

Independent review into regional, rural and remote education



Victorian TAFE Association Response

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The peak body for Victoria's **TAFE** network

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Introduction

The Victorian TAFE Association is the peak body for Victoria's public providers of Vocational Education and Training (VET), including 12 TAFE Institutes, four Victorian dual sector Universities, and an Associate member, AMES.

The Victorian TAFE Association welcomes this opportunity to respond to the *Independent review into regional, rural and remote education*. The Victorian TAFE Association would like to endorse the views of its sister organisation, TAFE Directors Australia (TDA). All of Victorian TAFE Association's TAFE and dual sector University members are also members of TDA.

The Victorian TAFE Association has chosen to provide commentary through a series of 'themes' that it considers should be taken into account as part of the review. These themes include the:

- need for a holistic review
- benefits of multi-generational considerations
- regional diaspora and innovation ecosystems
- benefits of educational devolution
- regional skills and unemployment nexus
- breadth of the VET sector

A holistic review

A reading of the Discussion Paper accompanying this review shows a heavy emphasis on the secondary and primary education sectors, or pre-tertiary education. While there is reference to the higher education and vocational education sectors, these are small by comparison and often in reference to their interaction with the primary and secondary systems, where VET and higher education are treated as 'end-points'.

The Victorian TAFE Association considers that a similar emphasis should be placed on the VET and higher education sectors. Both sectors are deserving of analysis in their own right: each has a large physical presence in regional and remote Australia; each plays a large role in the education and training of regional and remote students; each contributes to the wellbeing of their communities; and each has links to industry and employers that are pivotal to the creation of local jobs. To do otherwise risks reducing the role of VET and higher education in regional and remote Australia to that of an 'ancillary', as an end-point and not as a vital participant that impacts and contributes to multiple aspects of the wider education sector.

An equal emphasis placed on higher education and VET should be met with the adoption of a holistic analysis that considers the education sector and its operation within regional, rural and remote Australia *in toto*. While the use of reductionist approaches that break education into four sectors (that is, primary, secondary, higher education and VET) is appealing and provides undeniable insights, it is imperative this reductionist approach be complemented with an 'aerial' view. The latter approach increases opportunities for the identification of 'emergent' properties; it enables greater consideration of the interconnectedness of the sector, gives a thorough and complete understanding of education provision in regional and

remote Australia; and a greater appreciation of the role that can be played by each in the advancement of education and training in regional, rural and remote Australia.

Generational considerations

The preceding discussion highlighted the overemphasis on the primary and secondary sectors and the need for a similar emphasis to be placed on VET and higher education. A corollary of the emphasis on primary and secondary education is that focus, both implicit and explicit, has been on younger students.

The transformation of the Australian economy in the last 30 years is such that the nation's competitive advantage is based increasingly on a highly knowledgeable, educated and highly skilled workforce. The continuance of Australia's prosperity depends heavily on the ability of its workforce to continually adapt and develop its skills and on the smooth adoption of newly required abilities. In short, to the facilitation of lifelong learning.

Increasingly, lifelong learning means that more and more adults will be participating in some form of education and training. In the VET sector alone, 63 per cent of students are 25 and older, while those who are 45 and older represent about a quarter of the entire VET student cohort.¹

The Discussion Paper to this review seems silent on this matter. This is likely because of the emphasis on the pre-tertiary education sector and its implicit focus on the young people it educates. But a review of regional and remote education should pay increasing attention to matters associated with the education and training of 'non-school' age Australians, and to developing initiatives that enable adult Australians in regional and remote Australia to have the ease and opportunity to engage with education and training throughout their lives.

The importance of this feature is pivotal, given that many regional and remote communities are experiencing massive transformation with the closure of traditional industries. Recent Victorian examples include the closure of Hazelwood in the La Trobe Valley and the loss of Ford in Geelong. For such communities, the way forward is through the development of initiatives that facilitate further training and education that mitigate or avoid the deleterious consequences that can accompany social, economic and industrial change.

