

INQUIRY INTO VOCATIONAL EDUCATION AND TRAINING IN NEW SOUTH WALES

Supplementary questions on notice – Sydney hearing 23 September 2015

Questions for the Sydney Anglican Schools Corporation

1. You refer to 'Smart and Skilled' as a 'closed shop' and seem to be calling for fewer restrictions on providers allowed to enter the market for entitlements:

a. Please provide details what you see as a sensible regulation on entry to the market.

The Sydney Anglican Schools Corporation is broadly experienced at offering education and training services in New South Wales. The requirement for offering any of these services should be compliance and accreditation provided by the relevant regulating authority. In the case of school education BOSTES occupies that position and for trade training the equivalent would be ASQA.

There is no reason to prevent accreditation authorities from assessing both the quality of programs offered and the success of delivery that might be reflected in completion rates and other relevant markers such as employment outcomes or transition to other appropriate programs. In the case of school based apprenticeship participants, there is often a 'drop out' rate for students who transition to full time apprenticeships without completing their HSC qualification.

b. Please give details of what you see as the limit of contestability in terms of how much of the total vocational education and training budget should be allocated through market mechanisms?

We understand 'market mechanisms' to be essentially represented by student demand or choice. That is, we expect that any public contribution to training should be attached to eligible students. There must be some requirement for delivery of services in regional areas or 'thin' markets which is ordinarily reflected in the rates of subsidy as described by IPART. Similar provisions would also apply for students with disabilities.

School Based Apprenticeships are currently regarded as something of a 'niche' market reflecting their low level of supply since few institutions have successfully integrated this program with more mainstream school education. Nonetheless, they are an important pathway for many students who do not experience success in the comprehensive system. This is sufficient justification for specifically funding this approach within Smart and Skilled.

c. Do you support 'open slather' policies of not imposing limits on the size of the market?

Some limitations should also be applied according to the industry demand for courses. We note that there continues to be an undersupply in the marketplace for what we refer to as the 'hard skills' qualifications. These include Carpentry and Electro Technology as well as Automotive. These are courses that we are specifically resourced to supply.

The current market restrictions prevent our group from supplying this training. Instead we must source it from suppliers with Smart and Skilled contracts who each seem to be over supplied with training places that they are not currently able to fill. Fulfilling the trade training needs of our students through these third party suppliers also adds unnecessary costs that are added to deficit operations that all Stage 6 programs tend to be or a proportion of the costs.

d. What do you see as the future of TAFE?

TAFE enjoys market dominance in terms of accessibility, course offerings and market positioning. Their capacity to deliver a quantum of training outcomes is unequalled by any other provider. This has also had the effect of distorting the market for training.

Since TAFE has won the 'lion's share' of Smart and Skilled contracts as might be expected given their size, their future should be certain. However since TAFE has been allowed to operate with uncompetitive overhead costs structures, we understand their difficulty transitioning to a new paradigm.

Niche providers such as ourselves should be able to work alongside TAFE since we are of a size, scale and market orientation to be able to directly respond to the specific needs of students as well as the needs of industry with whom we closely partner. This dynamic also provides some incentive for TAFE to become attuned to changing market trends.

Requiring TAFE to service the students of private providers as a recipient of Smart and Skilled contracts is a potential source of tension due to disparate cost structures and the need for flexible arrangements.

2. You applied for a cap under Smart and Skilled, yet the Committee received the following testimony from the Catholic Schools Office – Diocese of Lismore and the Association of Independent Schools:

The Hon. DANIEL MOOKHEY: Presumably your RTO has got some element of funding under the Smart and Skilled program or some of the contracts?

Mrs WATTS: No.

The Hon. DANIEL MOOKHEY: Did they apply?

Mrs WATTS: No.

Dr NEWCOMBE: They were not eligible.

The Hon. DANIEL MOOKHEY: It is not the school-based apprenticeship aspect to the policy?

Mrs WATTS: Students go to school and the schools are paid for them to be at school; so it would be double-dipping.

a. What is the Commonwealth per capita recurrent funding for students at Trades Norwest Anglican Senior College?

