

Submission

to

Senate Employment, Workplace Relations and Education
References Committee

Inquiry into indigenous training and employment outcomes

Submission no: 5

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Our reference: SJ No. 135 5

17 June 2004

The Secretary
Senate Employment, Workplace Relations
and Education References Committee
Suite SG.52, Parliament House
CANBERRA
ACT 2600



Re: Senate Inquiry conducted by the Employment, Workplace Relations and Education References Committee (SJ No. 135 5)

We refer to the Senate Inquiry conducted by the Employment, Workplace Relations and Education References Committee in relation to:

- a) the progress and future direction of life-long learning
- b) Indigenous training and employment outcomes, and
- c) student income support.

Please find enclosed our three submissions, both in hardcopy and electronic copy (on floppy disk), as required. The submission provides background information from our statistics and research work to assist the Committee in regard to each of the issues specified.

We are happy to assist further if necessary and provide more detailed cross-tabulations from our statistical collections. We also invite you to access VOCED (the UNESCO/NCVER International Technical and Vocational Education and Training Research Database www.voced.edu.au), which is a specialised database unique to vocational education and training. VOCED indexes over 120 key Australian and international journals as well as monographs, research reports, policy documents, conference proceedings, published statistics and much more.

Please do not hesitate to contact us if we can be of further assistance.

Yours sincerely



Tom Karmel
Managing Director

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Submission
by National Centre for Vocational Education Research (NCVER)
to
Senate Employment, Workplace Relations and Education References Committee
Inquiry into Indigenous training and employment outcomes

The National Centre for vocational Education Research Ltd (NCVER) provides the following information as background to the inquiry into Indigenous training and employment outcomes, namely:

- the effect of CDEP on the education and employment outcomes of Indigenous people
- the appropriateness of the current funding and delivery framework of VET for Indigenous people
- the effectiveness of competency-based training models leading to employment for Indigenous people
- the effectiveness of commonwealth, state and territory initiatives to engage more Indigenous people in VET
- models for engaging industry and Indigenous communities in partnerships

(a) the effect of the Community Development Employment Projects (CDEP) scheme on the education and long-term employment outcomes of Indigenous people in rural, remote and urban areas

Relevant NCVER publications

Misko, J. (forthcoming) *The role of Community Development Employment Projects in rural and remote communities*. NCVER: Adelaide

Biddle, N. (unpublished, 2004) *Everything you wanted to know about the CDEP Scheme, but were afraid to ask*. NCVER: Adelaide

Key findings

- CDEP performs a major role in providing essential social services for remote communities and opportunities for participants to acquire skills and experience in employment and training. Although CDEP employment lowers the numbers of unemployed in the bush, the success of moving participants into full or part-time unsubsidised employment is low. According to 2003/04 budget papers for Aboriginal and Torres Strait Islander Services (ATSIS), only 5% of CDEP participants move onto employment outside the scheme. The major reason for this is lack of external labour markets in very remote Indigenous communities, and thin labour markets in rural towns. Another reason may be lack of suitable qualifications.
- Apart from training in programs leading to tickets and licences to operate vehicles, and other heavy equipment or machinery, CDEP success in engaging participants in formal training (including apprenticeships and traineeships), is also low. There are a variety of reasons for this. Training providers are sometimes reluctant to provide training for communities unless they can guarantee enough training places, and qualified tradespeople often do not move to such communities to provide necessary on-the-job supervision. In the places where existing training providers do not provide the relevant off-the-job programs, there is a need for individuals to leave the community or town to access

relevant training. These factors combine to make it more difficult for participants in rural and remote areas to undertake formal training.

- It is clear that the value of CDEP lies in its flexibility. However, it cannot be expected to solve the problem of Indigenous unemployment or underemployment in rural and remote regions. It can also not be expected to solve the problems of poor initial education of Indigenous Australians.
- Formal training leading to qualifications requires participants to have certain basic literacy and numeracy skills. If these are lacking or deficient then participant willingness to undertake or complete training is also diminished. Keeping in mind that increasingly jobs in external labour markets are going to those with relevant qualifications and experience, there is a need to emphasise the urgency for Indigenous Australians to gain the qualifications which will enable them to compete in mainstream labour markets. This means developing strategies to ensure that young people attend and successfully complete formal schooling so that they can move into training leading to VET or university qualifications. It also means providing them with appropriate infrastructure and training support, and understanding that cultural obligations may at times interrupt training.
- Beyond educational and employment outcomes, CDEP has a positive impact on general economic and social development within communities. CDEPs often provide essential services that would otherwise go undelivered, particularly in remote areas.
- NCVER is aware that the Australian National Training Authority (ANTA) is seeking ways of improving links between CDEP, training and longer-term mainstream employment opportunities through its *Pathways to Employment* initiative.

Current and forthcoming research

NCVER has recently finalised a Research Strategy for 2003-2006 on Indigenous Australians in vocational education and training (VET), in partnership with the Australian Indigenous Training Advisory Council (AITAC) who provide high-level policy advice to the Board of the Australian National Training Authority (ANTA). This Research Strategy is organised according to the four objectives of *Partners in a Learning Culture*, the National Aboriginal and Torres Strait Islander Strategy for VET (2000-2005). All projects referred to under the subheadings "Current and forthcoming research" are part of the Research Strategy (see Attachment A).

- *Survey of Indigenous VET students (2004)* – NCVER has commissioned a major survey of Indigenous people in Australia who undertook some vocational education and training in 2003. The project will survey approximately 1000 people across 63 locations nationally, representing areas from major cities to very remote Indigenous communities. The questionnaire has been extensively tested and will go into the field from June to August 2004. Results are expected to be available in late 2004.

