National Regional, Rural and Remote Education Strategy

VICTORIAN
TAFE
ASSOCIATION

Contents

1. 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, the Adult Multicultural Education Service (AMES).

The Victorian TAFE Association welcomes this opportunity to respond to the Regional Education Expert Advisory Group. We would like to commence by drawing the reviewers' attention to our response to the *Independent review into regional, rural and remote education*, since many of the points raised there continue to have relevance.[1] But in addition to that response, we would like to alert your attention to a number of issues, including:

- Tertiary bias
- TAFE
- The Victorian TAFE model
- The breadth of the VET sector
- Career advice and aspiration
- Coordination and leverage
- Student support
- Commissioner for Regional, Rural and Remote Education

2. Tertiary bias

The stated goal of this review is to develop policies to "drive increased participation in post-secondary education". The accompanying Framing Paper refers to this as a desire to build rural, rural and remote "capacity and aspiration towards tertiary education" [emphasis added]. Post-secondary education includes the education and training delivered in higher education and in VET. And so, moving from this, an increase in tertiary participation suggests a desire to increase participation in both higher education and VET.

But a closer reading of both the Framing Paper and the Terms of Reference reveals that 'tertiary' is used as a synonym for university. The result is that an increase in tertiary participation seems viewed not as an increase in VET and higher education, but as an increase in university participation alone. Further, VET is relegated to 'second-class' status, with aspirations towards VET not viewed as legitimate goals in their own right, but as a pathway to university, or as a choice made by students due to the "negative…perceptions of their prospects of getting into a university or successfully completing a university degree". The consequence is that the TAFE and VET are seen as handmaidens in the service of the university sector, their role limited to taking students and moulding them in preparation for the ultimate aspiration of university.

The education and training provided by TAFE and the wider VET sector should not be limited to a stop on a journey to university, but as a worthy aspiration in its own right. The Victorian TAFE Association therefore requests that the review ensures that its conception of tertiary education includes a TAFE and VET sector that is equal to higher education, and that higher education comprises so much more than the universities. Moving from this, students should be supported to achieve the aspiration that best suits their strengths, enables them to achieve their dreams or goals, and places them in the best possible position to fully engage with society. For some, this will be achieved through the training provided at

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[1] The submission can be viewed by visiting https://vta.vic.edu.au/doctest/publications/691-regional-rural-and-remote-educaton-vta-response/file#page=4&zoom=100,0,737, accessed 30 January 2019.

university. For others, the education provided by the VET sector is more suited and preferable. But whatever the case, there must be a relinquishing of views that treat university as the 'holy grail' towards which all must proceed.

3. TAFE

Australia's VET sector comprises two main components, including public TAFE institutes, dual sector universities and private training providers. While this statement is a truism, it also serves to highlight an important point: that the VET sector includes players with diverse objectives, and that understanding these can have marked impacts on the achievement of policy objectives for rural, regional and remote communities.

A major point of differentiation between TAFE and private providers is their 'decision rule'. The overarching decision-rule for non-TAFE providers is to deliver training that is economically advantageous (that is, that which makes a profit). But for TAFE, the decision-rule is multifarious, being driven largely by social obligations and a civic duty to ensure the sustenance and prosperity of the communities that it serves. This 'social charter' enjoins TAFE to contribute to the wellbeing of the communities in which it is immersed and serve, and drives it to pursue activities that contribute to the attainment of a suite of social and cultural indicators that ensure the preservation of society.

There are a number of ways in which TAFE's social mission operates that are particularly relevant for communities in regional, rural and remote Australia, such as:

- Multiple campus locations: Victoria's TAFE institutes and dual sector universities operate more than 100 campuses spanning the state. Their existence is based not on economic grounds solely, but also on community need, providing access to education and training facilities to communities that would otherwise go without. Proximity to an educational institution is often a leading factor in decisions regarding further study, so the presence of TAFE campuses within regional areas contributes to participation in tertiary education and training for regional students who may otherwise be disenfranchised. Indeed, research from KPMG shows that regional TAFE institutes train proportionally more regional students than private providers or universities.[2] In addition, the facilities and resources at TAFE campuses are used for more than educational purposes alone, being available for community and industry use for multiple purposes, including in times of crisis (such as during a natural disaster).
- Thin markets: this refers to a situation where there are "few learners (that is, there is low demand for VET) and/or VET providers (that is, there is limited supply of training)".[3] A thin market can apply to "occupational areas, industry areas and geographic regions (particularly in rural and remote locations)". For regional, rural and remote areas, it means that while they can be (and sometimes are) catered to by private providers, such providers can (and sometimes do) decide to leave if they deem it economically preferable to do so (that is, if they do not make a profit). But for TAFE institutes, the decision rule is not forged in matters of finance alone, but is

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[2] KPMG (June 2018), *The Importance of TAFE to Victoria's Prosperity: Final Report,* https://vta.vic.edu.au/document-manager/research-applied/848-the-importance-of-tafe-to-victoria-s-prosperity-final-29-06-18, accessed 17 January 2019.
[3] NCVER (2008), *Vocational education and training providers in competitive training markets*: 30

more nuanced, taking account of the many social and environmental factors that contribute to community and social wellbeing and resilience.