- *Commonwealth Govt. (YTD to September ie 75% rec'd) - \$7,590.24;*

This funding is contributed toward BOSTES accredited courses. School Based Apprenticeship or Traineeship trade training towards a Certificate III qualification is not funded under this provision.

b. What is the state per capita recurrent funding for students at Trades Norwest Anglican Senior College?

- *State Govt. Secondary Category 9 - \$2,574.02 after the second half installment;*
- *State Govt. Secondary Disabled Category 12 - \$3,257.22 after the second half installment.*

This funding is contributed toward BOSTES accredited courses. School Based Apprenticeship or Traineeship trade training towards a Certificate III qualification is not funded under this provision.

c. Why would have receipt of government subsidies under Smart and Skilled for students at Trades Norwest Anglican Senior College not have been double dipping.

The application for Smart and Skilled Funding was made by ATC Western Sydney Limited trading as TechWest Sydney. This is the RTO which operates alongside Trades Norwest Anglican Senior College. It is a stand-alone entity and provides training to students at Trades Norwest Anglican Senior College as well as to students who are not in Year 11 and Year 12 at Trades Norwest Anglican Senior College.

TechWest Sydney provides training to students to the completion of Stage 3 of their courses in Carpentry and Electrotechnology after they have completed Year 12 either at Trades Norwest or at any other school or institution. Therefore, Trades Norwest Anglican Senior College has never and would not be double-dipping.

From a student perspective, it is important to note that HSC and trade training qualifications commence concurrently but complete at different times. It is the continuity of learning that allows for higher completion rates by participants in school based apprenticeship programs.

This arrangement was recognised through the provision of User Choice funding supporting the very same functioning of the TechWest Sydney RTO. While the HSC course is funded through state and federal funding and importantly in our case through the payment of tuition fees by parents from after tax salary, the trade training course provided through the TechWest Sydney RTO is no longer funded under Smart and Skilled.

In this respect it is important to draw the distinction between School Based Apprenticeships, Vet in Schools and TVET programs that are each quite different in nature and lead to correspondingly different employment outcomes for young people.

Our preference as an organisation is to focus on School Based Apprenticeships since the transition from school to work is better managed and more manageable for students. The training distinctive of this approach is that Trade Training is directed toward a Certificate III outcome which is recognised by employers as a work ready qualification. We regularly hear employers express the frustration with students' at Certificate II level coming from a VET in Schools or even a TVET pathway that suggests the students are yet to be work ready.

Were the State Government to withdraw from funding School Based Apprenticeships through Smart and Skilled, this would instead represent cost shifting back to the Commonwealth and onto the families of students who require this training. Any suggestion of 'double dipping' comes either from a misunderstanding of the different forms of trade training as it may be delivered in a school context or from an ideological disposition that objects to independent schools wishing to deliver services to students who wish to pursue a trades future.

Gaynor MacKinnon

From: Gaynor MacKinnon
Sent: Thursday, 23 October 2014 3:55 PM
To: smartandskilledapplication@det.nsw.edu.au
Subject: Smart and Skilled Provider application

Dear State Training

I have just received notification that we have not been successful with our organisation's 2015 Smart and Skilled Provider Contract application.

This is very distressing for our organisation. We have been successfully providing training for a number of years to a targeted group of students at our facilities that are recognised as being of a very high standard.

We have a cohort of students in Stages 1, 2 and 3 of their training in Electrotechnology, in Stages 2 and 3 of Carpentry, and school-based apprentices in Stage 1 who are expecting to proceed to Stages 2 and 3 at our College for their training. We depend on our ability to train our school-based apprentice students in Carpentry and Electrotechnology beyond Year 12 as the major part of our College offering.

I would appreciate a call as soon as possible to clarify our situation going forward.

Regards

Gaynor MacKinnon

PRINCIPAL

Trades Norwest Anglican Senior College

CEO

TechWest Sydney

1000 Old Windsor Road Glenwood NSW 2768

PO Box 305, STANHOPE GARDENS NSW 2768

W www.tradesnorwest.nsw.edu.au



Gaynor MacKinnon

From: Smart and Skilled <SmartandSkilled@det.nsw.edu.au>
Sent: Monday, 3 November 2014 9:07 AM
To: wsydneystc
Cc: Gaynor MacKinnon
Subject: RE: School based apprenticeship funding

Millie,

We are looking into this issue and we will get back to you with a response as soon as possible.