The regional diaspora and the innovation ecosystem

A clear motivation for this review is the need to ensure an education sector in regional and remote Australia that is thriving and sustainable. The long-term sustainability and vibrancy of such a sector depends heavily on the ability to attract people to live, work and contribute to regional, rural and remote communities.

While Australians cling to romantic notions of the 'bush' as a defining feature of their national character, the reality is a nation that is increasingly urbanised. As Figures 1 and 2 indicate, the trend has been away from residence in rural Australia to life in urban locations, with the proportion of people living in the 'bush' falling steadily with a clear preference for the capital

¹ *Australian vocational education and training statistics: total VET students and courses 2015 — data slicer*, National Centre for Vocational Education Research

cities.² This is also borne out in figures that show a marked trend towards economic activity in the capital cities, with over two thirds of Australia's economic activity occurring in less than one per cent of Australia's land mass (that is, in the capital cities).³

The Victorian TAFE Association recommends that this review of regional and remote education give consideration to this 'diaspora', to its causes and to initiatives that can be put in place to reverse or better manager it. This is in essence a call for a more holistic analysis, but while the discussion above called for a holism in terms of a consideration of the entire education sector, the discussion in this section calls for a holistic analysis that considers the role of the education sector within a broader social and economic context.

One recommended approach is to adopt the innovation ecosystem paradigm. It is common to view innovation in 'binary' terms, with the production of research (usually thought of as being undertaken by universities and research bodies and generally thought of in terms of technology) at one end and its transformation into goods and services by industry at the other. These approaches are often linear, with knowledge creation on one side, and adoption and commercialisation at the other. Much policy directed towards innovation is crafted with the goal of fostering greater links between these two groups in order to promote greater levels of innovation.

While such an approach is appealing from the point of ease and simplicity, it misses the plethora of additional 'actors' who operate and interact in the innovation system, diluting the effectiveness of policy instruments putatively designed to foster economic and social sustainability through increased levels of innovation. A more complete approach would instead be moored in models that draw on the idea of the 'innovation ecosystem'.

