Purpose

This paper is a summary of the key themes arising from the symposium and provides further contextual information for the development of the 2006-10 RMIT Strategic Plan.

Background

The aim of the symposium is to bring together post compulsory education stakeholders to contribute to a BHERT policy position that builds on the draft policy paper prepared by the Taskforce on Post Compulsory Education. Key issues addressed by the symposium include the development of stronger pathways between the VET and higher education sectors, and strengthening cross-sector collaboration.

Keynote speakers were the Federal Minister for Vocational Education and Training, Gary Hardgrave, and the State Minister for Education and Training, Lynne Kosky.

Relevance to RMIT

RMIT has commenced the process to develop a new Strategic Plan for 2006-10, which is due to be presented to Council in December 2005. A key component of this process is analysing external drivers that are shaping the post compulsory education sector, such as those identified by the BHERT symposium. Some issues for RMIT include:

- Leveraging our dual sector advantage to improve pathways and articulation (RMIT articulation rates are below those of Victoria’s other large dual sector institutions, Swinburne University and Victoria University, and below many single sector institutions). The challenge is to build this capacity in a policy environment where State VET funding is being redirected to lower level AQF qualifications, with the result that funding for RMIT traditional pathways programs (Diplomas and Advanced Diplomas) may be reduced.
- Continued development of innovative cross-sectoral qualifications (eg. Associate Degrees) that meet the emerging needs of industry; and the push for funding recognition of dual qualifications across the TAFE and higher education sectors
- The need to develop further collaborative arrangements with other providers, particularly in the TAFE sector where third party access to facilities and cross-institutional partnerships are now key government priorities with likely funding implications.

These issues need to be considered in the context of significant State and Federal government reform of the public VET sector that includes the realignment of state funding to areas of government priority, and a push for greater Commonwealth control of how VET is delivered in the states, including the establishment of the Australian Technical Colleges. The Commonwealth reforms are detailed in the directions paper ‘Skilling Australia: New Directions for Vocational Education and Training’, a summary of which is available on the IRCU website at:


Policy Context

There is currently no policy framework that covers the Australian post compulsory education sector, which is considered by many as a constraint to the development of an integrated system. Although the Ministerial Council of Education, Employment, Training and Youth
Affairs (MCEETYA) nominally covers both sectors, VET policy is largely determined through a separate Ministerial Council. Both sectors are impacted by similar federal government imperatives: the push for greater Commonwealth control at the expense of the States; a bigger role for industry in determining priorities; an increased role for private providers; and, a greater focus on student choice and student outcomes.

The key drivers for a more integrated, effective and collaborative post compulsory education and training sectors include:

- Increased student mobility between sectors nationally, and increasingly internationally
- National skills shortages in the trades and some professional sectors
- Imperative for increased workforce participation in response to the ageing population

Policy Issues

The following issues were identified as important to the development of the BHERT policy response:

*Federal versus national*
National education and training policy is currently based on co-operative federalism. The recent round of reforms is putting this approach to the test as the Commonwealth uses its legislative powers to exert power over the States and potentially withhold funding. BHERT should propose a preferred approach to establishing post compulsory education policy that clarifies the relative roles of the Commonwealth and the states.

*Local versus national*
Local and regional collaboration should be allowed to flourish to deliver innovative solutions to communities and industries, and this may take precedence over nationally driven outcomes.

*Pathways*
The development of comprehensive and transparent pathways within and between sectors has become a key policy objective of the Commonwealth and State governments in light of the global trends in student mobility and the shift towards ‘user choice’. The key policy issue here is the extent to which a national framework can be developed that takes into account all stakeholder interests, and is not simply another mechanism by which the Commonwealth will seek to exert its funding influence.

*Funding profiles*
Existing funding profiles don’t encourage students to undertake a combination of qualifications. This is particularly disadvantageous for dual sector institutions, where there is significant potential for cross-sectoral enrolments.

*Government priorities versus market demand*
The Commonwealth policy setting for public providers is increasingly geared towards opening the sector up to competition (eg. review of National Protocols). At the same time, the sector is expected to conform to government priorities that restrict its ability to genuinely respond to market demand. Similar pressures exist for the TAFE sector with the State government purchasing priorities not always aligned with commercial revenue opportunities. The BHERT policy should acknowledge these tensions and recommend that governments address these competing imperatives.

*Innovation in pedagogy*
Industry should be an active partner in the development of work-integrated learning opportunities for students across both the higher education and VET sectors, and this should be a key feature of a national post compulsory policy framework.