For more information on Smart and Skilled please refer to the [State Training Services Website](#).

Regards

Smart and Skilled
Information and Customer Support

SB

From: wsydneystc
Sent: Wednesday, 29 October 2014 1:26 PM
To: Smart and Skilled
Cc:
Subject: FW: School based apprenticeship funding
Importance: High

Hi

Please see email below from Gaynor and respond asap. Thanks.

Regards

*Assistant Training Advisor
Dept. of Education & Communities
16-18 Wentworth Street
Parramatta NSW 2150*

Fax: 9635 9775

**A U S T R A L I A N
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Communities**
Office of Education

State Training Services

www.training.nsw.gov.au

1300 772 104

Your one stop shop for all apprenticeship, traineeship & broader vocational training needs.

From: aac, sts
Sent: Wednesday, 29 October 2014 9:44 AM
To: wsydneystc
Cc: Gaynor MacKinnon
Subject: RE: School based apprenticeship funding
Importance: High

Good morning,

Please see email below from Gaynor.

If you have any questions, please feel free to contact me by email or phone.

Kind Regards

Senior Customer Support Officer | State Training Services |
NSW Department of Education and Communities |
Building H, 17-21 Hogben Street, Kogarah, NSW 2217
PO Box 5009, Strawberry Hills NSW 2012



Education &
Communities
Office of Education

State Training Services

<https://www.training.nsw.gov.au/>

From: Gaynor MacKinnon [
Sent: Thursday, 23 October 2014 12:26 PM
To: aac, sts
Subject: School based apprenticeship funding

Dear State Training

Could you please advise me when we might hear about the level of funding for school based apprentices in Carpentry and Electrotechnology for 2015.

We are a senior College and RTO that specialises in the provision of training for school-based apprentices in Carpentry and Electrotechnology.

We have an indication of a good sized cohort of students for Year 11 in 2015 who will be undertaking study for the HSC while commencing school-based apprenticeships in Carpentry and Electrotechnology leading to the Certificate III qualification.

It would assist our budgeting process enormously if we knew what funding would be available for this training in 2015. I look forward to hearing from you.

Regards

Gaynor MacKinnon

PRINCIPAL

Trades Norwest Anglican Senior College

CEO

TechWest Sydney

1000 Old Windsor Road Glenwood NSW 2768

PO Box 305, STANHOPE GARDENS NSW 2768

W www.tradesnorwest.nsw.edu.au



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privileged information or confidential information or both. If you
are not the intended recipient please delete it and notify the sender.

Gaynor MacKinnon

From: Gaynor MacKinnon
Sent: Wednesday, 14 January 2015 10:04 AM
To: smartandskilledapplication@det.nsw.edu.au
Subject: Request for Appeal for Smart and Skilled Contract
Attachments: Review of Application for Smart and Skilled Contract 20150113.pdf; State Training review on basis of fairness 20150113 2.pdf

Please find attached our request for an appeal of the outcome of our application for a Smart and Skilled Contract based on fairness.

We consider that the process did not communicate adequately the framework for the application nor to provide opportunity for our College to indicate the unique nature of our operations in regards to training school-based apprentices.

We have also attached a re-edited version of our application to indicate where this lack of fairness was evident, and how a more transparent and clearly communicated approach would have allowed us to demonstrate the scope of our operations and the particular niche market for which we require funding support.

We look forward to your response.

Regards

Gaynor MacKinnon

PRINCIPAL

Trades Norwest Anglican Senior College

CEO

TechWest Sydney

1000 Old Windsor Road Glenwood NSW 2768

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W www.tradesnorwest.nsw.edu.au



**trades
norwest**
ANGELICAN SENIOR COLLEGE

A Sydney Anglican Schools Corporation College

Gaynor MacKinnon

From: SmartandSkilledApplication, Corporate
<SmartandSkilledApplication@det.nsw.edu.au>
Sent: Monday, 19 January 2015 4:01 PM
To: Gaynor MacKinnon
Subject: RE: Request for Appeal for Smart and Skilled Contract

Dear Mrs MacKinnon

Thank you for your letter of 13 January concerning the outcome of Techwest Sydney's application for a Smart and Skilled contract.