Included in the survey are questions about whether respondents are currently CDEP participants, what they do on CDEP and how long they have been in the program, as well as whether participants think of CDEP as a job and if any training they have done was part of the scheme.

- *Effective education and training pathways for Indigenous Australians (2004)* – NCVER has also commissioned several projects on Indigenous education and training pathways, which will include exploration of CDEP as a pathway, and also as a possible influence on early school-leaving of young Indigenous people. These projects will begin in July 2004, and will include primary research as well as a separate review of literature, policy and evaluations surrounding VET as a pathway to employment.

- *Synthesis of research on Indigenous labour market engagement (2004)* – this project will incorporate the work undertaken on CDEP by Nick Biddle from the Centre for Aboriginal Economic Policy Research at the Australian National University, in addition to the ABS monograph written by Boyd Hunter which has a strong focus on CDEP.

(b) the appropriateness of the current framework for the funding and delivery of VET to meet the requirements of Indigenous communities and to prepare Indigenous people for employment especially in rural and remote settings

NCVER is unable to comment on current VET funding and delivery frameworks.

Current and forthcoming research

- *Appropriate design and delivery for Indigenous Australians in vocational, adult and community education and training (2004)* – NCVER is currently undertaking a **systematic review of research** on what is required to ensure positive and improved outcomes from VET/ACE for Indigenous people, which will include an analysis of effective and ineffective funding and delivery models. It will look in detail at the planning, design, delivery and support services within the VET and ACE sectors. The outcomes will be described and analysed according to educational, employment and social outcomes. Results will be available by late 2004.

(c) the effectiveness of competency-based training models to deliver an appropriate level or mix of skills necessary for employment of Indigenous people, including the achievement of the necessary standards of literacy and numeracy

NCVER is unable to comment on competency-based training models.

(d) the effectiveness of Commonwealth, state and territory-based initiatives to engage more Indigenous people in training and to encourage their higher level skill acquisition in skilled trades and professions, including health and teaching

Relevant NCVER publications

Saunders, J, Jones, M, Bowman, K, Loveder, P & Brooks, L (2003) *Indigenous people in vocational education and training: a statistical review of progress*. NCVER: Adelaide

NCVER cannot comment on the direct effectiveness of individual government initiatives. However, the above report provides data on initiatives on Indigenous participation and completions in VET programs between 1997 and 2001 (see Attachment B).

Key findings

- Participation of Indigenous people in VET is very strong and the rate is twice that of other students.
- Young Indigenous people are especially participating in strong numbers, also at rates above those for young non-Indigenous people.
- The very strong participation rates in VET provides encouraging opportunities, especially considering the relatively low participation rates of Indigenous people in other sectors of school and higher education. However, against all other indicators, Indigenous people are faring less well than non-Indigenous people.
- The proportions of Indigenous students achieving modules through recognition of prior learning and through credit transfer are about half those of non-Indigenous students.
- There is a trend towards more Indigenous students studying Australian Qualifications Framework (AQF) related courses, which have more industry and lifelong learning relevance than lower-level courses.
- Although Indigenous VET students tend to study for lower-level qualifications than do other students, there is also a trend towards Indigenous people participating in higher-level AQF courses, evidenced by:
 - reduction in the number of Indigenous people participating in enabling courses (ie. non-AQF courses)
 - increases in the numbers of Indigenous people participating in certificates I and II
 - increases in the numbers of Indigenous people participating in certificate III and above
- Pass rates have however decreased, while withdrawal rates continue to be higher than for non-Indigenous students. The lower levels of previous schooling among Indigenous VET students is an important factor here, but all reasons for these lower achievement levels require investigation.
- There is a significant trend towards Indigenous people participating in information technology related courses, especially at AQF certificate II level. However, pass rates have also decreased.
- Growth in Indigenous people's participation in New Apprenticeships is positive, especially at the AQF certificate III level.
- The proportion of Indigenous apprentices and trainees undertaking group training was around twice that of non-Indigenous apprentices and trainees. However, overall group training employed fewer of the total New Apprenticeships in 2001 compared with previous years.
- National employment outcomes data are not particularly useful in relation to Indigenous people, as CDEP participation is not distinguished from other forms of employment. This notwithstanding, employment outcomes for Indigenous VET students have improved overall, but remain considerably poorer than for non-Indigenous students.
- Geographic regional comparisons show very clearly that conditions vary significantly between the three main regions (urban, rural and remote), as do the aspirations of Indigenous people in what they expect to achieve from VET.
- An outstanding challenge is to develop performance indicators that will demonstrate the social and community economic and welfare benefits of participating in VET that can be used in addition to existing employment-related indicators.

Current and forthcoming research

- Please see Attachment A for the full NCVER Indigenous research program over 2003-2006. All research under the Strategy aims to contribute to improving Indigenous participation, attainment and outcomes in VET.

- (e) **models for engaging industry and Indigenous communities in partnerships to develop long-term employment opportunities for Indigenous people – in infrastructure development through to the arts – and the limitations and opportunities these confer**

NCVER is unable to comment on models for engaging industry and Indigenous communities in partnerships. Under Objective 3 of *Shaping our Future*, the National VET Strategy for 2004-2010, NCVER is commissioning research into the role of VET in building economic and social capital in regions and communities. A major stream of this research will look at partnerships, although will not be specifically focussed on Indigenous communities.

ATTACHMENTS

Attachment A: *Indigenous Australians in vocational education and training: National Research Strategy 2003-2006* [PLEASE NOTE THIS PUBLICATION IS UNDER EMBARGO UNTIL 23 JUNE 2004]

Attachment B: *Indigenous people in vocational education and training: a statistical review of progress* (2003), NCVER: Adelaide (Saunders et al)