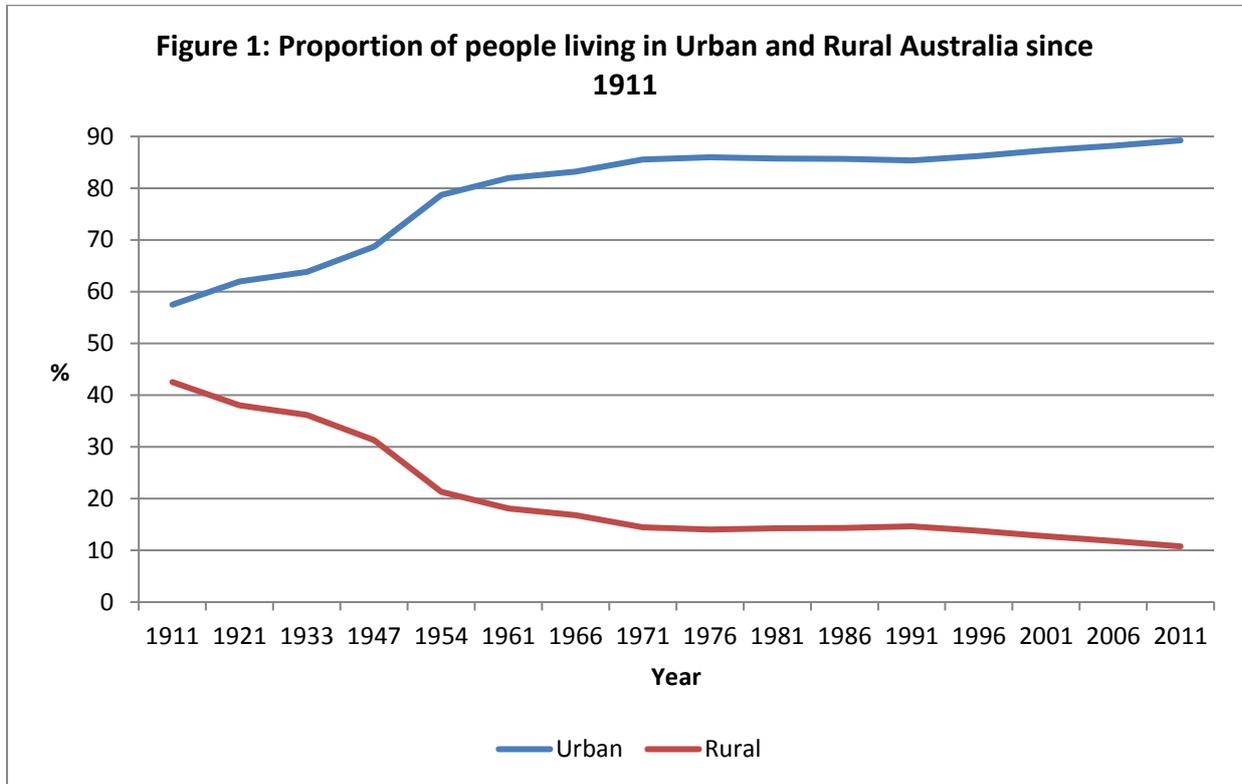
In brief, the innovation ecosystems model, like its biological analogue, looks at the large number of diverse and interdependent elements that drive innovation and their contribution to the development of strong and vibrant communities. The elements at play in such an ecosystem range from human factors (such as researchers, teachers, investors, students, entrepreneurs, tradespersons, artists and professional service providers) to material factors (such as funds, facilities, equipment and general infrastructure) and immaterial factors (such as the legal structure and other customs and institutions that are essential for trade, interaction and flows of information). Unlike the linear approach to knowledge creation, the innovation ecosystems model recognises that knowledge creation, adoption and commercialisation are not the domain of a single entity or group but can be seen in the activities of each of the ecosystem's constituents.

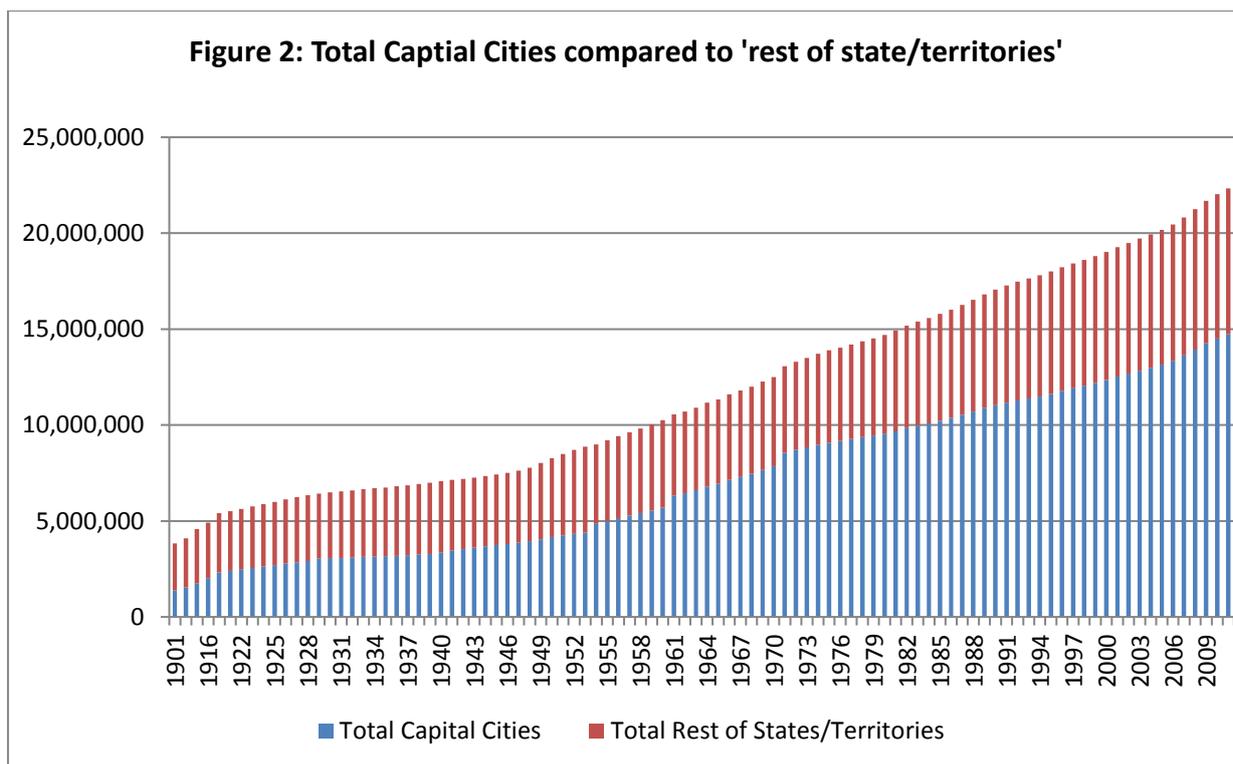
The Victorian TAFE Association recommends that the innovation ecosystem approach be adopted in the analysis of regional, rural and remote education. The Victorian TAFE Association considers that the education sector can be a positive contributor and social force for the creation of sustainable communities, to reversing the diaspora and ensuring their long-term vibrancy. But it is also true to say that the feasibility of education provision is made harder for regional and remote communities that are facing falling population levels. Therefore, to ensure the long-term sustainability for community and regional and remote