The Department is currently examining the issues you have raised and will provide a response to you within the next two weeks.

Kind regards

General Manager
State Training Services

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Gaynor MacKinnon

From: Gaynor MacKinnon
Sent: Tuesday, 17 February 2015 12:26 PM
To: SmartandSkilledApplication, Corporate
Subject: RE: Request for Appeal for Smart and Skilled Contract

Dear David

I was wondering if there was any further information you needed as part of our request for an appeal of our Smart and Skilled Contract since I have not heard from you within the time frame your email suggested.

I look forward to hearing from you and hope you have been able to find an option to provide us with an outcome that will allow us to provide for the school students at our College engaged in school-based apprenticeships in Carpentry and Electrotechnology in particular.

Regards

Gaynor MacKinnon

PRINCIPAL

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PO Box 305, STANHOPE GARDENS NSW 2768

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**trades
norwest**
ANGELICAN SENIOR COLLEGE

A Sydney Anglican Schools Corporation College

From: SmartandSkilledApplication, Corporate [<mailto:SmartandSkilledApplication@det.nsw.edu.au>]
Sent: Monday, 19 January 2015 4:01 PM
To: Gaynor MacKinnon
Subject: RE: Request for Appeal for Smart and Skilled Contract

Dear Mrs MacKinnon

Thank you for your letter of 13 January concerning the outcome of Techwest Sydney's application for a Smart and Skilled contract.

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Kind regards

General Manager
State Training Services

Gaynor MacKinnon

From: Gaynor MacKinnon
Sent: Friday, 23 January 2015 1:22 PM
To: SmartandSkilledApplication, Corporate
Cc: John Watson (sailing.trains@gmail.com); Andrew Guile (AGuile@sasc.nsw.edu.au)
Subject: RE: Request for Appeal for Smart and Skilled Contract

Dear David

I have just been speaking with another private RTO who have said they have been given an unlimited cap on Smart and Skilled funding for school-based apprenticeship training in Certificate III in Carpentry.

This information is very confronting for us, since provision of school-based apprenticeship training especially in Carpentry at Certificate III level has been the foundation of operations for our College and our RTO TechWest Sydney. It would be of enormous assistance to the operation of our College and for the students and families associated with our College if we were able to be provided with access to Smart and Skilled funding at least for our school-based apprentices in Carpentry and Electrotechnology. The students who engage in training with our College all (about 98%) start with us as school-based apprentices. This is what we do! To find that another provider has been given unlimited access to funding for school-based training is very upsetting and a bewildering decision.

Since our students start with us as school students, the option of travelling to another location is not always possible for them, and so it is vitally important that we are able to access funding to continue to provide that training here on our site with our outstanding facilities and trainers.

I do hope that you are able to look closely at our submission and find a way that we may be able to access funding for school-based apprentices.

Regards

Gaynor MacKinnon

PRINCIPAL

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1000 Old Windsor Road Glenwood NSW 2768
PO Box 305, STANHOPE GARDENS NSW 2768

W www.tradesnorwest.nsw.edu.au



From: SmartandSkilledApplication, Corporate [<mailto:SmartandSkilledApplication@det.nsw.edu.au>]
Sent: Monday, 19 January 2015 4:01 PM
To: Gaynor MacKinnon
Subject: RE: Request for Appeal for Smart and Skilled Contract

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Kind regards

General Manager
State Training Services

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Gaynor MacKinnon

From: pstenders, Corporate
Sent: Monday, 11 May 2015 11:11 AM
To: GMacKinnon
Cc: Malcolm, David
Subject: Response to Smart and Skilled complaint - ATC Western Sydney
Attachments: Tech West Complaint Response.pdf

Dear Ms MacKinnon,

Please find attached the Department's response to matters raised by your organisation in relation to the Smart and Skilled application process.

