

Thursday the 19th of November, 2015

Parliament of New South Wales,
The Hon P Green (Chair) and Committee Members,
General Purpose Standing Committee No.6 –
Inquiry into Vocational Education and Training in NSW

The Hon P Green (Chair) and Committee,

Post-Hearing Responses for Inquiry into VET in NSW

Thank you for the opportunity to appear before the General Purpose Standing Committee No. 6 on Monday 12 October 2015 at Wollongong for the inquiry into Vocational Education and Training in NSW.

Thank you also for providing the extension to respond until the 20th of November, 2015.

Please note that we have no changes to make to the transcript, and we are providing response to a question taken on notice during the hearing, highlighted in yellow in the transcript as below:

Dr JOHN KAYE: Can you talk briefly about what happened to outreach and what the implications have been? **Ms CLAY:** That has happened for a while and it is about agencies having to make decisions about where their resources go. In the past we would have—

Dr JOHN KAYE: Oh, stop being so reasonable.

Ms CLAY: I find it a bit complex because I work for TAFE as well. But we did get good support from outreach and we have been disappointed at the reduction of it. We run a Foyer service, which is an employment education and training service with accommodation attached. In other States and Territories we know that there was probably a lot more input into the Foyer than we were able to get but we have been able to get some. With this new community money we will be able to get some as well. The concern for me is that it still does not meet their other requirements. People are doing all this stuff but it actually may not in fact deliver them with an income to be able to live on, which means they are going to drop out of whatever they are doing anyway. It is kind of a very serious catch 22. One arm makes one decision while the other arm is deciding something else, and it is not working for the young people.

Dr JOHN KAYE: Can you provide on notice more details about the new funding?

Ms CLAY: Yes.

Our Response:

From the initial rollout of Smart and Skilled there was not enough money put into the Program and many RTO's we not able to offer all the courses (subsidised) they were approved to deliver. This with other factors resulted in a reduction of training places being taken up. These factors included TAFE enrolment system, difficulty to find courses on offer, limits to subsidised training and increased administration costs.

The second half of the year however, saw somewhat of a turnaround with the State Government offering a range of initiatives to help to get people to take up training places. These have included:

- Students with a disability fee-exempt for all courses from 2016
- Additional training places in courses to support NDIS rollout in 2016
- Changes to eligibility for the Smart and Skilled Entitlement in 2016
- Smart and Skilled traineeship fees capped at \$1,000 from 2016
- Investment of Pre-apprenticeships and pre-traineeships
- 200,000 Smart and Skilled Fee-Free Scholarships
- Increased money to ACE Providers – Community Service Obligation

The last one mentioned above ie Community Service Obligation is provided by approved ACE providers who are able to provide additional support to learners who experience barriers to accessing the Smart and Skilled entitlement program. We have WEA Illawarra and Kiama Community College in this region.

This allows them to put together targeted skill sets and short courses to meet the demand of the area. Generally these are short courses, however we have been able to have the Certificate II in Hospitality run by Kiama Community College funded through the CSO program as it was acknowledged as a gap in the regional area and there was no other Hospitality Training available in the Shellharbour LGA. It is positive to see that regional issues and gaps are at least in some ways able to be addressed through this program.

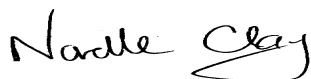
Ongoing Issues:

There is still a slow uptake however on training places. We believe that this is due to a combination of the following factors. We have been contacted by many local RTO's to say they have money to spend (before end of year) and looking to get a program started, however:

- Young people have Mutual Obligation requirements with Centrelink/Jobactive providers (25pw) and to satisfy requirement any training done in its place has to be at a CIII level or above. Jobactive Providers are not allowing young people to do shorter courses.
- Many courses available are put together on an ad-hoc basis, usually when a provider needs people or has money to spend. Information about these is then sent out through their networks and often does not reach people, or with short time to engage.
- Still difficult to find a course and a provider in the area. A search via the smart and skilled website may show many options, a lot are via online providers and others you still have to call up, with no guarantee.

On a positive note, we hope the introduction of the new Transition to Work Program from 2016, will hopefully allow young people (15-21) to access and take up more training under Smart and Skilled as they work towards the outcome of a CIII or employment.

Yours Sincerely,



Narelle Clay
CEO