² These data are drawn from *Australian Historical Population Statistics, 2014*, Australian Bureau of Statistics, Cat no. 3105.65.001

³ *Australian Industry Report 2016*, Office for the Chief Economist, Commonwealth of Australia, page 98

education will require greater consideration and understanding of the factors that have resulted in the smaller number of Australians who have chosen to live in regional and remote Australia. The innovation ecosystems approach provides a tangible vehicle for an understanding of these factors and to the development of policies that facilitate the long-term sustainability of regional, rural and remote communities.





Educational devolution

A recent analysis by the LH Martin Institute of the structure of the Victorian TAFE network compared Victoria's devolved TAFE Network to the more centralist approach favoured in other states.⁴ While comparable states like NSW have (or are moving) towards a highly centralised model whereby formerly independent TAFE institutes are merged and centrally managed, Victoria has preferred to maintain an approach that establishes a series of independent TAFE institutes, each with their own CEO and Board of Directors.

The LH Martin research highlighted a number of features of the Victorian approach that it considered conveyed an advantage:

- Victoria's TAFE system is more localised to regions, enabling greater alignment with other institutions (such as those in local government) and facilitating collaboration on matters relating to social and economic development.
- The CEOs of Victoria's TAFE are better able to connect and respond to local realities and make decisions, as well as providing an easily identifiable figurehead for external stakeholders.
- The devolved nature of Victoria's system results in a greater number of CEOs, Board Chairs and Board Directors than their centralised counterparts, with associated benefits in terms of diversity of experience, skill and innovative strategic thinking.
- The devolved nature facilitates high profile industry specialisations and the formation of long standing relationships with industry sectors.
- The Victorian system does not stipulate a requirement to have equal sized TAFEs across the State. As a result, regional, remote and rural areas are better served by

⁴ Goedegebuure, Leo and Schubert, Ruth (January 2017), *Strengths and Benefits of the Victorian TAFE Model*, LH Martin Institute.

having local TAFEs, which are large enterprises for their regions, and with the local authority of a CEO.

- related to the point above, the system has great diversity in terms of scale and size, educational scope and mission that ensures greater alignment between the education and training needs of regions and a TAFE institute's training profile.

