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**Legislative Council, General Purpose Standing Committee No. 6.**  
**Inquiry into vocational education and training in New South Wales**  
**Tuesday 22 September 2015**

**NSW Business Chamber recommendations**

- Vocational education and training continues to suffer from public perceptions that it is a lesser option, suitable for those who do not perform well academically. This has an influence on student choice. In partnership with industry, the NSW Government should investigate methods to raise the status of vocational training in NSW.
- Future changes to the vocational education and training system need to be industry driven. Implement and reinforce an industry-driven system, where industry input defined as employers and their representative bodies, is a requirement at all levels from ministerial advisory mechanisms, through to training packages, standards for providers and down to delivery, in order that the system delivers outcomes that meet the needs of the labour market.
- NSW needs a demand driven vocational education and training system that is responsive to the needs of industry, ensures quality through effective national regulation and represents value for money. Current arrangements are too centrally controlled and undermine the important objectives of contestability and choice.
- More contestability of public funding and greater choice for students and employers should be pursued. Public and private training providers play an important role in the training system.
- It is critical that future and existing consumers of vocational education and training are well informed. Students should be provided with accessible information relating to vocational outcomes in order to inform their choices about courses and providers. Such information should include labour market information, provider performance measures, student satisfaction measures and post-study employment outcomes.
- The NSW Government should trial an external model of career advice and guidance that maintains a strong link with school curriculum. External community providers could also be tasked with providing support to individuals throughout their working lives. Under this approach, external providers would work in partnership with schools, parents and business to:
  - Provide career information, particularly information about labour market trends and vocational pathways; either on an individual basis, by arrangement or on demand
  - Provide professional learning on the above for school based staff
  - Encourage entrepreneurial thinking and ideas about starting businesses
  - Explore career options, career suitability and align the interests and the attributes of young people with potential occupations for which they are suited.
- Ensure that all NSW primary and secondary schools have rapid response early intervention programs to assist those young people who are struggling in education, particularly with language, literacy and numeracy. This should form part of a genuine needs based and targeted funding model for schools.
- Minimum standards for literacy and numeracy should be introduced for all school leavers that relate to the standards required in most workplaces.





- Maintain a strong focus on quality across the education and training system, through the professional development of teacher/trainer/academics, strong institutions and effective and sufficiently resourced national regulator. Performance and Excellence criteria should be introduced for RTO's via an industry-driven star rating system.
- Highlight the value of skill sets to provide training focused on employer needs and support the funding of skill set training in the system.
- The current imbalance in expenditure across the education sectors needs to be addressed as part of the Federation Reform process. The lack of an overall, holistic and strategic focus to investment in education and training means that financing arrangements, rather than informed choice, can drive enrolments across the tertiary education sector. Funding arrangements can skew student choices.
- NSW Business Chamber recognises the important role that TAFE plays in regional NSW. In determining the structure of future funding arrangements the NSW Government will need to consider areas prone to market failure, where there will never be sufficient competition. In areas where thin markets are a reality the NSW Government will have a role in providing additional subsidies to ensure the viability of provision in some areas. The Chamber notes that loadings currently exist for regional and remote provision.
- The NSW Government should more actively encourage schools to engage with local businesses. Peak industry bodies also need to better communicate the benefits to member businesses and encourage greater engagement with schools.
- Governments need to consider the overall business case for employing apprentices. The cost of taking on an apprentice can be prohibitive. Broader based financial incentives for employers who take on apprentices should be reintroduced.

