the conflicting pressures that many women experience through home and work responsibilities.

These are the types of courses that only TAFE can offer, targeting equity groups, and ensuring that the outcomes are about growth and individual achievements, and community strengthening and renewal, as well as building vocational skills.

The operation of a competitive training market

In an interview with John Mitchell for his column in *Campus Review* in 2012, Dr John Quiggin a Professor of Economics at the University of Queensland, compared the current VET reforms in Australia with similar experiments overseas. He says:

Because of the nature of education, if you have sharp profit incentives, it's very hard to set up a system, which will produce good behaviour once you have purely for-profit providers in the business, because it's so easy to cut corners and lower standards.

He goes on to reflect that around the world and in all education sectors, attempts at introducing market incentives

...have failed consistently because it's almost impossible to measure these things (like the quality of all providers). In some of the courses the students are paying for and being promised a qualification that isn't really worthwhile; in other cases they're providing something which is essentially entertaining, passing it off as education. (Mitchell 2012)

In his submission to the Productivity Commission on 2010, Dr Phillip Toner challenged many of the assumptions made about an effective training market and an ineffective TAFE system. He noted that employer and student satisfaction levels with TAFE, as reported by NCVET, remained consistently high around 80-90%, which led one to question the need to reform the TAFE sector to make it more responsive, as the Federal Government has asserted through the National Skills Partnership Agreement.

He goes on to consider the risk of contracting out public VET activity. He says:

Publicly funded VET activities are precisely those that are unsuitable for contracting, first, because of risk arising from failure of delivery and second, the inability to define accurately the features and performance characteristics of the good or service to be contracted or to relate VET inputs to VET outputs. (Toner, 2010, pg. 18)

Further on he makes the point:

There are large potential costs in VET service delivery failure. Inadequate training lowers labour force productivity. Contracting imposes inefficient search costs on potential users seeking to avoid adverse selection of VET providers. It also creates a negative externality for

public and private providers in terms of ‘reputational risk’ to higher quality providers as the perception of low quality may deter potential students and other potential users from participating in VET. Finally, under such conditions low quality providers can undercut higher quality providers, potentially supplying the service below the marginal cost because they are not incurring the expense of delivering a quality service. Under these conditions competition is not a guarantee of either effective pricing or quality. (Toner, 2010 p. 19)

We have seen the risks that Dr Toner writes of played out in the competitive training market and VET reforms currently being applied across the country. We have seen the high costs of implementation, the lack of informed advice to students to enable them to choose a quality training provider and a course that has real career possibilities, the loss of reputation of high quality providers due to the poor quality providers, and the undercutting of prices by low quality service providers. Surely these risks are too high in the education sector, where public funds should not be used on such risky enterprises.

Damon Anderson in his 2005 report for NCVET ‘*Trading Places*’ says:

Despite the significance and potential implications of market reform in VET, there has been no comprehensive evaluation of its impact and outcomes to-date.

Almost ten years further on there has still been no comprehensive evaluation of its impact and outcomes. Surely at this time when market failure has had such significant implications, this should be undertaken.

The Allen Consulting Group undertook a report for NVEAC in 2011 to consider the impact of competitive tendering and contestable funding on access and equity. As part of their report they detail what concerns representatives of some equity groups expressed with contestable funding models:

- * *the risk that in market based systems, those with the most intensive and costly learning needs, and those in geographic areas where provision was not economic, would face reduced access as providers concentrated on the profitable end of the market*
- * *that competition would focus on price efficiency, volume and easily measurable outcomes, and not on harder to measure outcomes such as initial learner engagement and engagement with local communities. Furthermore, reduced prices from increased competition would compromise intensive learner support and limit providers’ capacity to flexibly use resources to meet learner needs*
- * *that cooperation and collaboration rather than competition between providers would deliver more effective outcomes*
- * *that learners with major learning needs and with significant and multiple disadvantages would not be in a position to make informed choices*
- * *the risk of loss of continuity of provision and expertise as well as local capacity – so that RTOs will not invest in long term capabilities to deal with complex needs of disadvantaged learners*

To date, TAFE has made commitments to deal with complex needs of disadvantaged learners, and also has a commitment to sustainability as the public provider. TAFE can build local capacity as well as long term capability. The short term nature and uncertainty of contestable and demand based funding puts these elements of TAFE at risk. It will be forced to start acting like private RTOs and focus on short term money making ventures. For-profit private providers will not invest in long term capabilities because of the fluctuations of the

market, the Governments' commitment to ongoing funding and changes in Government priority lists: for them it will not make good business sense. In other words, the move to a fully competitive training market will damage TAFE to the extent that it will be hard to maintain its central pivotal role in VET, and will not replace it with anything sustainable. The market may well rule. Students and the Australian economy ultimately may well suffer.