- Community development: Victorian TAFE institutes play a leading role in leading and coordinating efforts to rebuild communities that have experienced economic dislocation and transformation. This has been particularly so in regional communities, which have borne a disproportionate share of the impact arising from industry closure. A good example is the Skilling the Bay initiative led by The Gordon Institute and delivered in partnership with Deakin University and the Victorian State Government. This initiative provides the people of Geelong with opportunities to address issues resulting from the closure of important industries like motor vehicle manufacturing and to engage with emerging sectors.[4]

- Diverse cohorts: TAFE plays a major role in providing opportunities for those who come from regional and disadvantaged backgrounds. Research by KPMG shows that in Victoria alone, the TAFE network delivered training to three times as many students from low socio-economic backgrounds as higher education providers, and about four times as many Indigenous students.[5] Without the conduit provided by TAFEs, many from disadvantaged cohorts would likely be excluded from tertiary education and training and hence, from engagement with society.

The Victorian TAFE Association recommends therefore that the review recognise this difference and consider the special public and social service role of TAFE. TAFE is not simply a training provider, but a trusted partner of government whose resources and skills can be used to tackle and address economic, social and cultural policy issues that affect regional, rural and remote communities. In this, we call on the Commonwealth to work with states and territories and provide resources that recognise this role; to enable and assure the continued and expanded physical presence of TAFE institutes in regional settings; and to develop initiatives that ensure that TAFE continues and grows its role in serving the needs of regional, rural and remote Australians.

4. The Victorian TAFE model

In 2017, the LH Martin Institute undertook an analysis of the highly devolved structure of the Victorian TAFE network and compared it to more centralised approaches in other states.[6] While comparable states (for example, NSW) have moved towards a highly centralised structure whereby formerly independent TAFE institutes are merged and centrally managed, Victoria has preferred to continue with a series of independent TAFE institutes, each with their own CEO and Board of Directors.

The LH Martin research outlined a number of benefits that, while applicable to the entire Victorian TAFE network, are arguably more pronounced for regional, remote and rural constituencies. These include:

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[4] https://www.thegordon.edu.au/stb/about, accessed 18 January 2019.

[5] KPMG (June 2018), *The Importance of TAFE to Victoria's Prosperity: Final Report,* https://vta.vic.edu.au/document-manager/research-applied/848-the-importance-of-tafe-to-victoria-s-prosperity-final-29-06-18, accessed 17 January 2019.

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

- Victoria's TAFE system, which is more localised to regions within country and metropolitan Victoria, enables greater alignment with other bodies and institutions (such as those in local government), facilitating collaboration on social and economic development.
- The CEOs of Victoria's TAFE institutes are more connected to local communities, making them more able to respond to local realties and opportunities; and to make decisions and provide 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. This creates a number of benefits, including access to increased networks, a larger variety of experience and skill, and a greater pool of people to offer innovative and strategic thinking.
- The Victorian approach facilitates high profile industry specialisation and the formation of long-standing relationships with industry sectors.
- Victoria's system does not stipulate a requirement to have equal-sized TAFEs across the state. As a result, regional areas are better served by having local TAFEs, which are large enterprises for their regions, 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. With respect to this point, Victorian TAFE institutes have, where possible or required, worked collaboratively in the delivery of projects or activities, drawing on the diversity and strength of each of the Network's parts.

The Victorian TAFE Association therefore considers that the review should give consideration to the benefits of the Victorian model for regional, rural and remote Australians and to the encouragement of this model in other Australian jurisdictions.

5. The breadth of the VET sector

Too often, the VET sector is viewed through two limited and distorting prisms. The first is its caricature as the 'apprenticeship' sector, where its role is limited to the provision of training to apprentices in the traditional trades. The second view sees VET as sort of 'preparatory school', where it takes it takes students and provides training to prepare them for a pathway to university.

Whichever of these views holds, the consequence is the same. Namely, a diminishing of the VET sector and to the role that it can (and currently does) play in addressing policy issues, including those related to tertiary participation by communities in regional, rural and remote Australia.

TAFE and the wider VET sector are much more than these caricatures suggest. Victoria's TAFE sector alone: has an expansive educational and training profile that operates across industry sectors and AQF qualifications; is located in communities and regions across the state; and has a highly mixed, inclusive student cohort. Many TAFEs are also registered as higher education providers, while those that are not hold partnerships/agreements with universities and other higher education providers that create pathways and involve the

delivery (at least in part) of higher education courses by TAFE institutes and other VET providers.