*Student assistance parity*
A truly cross-sectoral system should provide similar opportunities for all fee-paying students to access government loan schemes. The current system whereby VET students in public
and private training organizations cannot access FEE-HELP requires immediate policy attention.

National recognition of qualifications
There is clearly an urgent need for the removal of state based restrictions on qualifications recognition. The Commonwealth has identified this as major impediment to skills growth in Australia and has targeted the States to quickly resolve this issue.

Cross-sector qualifications
Policy effort needs to be directed to the issue of higher education delivering VET qualifications. The UK experience suggests that this initiative will only succeed with a co-ordinated policy approach that takes into account both sectors.

Other points to note:
- A national policy framework needs to acknowledge the considerable co-operative arrangements that already exist between VET providers, and between the VET and higher education sectors.
- The relative size and scale of the various sectors needs to be taken into account in any policy consideration of articulation and pathways. For instance, higher education graduates undertaking a single VET module is not equivalent to a VET graduate articulating to a higher education degree. The difficulty here is accurately quantifying the dimension of VET undertaken by higher education ‘articulants’.
- 80% of the training market is in the non-trades areas, so the current focus on trades training needs to be seen in this context.
- Issue of public good versus private benefit should be made explicit. There is clearly a role for public provision in building social capital, particularly in areas that the private sector won’t deliver due to cost inefficiencies (eg. remote areas)

Stakeholder Perspectives

Industry
The Australian Chamber of Commerce and Industry (now a key driver of the national training agenda) raised the following issues:

- Need for governance reform (providers should have more autonomy and be linked to regions)
- User choice should be available, including learning accounts (ie, voucher system)
- Student/employer centred approach
- Third party access to TAFE facilities (on a fee for service basis) to other public and private providers
- Flexible workplace relations (including a reduced role for unions)
- Industry rating of training providers will be introduced on a voluntary basis

Federal Government
The key message from the Commonwealth is the need for States to produce national outcomes or risk losing Commonwealth funding ($4.9b). These include:

- National recognition of training qualifications
- Employer driven approach
- Flexibility to deliver specialist modules for specific skills shortages
- Increased competition across training sector
- Attracting high quality teachers (particularly in trades)

Victorian State Government
The State’s position is that the Commonwealth is a minor shareholder in the Victorian training system (contributing less than one fifth funding), and therefore it should not have the final say in how the system is managed. Other key points include:
Victorian government increased TAFE funding 1997-2003 by 44% whereas Federal government funding grew by only 4%

Victoria has the highest level of fee-for-service funding in Australia (22%) but this is in addition to public funding (new Commonwealth legislation, ‘Skilling Australia’s Workforce Bill 2005’, clearly encourages VET to use private funding as a substitute for public funding)

Victoria’s credit matrix system will facilitate more effective state-based pathways

90% of Victoria’s apprenticeship training is in TAFE, highlighting the important role of public institutions in addressing skills shortages

Shifting the funding burden from public to private will lead to fewer students in the training system and increased cost to business, leading to more skills shortages and a worsening economy.

Australian National Training Authority (ANTA)-to be absorbed into DEST from July 1, 2005

Need for a unified national system for all post compulsory education

Cross sectoral approach has failed to take into account the new role of industry as a partner with formal roles and responsibilities

Competency-based training packages are limited by their immediate skills focus, whereas emerging industries require a broader set of capabilities that enable graduates to respond to new and unfamiliar situations.

Public Providers

TAFE Directors Australia emphasised the need for a tripartite leadership approach, increased funding to the sector, and a better image for TAFE.

RMIT, Chisholm Institute and Challenger TAFE presented case studies on successful collaborations across sectors

Swinburne University presented details of its successful ‘intersectoral approach’ that has resulted in the highest articulation rates in Australia. Key components are:

- Support from all levels of the organization
- Graded assessment enables translation between competency based assessment (TAFE) and curriculum based assessment (higher education)
- High level of collaboration between sectors
- Active orientation and transition programs
- Granting of appropriate levels of credit (max 1.5 years for 2 year Dip/Adv Dip) to ensure students don’t fail
- Clear information on pathways via credit transfer database
- Direct entry for TAFE encourages articulation
- Financial implications include cost of transition programs, higher average cost of teaching (higher proportion of students in 2/3 year), and cost of modifying curriculum. However, no Commonwealth funding incentive to improve articulation pathways.

Private Providers

Australian Council for Private Education and Training (ACPET) emphasised the need for a VET Student Loan Scheme to ensure parity with other fee-paying students in higher education who have access to government assistance schemes.

Further Information

Symposium papers soon to be published on the BHERT website at:
http://www.bhert.com/