The Victorian TAFE Association considers that the findings of the LH Martin report can readily be applied to other education sectors. Regional, remote and rural Australia would benefit from greater levels of education devolution. Educational devolution would ensure a greater ability to align the activities of the educational sector with the social and economic goals of the region.

The regional paradox

A paradox of regional Australia is that despite high levels of youth unemployment (higher than those experienced in urban areas), its industries report great difficulty in filling positions. Difficulties in recruitment result from various factors, including an inability to attract suitable workers; a misalignment between specific skills requirements; problems associated with the hours required by the employers compared with the hours that workers are available; and transport difficulties/barriers. The paradox highlights a need for education and training provision in regional Australia that is more closely aligned to regional employment needs, and for greater coordination and interaction between regional communities, industry/employers and education bodies/providers.

Research shows that TAFE institutes operating in regional settings work closely with industry and employer partners/stakeholders to address these problems.⁵ But this work is currently piecemeal, and highly dependent on relationships that exist at the local level between the TAFE institute and industry partners. In many ways, this is evidence of the benefits of devolution. But the lessons are further than this, and call for policy direction and support that would help to coordinate and support current piecemeal activities so as to leverage greater benefits.

It is imperative however, that such a policy apparatus continues to enable local variation. There is a high level of diversity in regional Australia, and this should be encouraged. But while it is folly to treat regional Australia as a 'monolith', there is scope to develop "a concerted, comprehensive and coordinated policy imperative" that "draws together the resources and programs...across portfolios and across levels of government".⁶

⁵ Escalier McClean Consulting (April 2016), *The Regional Paradox: Undersupply of skilled workers and over representation of unemployed and disengaged youth*

⁶ *ibid*, (Section 1, page 4)

The breadth of the VET sector

It is not uncommon to think of the VET and TAFE sectors as the ‘apprenticeship’ sector. While this is an important training area for the sector and one of which it is proud, this focus often serves to minimise the breadth of Australia’s VET sector. This breadth, or diversity, operates on a number of levels, from a diverse educational and training profile, to its location provision over large geographical areas, the highly mixed student cohort, and the large range of industry sectors that are serviced.

A consideration of Victoria’s TAFE institutes enables some understanding of the wider VET sector. Victoria’s 12 TAFE institutes and four dual sector universities:

- operate more than 100 campuses covering every corner of the state
- provide education and training to over 200,000 Victorian students
- deliver 2 million units of training
- employ about 10,000 staff
- manage over \$2 billion of state-owned assets
- offer training across the Australian Qualification Framework, with many TAFEs registered as higher education providers, while those that are not registered with TEQSA hold partnerships/agreements with universities and other higher education providers that create pathways between institutions or that includes the delivery of higher education courses (at least in part) by TAFE institutes.

Victoria’s TAFE institutes are also considerable providers of secondary education. The Victorian TAFE Association has commissioned research that shows that Victoria’s TAFE institutes provide secondary education to almost 6,000 students, with increasing numbers of early school leavers completing their senior school certificates in TAFEs and dual sector Universities year on year.⁷ Such students often have challenging learning backgrounds and tend to gravitate towards communities and professions that accept them. The senior secondary settings in Victoria’s TAFEs and dual sector Universities consistently attract young people who have struggled in school, have experienced disrupted learning for a variety of reasons and are from low socio-economic status families.

The point of this discussion is to ensure a more nuanced and detailed analysis of the VET sector. While the VET sector can and will continue to play a pronounced role in the provision of training for apprentices and trainees, it can and does do so much more. The Victorian TAFE Association recommends that the review pay greater attention to the VET sector’s breadth and to the many and varied contributions that it can make to the education and training of regional, rural and remote Australians.

⁷ Jonas, Pam, Schultz, Nita and van Son, Jo (2017), *Disadvantaged young people: senior secondary completion in Victorian TAFEs and dual sector Universities*, Victorian TAFE Association.

Key Contact

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