Those jurisdictions in which State Governments have announced funding decisions that may impact on their operation and viability

The introduction of a competitive training market for VET, with the COAG demands around entitlement based funding, have generally been premised on the basis of the need to reform VET. The reasons given for the reform of VET often have little basis on matters over which VET Institutions, including TAFE, have control. These include the need to build and diversify the Australian economy, to build greater productivity, the areas of skills shortages or perhaps skills mismatches in the labour market, and continuing concerning levels of unemployment and under-employment, all in a turbulent global economy. These issues are a result of economic and labour market issues generally, not a failure of the VET system. Yet often the way they are brought together in Government policy e.g. *Skills for All Australians*, and government agencies e.g. Australian Workforce and Productivity Agency (AWPA)'s scenario bases for skills development⁹ and therefore VET responses, suggests otherwise. There is also no evidence that a competitive market approach to VET will solve any of these problems. In fact, given the debacle of the introduction of the market based approaches in Victoria, and the pouring of funding into training areas that are not skills shortage areas, the opposite could well be the case.

The Victorian Government, whilst not acknowledging the harm they have done to TAFE and to the quality of vocational education and training generally, continue to cut funding to TAFE. The same is occurring in NSW, where on top of \$1.7 billion cut in education funds in 2012, the NSW Government has announced that it will help fund the Gonski reforms in school funding by further cutting vocational education and training and increasing student fees. It is surely unethical to play off one sector of education against another. It is important that the Federal Government takes the lead here, and ensures that any reforms are properly funded and do not leave their public education systems open to dismantling and privatisation by stealth.

Conclusion

In strongly supporting the role of TAFE, WAVE notes and affirms the speech given recently by Senator Chris Evans, to the TAFE Directors Australia Conference 2012¹⁰, where he said:

I see TAFE remaining as the cornerstone of our VET system. We have a massive, long-term public investment in the TAFE sector which is internationally regarded as

⁹ Australian Workforce and Productivity Agency (AWPA) 2012 *Future focus: Australia's skills and workforce development needs A discussion paper for the 2012 National Workforce Development Strategy* July 2012

¹⁰ Senator the Hon Christopher Evans Minister for Tertiary Education, Skills, Science & Research, 2012, 'Ministerial Address' *East meets West. TDA Conference 2012* Perth WA 6-7th September 2012

world-class. It's a huge community asset and one of the challenges in the reform process is to get full value from that national asset.

In order for our VET system to be strong, our TAFE system must be strong, innovative and responsive. Today Australia boasts close to 60 TAFE providers who deliver 80 per cent of the nation's vocational education and training in some 1300 locations. TAFE is part of the very fabric of communities across Australia—from the Pilbara to Launceston. Few Australian families have not been touched by the life-changing opportunities that a TAFE education offers.

TAFEs have an unparalleled ability to reach out to Australians from all walks of life, including:

- *students who prefer an adult learning environment*
- *adults who are seeking to change careers or improve their skills*
- *those who want to balance parenting with flexible education and training options; and*
- *disadvantaged members of our community who would otherwise be denied the chance to develop job-ready skills.*

He goes on to say:

The Government is a supporter of TAFE and recognises the important role it has played, and will continue to play in Australia's future. ...The developments in Victoria, and the cuts to TAFE funding, fly in the face of our agreed objectives. ...We will not reward any state that chooses to defund its TAFE system and denies opportunity to those Australians who happen to live in that state. Any action that downgrades our TAFE infrastructure downgrades the cornerstone of Australia's training system and is contrary to the national interest.

WAVE agrees with the Federal Government's support for TAFE and its concerns at the possible impact reforms may have on this valuable public institution.

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