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 provided 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 Many of these students have challenging learning backgrounds and tend to gravitate towards communities and professions that accept them (like those in TAFE). 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 awareness of the VET sector, its breadth and the role that it does and can play in the education and training of Australians residing in rural, regional and remote areas.

6. Career advice and aspiration

A refrain heard throughout the Framing Paper is the need to raise aspirations for regional, rural and remote Australians. While the Victorian TAFE Associated is concerned with an apprehension of tertiary education that seems focused on universities (as highlighted in section 1), we share the desire for Australians living in regional areas to be able to realise and achieve their dreams on a platform equal to their city cousins.

There are many highly persuasive voices that influence the choices one makes and the ambitions one develops, including family, teachers, friends, peers and careers advisers. When the information these sources provide is biased, inaccurate or based on outmoded notions, it can prove deleterious to an individual's best interest. Countering these influential and ill-informed voices can prove highly problematic in city settings, but in regional settings they can be even more difficult to counteract. This is because many regional students lack access to the kinds of specialist career support that is available to city counterparts; their networks and 'circles of exposure' are constrained by the smaller populations they operate in; and the industry profile in their sphere of activity is less diverse than those in metropolitan settings.

While some problems are a product of geography, others are shared with city dwellers. Too often, students who would be best served by a VET program are instead pushed towards studies at university. For the VET sector, the result of this poor advice is a difficulty in growing numbers, but for Australia as a whole, the results are (among other things) skills shortages for industry, individuals with education and training unsuited to their strengths and needs, and an impact on prosperity.

Thought should be given to how existing programs (such as the Apprentice Employment Network's Multi Industry Pre-Apprentice project) can be extended to regional settings to help tackle misinformation and remove the stigma associated with a VET qualification. The Victorian TAFE Association also recommends the development of strategies to increase

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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.

awareness and provide accurate information on career options for students in regional communities. Funding should be provided to ensure that services are made available to those in regional settings, with consideration given to the role of technology in providing these services in a more efficient and economically sustainable manner.

7. Coordination and leverage

In its submission to the Independent review into regional, rural and remote education (2017), the Victorian TAFE Association noted that 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".[8] The growing urbanisation of Australian society has consequences for the economic sustainability of regional communities, 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)".[9]

Increasingly thin populations in regional Australia necessitates that support programs are delivered as efficiently and effectively as possible. As such, the review should look more at ways to minimise duplication; to identify successful policies that could be adopted nationally; and to identify instances of divergence or conflict between policies and programs.

Most of Australia's major cities are nestled well within the borders of their respective states and territories. As such, most metropolitan dwelling Australians are unlikely to face jurisdictional differences on a day-to-day basis. But many regional Australians live in areas that straddle the borders between states and territories. For these Australians, diverse regulatory and policy differences can have tangible impacts, including on the educational choices and their ability to pursue dreams. For example, the Victorian Government's "Free TAFE" program, introduced to make TAFE affordable and accessible for all, presents challenges for students who reside in other jurisdictions but mostly operate or work in Victoria. This 'artificial barrier' poses implications for educational participation, but also creates obstacles to industries located at the border seeking to fulfil workforce requirements.

In some cases, regional participation can be increased by tweaking existing policies that make regional education more accessible or desirable. One example would be to lift caps associated with Commonwealth Supported Places for regional students. This policy proposal could also be used as a lever to attract metropolitan students to study in regional settings. The combined effect would be to increase student enrolments in regional education institutions, thereby improving the economic sustainability of education provision in the regions. Enrolments in regional institutions could also be increased through campaigns to attract metropolitan and international students that demonstrate the benefits of education and training in regional settings (such as the lower cost of living).

Policies and funding could also be enacted to encourage greater synergies and cooperation between secondary, VET and higher education providers operating in regional settings. This could operate on multiple levels, including by creating guaranteed pathways between the various sectors. It could also manifest itself physically, through the development and co-

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[8] https://vta.vic.edu.au/doctest/publications/691-regional-rural-and-remote-educaton-vta-response/file, accessed 30 January 2019.

[9] Australian Industry Report 2016, Office for the Chief Economist, Commonwealth of Australia, page 98

location of facilities, including through the creation education 'hubs' and campuses that pool disparate resources to create a more desirable and efficient learning experience for tertiary students. The industry hub created by co-location could grow to become an anchor and focal point that draws in ancillary industries and helps to create a sound economic base for regional communities.

Consideration should also be given to the adoption of proven innovations that increase exposure and access to education and training. These need not rely on high-tech solutions, but could be achieved through simpler means. For example, some Victorian TAFEs have developed mobile training facilities that roam across Victoria to train students in multiple locations, including those who reside in thin markets where a permanent training facility is not feasible. This kind of innovation can help to increase the geographic scope of training provision; help to lower marginal costs of training delivery; provide students in regional settings with access to training that they might not otherwise have; and give industries operating in regional settings access to training and workers to fulfil their workforce needs.