Regards



**Education &
Communities**

Professional Services Team | Procurement Solutions Directorate
NSW Department of Education & Communities
Level 6, 35 Bridge Street
Sydney NSW 2000

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Ref: DOC15/255258

Ms Gaynor MacKinnon
CEO
TechWest Sydney
PO Box 305
Stanhope Gardens NSW 2768

Dear Ms MacKinnon

ATC Western Sydney Ltd (TechWest Sydney)

Thank you for your correspondence to the Department concerning the outcome of TechWest Sydney's application for a Smart and Skilled contract and your request for a review of your application. I also note your meeting with representatives from the Department on 25 November 2014.

The Department has examined the points you have raised within its complaints process. This has included checking TechWest Sydney's application to ensure that there were no anomalies in the way the application was dealt with.

The Smart and Skilled Application process was developed to enable providers to provide objective, factual information about their capability and performance. In terms of the relationship between the Smart and Skilled contract offer and TechWest Sydney's expectations and past performance, all providers were assessed on the same criteria based on the information they provided in their application. Eligibility and assessment questions were clearly related to the criteria published in the Smart and Skilled Quality Framework in December 2013.

All applications were objectively scored in the three assessment areas: Organisation capacity and capability, Contractual compliance and performance, and Capacity and capability to deliver qualifications

The Smart and Skilled Application process was competitive. It assessed applicants against the application questions and ranked applicants in regions across New South Wales. The Department will only review an application based on the responses provided in the application during the Smart and Skilled Application process. It will not consider any information provided after this time.

The Department can confirm that TechWest Sydney has not been treated unfairly in the Smart and Skilled Application process.

I trust that this information provides additional clarity concerning your application.

Yours sincerely

Director, Category Management
Facilities Management and Professional Service+
Procurement Directorate
// May 2015

PROCUREMENT SOLUTIONS DIRECTORATE

Level 6, 35 Bridge Street, Sydney NSW 2000 GPO Box 33 Sydney NSW 2000 T (02) 9561 8757 F (02) 9561 8895 E david.malcolm6@det.nsw.edu.au

Gaynor MacKinnon

From:
Sent: Tuesday, 10 March 2015 3:40 PM
To: Gaynor MacKinnon
Subject: RE: TAFE enrolment for Taylor Ferey

Hello Gaynor,

School students are not entitled to Smart & Skilled and there is a lot more reporting/Monitoring required with e School Based Trainee who is undertaking study towards their HSC, than a mainstream student who can access Smart & Skilled.

I am not able to advise on the exact fees for [redacted] as the fee structure for SBAT students has changed and calculation of fees pending however I expect that it will be similar if not less than last year approx. \$900. I can confirm this within the next fortnight.

As for the students enrolled in the TVET classes pending school based apprenticeships, the fees will be adjusted to SBAT.

I am still waiting on the expression of interest form for Sakima.

Regards

TVET/SBAT Institute Consultant- Colleges & OTEN Western Sydney Institute A 2-10 O'Connell Street, Kingswood
NSW 2747 T | F (02) 9208 9266 W
<http://wsi.tafensw.edu.au/courses-and-careers/tvet/>

From: Gaynor MacKinnon
Sent: Monday, 9 March 2015 9:42 AM
To:
Subject: RE: TAFE enrolment for Taylor Ferey

Hi

Regarding the cost for [redacted] course – she is signed up as a Trainee and according to the Smart and Skilled prices this course should be \$1,590 for the whole qual.

Why is it going to cost [redacted] \$1,800 per year?

Also, could you let me know if these fees apply to our other students who have an apprenticeship e.g. who is an apprentice butcher?

We have several students who are doing courses with WSI who we anticipate will be getting an apprenticeship soon – [redacted] doing Beauty, [redacted] doing Fitting and Machining, [redacted] in Cooking. When they get an apprenticeship do their fees change?

Regards

Gaynor MacKinnon

Dear

Thank you so much for your support of our students at the start of this year.

One matter still outstanding is the enrolment of _____ in the distance course for Educational Support. Can you please send me the appropriate form for her to use to enrol so that she can get started on her course.

Also, would you be able to send me an estimate of the fees for each of:

- Educational Support
- Beauty Therapy
- Fitting and Machining |
- Logistics
- Meat Industry

Design Fundamentals |

Many thanks

Regards

Gaynor MacKinnon

PRINCIPAL

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