8. Student support

The discussion thus far has largely assumed that education and training would be provided to regional students in regional settings. However, there may be instances when local provision is not possible. When this is the case, Australians from regional, rural and remote areas are required to move from their homes to receive their training in institutions operating in metropolitan settings.

But moving to metropolitan settings levies costs and burdens that could prove prohibitive to many, providing a deterrence to educational participation for regional students. These costs can be split into two broad categories, including 'hard' costs, such as travel, accommodation and living expenditures, and 'social' costs, which includes the loss of professional and social support networks.

In recognition of this, government of all levels have developed programs to address these barriers (at least, the hard cost barriers) to make it easier for regional students to live in metropolitan areas. However, many of these programs are means-tested and the associated thresholds place them beyond reach for many Australians of average income and wealth. The Victorian TAFE Association therefore recommends that current thresholds and support programs be reviewed. This review would be two-fold: firstly, to consider current thresholds levels to determine their suitability; secondly, to look at existing support programs from across all levels of government to consider gaps, possibilities for better coordination and ways to minimise duplication.

The costs outlined are borne by all regional students, irrespective of the kind of education and training that is sought. But for TAFE and VET students, the costs are further amplified by the VET Student Loans program. The loan caps in this program very often do not reflect the real cost of training provision. To cover the costs of training, many training providers charge tuition fees that are higher than the cap amount, resulting in a 'gap' that the student must pay out of his own funds. In regional areas, providers face lower course enrolment numbers but the same fixed costs, making the marginal costs of delivery higher. The result is a 'gap' payment that is often higher for regional students. The Victorian TAFE Association recommends therefore that this program also be reviewed to consider the impact its design is having on regional participation in education and training.

Too often, polices are designed with the idea of a student who is a young person who has commenced training on his/her way to developing a career. But increasingly, economic change means that more and more Australians are accessing education and training throughout their lives; in other words, lifelong learning is an increasing reality for most Australians. Economic transition is often felt more acutely in regional areas that have a greater reliance on fewer industry sectors for economic sustainability, making the need for lifelong learning more pronounced. While lifelong can be an expensive proposition for all Australians, irrespective of where they live, the costs can be higher for those in regional settings. The Victorian TAFE Association recommends that the review make recommendations that would make education and training accessible to older Australians in regional settings, but also more broadly. We also consider that thought should be given to the national adoption of the Victorian Government's Skill's and Jobs Centres program, which provides job-seekers with expert advice on training and employment opportunities and assists industry in fulfilling its workforce needs.

9. Commissioner for Regional, Rural and Remote Education

Figures collated by the Mitchell Institute demonstrate that between 2005-06 and 2015-16, the VET sector saw real-term funding fall from $5.9 billion to $5.7 billion. By comparison, over the same period, school sector funding rose from $34.6 billion to $45 billion, while funding to higher education increased from $17 billion to $25.9 billion. And in recent years, unpredictable policy development has created circumstances that are not favourable to the VET sector's steady development. Instead, the sector is all too often relegated by government to 'educator of last resort' status, a 'poor cousin' to both the school sector and higher education.

Against this, the Victorian TAFE Association considers that establishing a Commissioner for Rural, Region and Remote Education could prove useful in providing an impartial eye to matters relating to educational policy and provision. While the Commissioner's focus would be on rural, regional and remote education, we consider that, given appropriate Terms of Reference and powers, the Commissioner would prove a valuable voice, rising above the political fray to help create long-term sustainable policies for regional Australians and the education sector more broadly.

We also consider that, given Australia's federal system of government and the resulting intersection and overlap of responsibility for education policy and provision, such a position be established through full consultation and agreement of state and territory governments. If this is achieved, then the Victorian TAFE Association considers that the Commissioner should:

- be empowered to consider and address differences in state and Commonwealth educational policies that hinder progress.
- consider 'legacy issues' that impact on equity and balance between higher education and TAFE/VET.
- look to develop policies that create greater synergies between secondary education, higher education and the TAFE/VET sector that create more seamless pathways.
- look at regulatory structure and address those that create a barrier and levy unreasonable costs.

- ensure that regional, rural and remote education policy is developed in concert with other policies designed to support and build regional, rural and remote communities.

10. Key contact

The VTA welcomes the opportunity to speak further to the issues outlined in this submission. To do so, please contact:

Mr Andrew Williamson
Executive Director
Victorian TAFE Association
Level 3, 478 Albert Street, East Melbourne Vic 3002
Email: awilliamson@vta.vic.edu.au
Phone: 03 9639 8100
Mobile: 0400 403 755