

**INQUIRY INTO VOCATIONAL EDUCATION AND  
TRAINING IN NEW SOUTH WALES**

**Organisation:** NSW Migrant Resource Centre Forum  
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**14 August 2015**

**NSW Migrant Resource Centre Forum – Vocational Education and Training in NSW**

**To: The Director, General Standing Committee No. 6, Parliament House, Macquarie Street, Sydney  
NSW 2000**

The NSW Migrant Resource Centre Forum welcomes the opportunity to contribute to the NSW Legislative Council's inquiry into Vocational Education and Training (VET) in NSW.

The NSW Migrant Resource Centre Forum comprises 11 Migrant Resource Centres that provide frontline settlement services to migrant and refugee communities across NSW. We are not-for-profit community organisations established to facilitate equitable access to life opportunities for migrants and refugee communities in Australia.

Since Migrant Resource Centres started over three decades ago, we have and continue to be on the forefront of assisting new arrivals settle in Australia. To do this, we provide a range of settlement services such as language support, crucial information about how to navigate the Australian system, how to access training and employment opportunities as well as other essential services vital to the enjoyment of their human rights as full members of the Australian society.

Our experience of working with our clients indicates that, for many within migrant communities, access to education and training and ultimately to apprenticeship and employment opportunities is the key to successful settlement.

We strongly believe that the NSW government should strive to make high quality vocational education and training accessible and affordable. And for us, this is important particularly given the high levels of disadvantage experienced by many within our operation areas.

This submission is informed by our years of experience in service delivery in some of the most disadvantaged communities in the State.

I ask the NSW Legislative Council's General Standing Committee No. 6 to give serious considerations to the following issues raised in this submission.

Sincerely yours,

**Clement Meru**

**Convenor**

**NSW Migrant Resource Centre Forum**

## Introduction

We applaud the NSW Government's long-term agenda of increasing the proportion of working age people with post-school qualifications at Certificate III and above by 50% by 2020. This is important to produce a skilled workforce that can contribute to increased productivity into the future.

We note that the overarching objectives of the Government's VET sector reforms include: sustenance of TAFE in a competitive market (but with reduced influence in the sector), high quality VET, access to VET for regions and equity groups, and student choice.

While we recognise the importance of the above reform objectives, our experience on the frontline indicates that the VET sector reform has had significant impacts on many disadvantaged communities that we service across NSW.

Following to the VET reforms, migrant and culturally and linguistically diverse (CALD) communities across many locations that we work have informed us that they struggle to understand how to navigate the system to secure a course in their areas of interest. Many changes such as the rapid rise in number of VET providers, the introduction of new schemes such as the Smart and Skilled among others have created confusion among the broader community as to what is offered.

## Recommendation:

- 1. We urge the NSW Department of Education and Communities (the Department) to strengthen its community engagement strategy. It is important to provide more clarity about the VET reform, its objectives and programs within the community. It is also important to streamline the roll out of the changes in ways that would enhance understanding of such changes in the community. We stand ready to work closely with the Department to develop a strategy in this area.***

## The Smart and Skilled program – key challenges

We commend the Government for the introduction of a range of scholarships and concession fees under this initiative.

However, we are gravely concerned by the significant challenges that many of our clients now face with the introduction of the Smart and Skilled program. We note that this program is incredibly complex and there appears to be limited understanding of all its elements within the community.

There are, for instance, questions around eligibility for scholarship under the program. Among other criteria, it limits qualification to those between the ages of 15-30 years at the start date of the program. This automatically excludes many of our clients who may have spent years in refugee camps without access to training and education opportunities but who are now keen to do so in Australia so that they can participate in the workforce.

In addition, eligibility for concessions and scholarships under the Smart and Skilled program does not consider the particular vulnerability of those from a non-English speaking background in the definition of 'disadvantage'.

Also, the cost of some courses under the Smart and Skilled program is prohibitive to people on lower incomes. TAFE has traditionally been a 'life-changer' for many people experiencing disadvantage, because course fees had been low, and there were significant concessions offered.

Furthermore, the Smart and Skilled program does not subsidise anyone who comes to Australia with a diploma, degree or post graduate qualifications regardless of the language in which that course was undertaken. A newly arrived migrant who may be interested in re-skilling or updating their qualification in Australia to enable them compete for jobs would have to pay the full fees of the course. There appears to be some double standards here as many with overseas qualifications normally face significant barriers in having such qualifications recognised here.

**Recommendation:**

- 2. We further urge the Department to introduce some level of flexibility to the eligibility criteria for scholarships and concessions to consider the particular vulnerability of migrant and refugee communities from a Non-English speaking background including those with overseas diplomas, degrees or post graduate qualifications to access vocational training and education.***

**Overseas qualifications and skills recognition in Australia**

There is a great injustice in not recognising the skills, experience and qualifications of migrants, many of who have high level skills that would benefit the NSW economy. This group is excluded by the high cost of bridging those qualifications to Australian standards; barriers imposed by industry associations and the lack of other pathways that would otherwise enable them to enter their professional areas and more rapidly settle and put those skills and qualifications to proper use.

The net effects are: a deskilling of the individual with potential consequences for their wellbeing and creating a reliance on welfare; and an opportunity loss to the NSW economy where these individuals could more rapidly become paid employees, or given the freedom as entrepreneurs starting their own enterprises.

This comes at a time when key 'value add' industries in manufacturing and technology are experiencing a skills shortage and having to relocate their operations overseas or close down completely. Skilled migrants with qualifications could significantly aid the NSW economy through knowledge and technology transfer with the experience, contacts and practical know-how that could lead to a resurgence in the manufacturing and technology sectors, improve the State's export potential, create jobs and further opportunities to develop home-grown skills.

We further note the availability of bridging courses that impose prohibitive costs and entry barriers in a number of professions to meet Australian standards. However, there is no guarantee that once a migrant has undertaken such bridging courses to meet Australian standards they will automatically be eligible to work. In some high level professions such as medicine and engineering, final access to employment in such fields is often dictated by professional bodies in those fields, for example the Australian Medical Association and various engineering bodies.

## Recommendation:

- 3. We implore the Department and professional bodies to introduce alternate pathways that sit somewhere in between an apprenticeship/traineeship and full qualification. For instance, an overseas trained engineer could be placed alongside local professionals and over a period of time, be assessed over competencies which relate to the local industry requirements. This would provide the individual with local experience and on-the-job training, without the high cost imposition and entry barriers. Employers taking on such arrangements could be subsidised for the part cost of such a placement, thus making attractive, and the individual would more readily be contributing to the economy.***

## Changes to TAFE – the impact on migrant and newly arrived communities

We note that one of the key objectives for the VET reforms is to sustain TAFE in a competitive market rather than have it as the dominant provider in the sector. We understand that this arrangement might foster competition, which in turn could result in high quality VET.

We are however concerned about the impact that change to TAFE now has on our clients. Prior to the reform, TAFE courses were delivered in a flexible manner as well as with English language support. And their Outreach program had gained considerable experience in servicing students from CALD backgrounds.

With TAFE now charging fees, many vulnerable people are not able to participate in vocational education and training to gain increased skills to be able to meet the skills desired by business.

Also, TAFE Outreach courses are now beyond the reach of disadvantaged communities such as refugees and humanitarian entrants and people on spousal visas. Outreach courses gave opportunity to these communities to attend TAFE courses, and assisted them in gaining the confidence and self-esteem to study regular courses in TAFE. And this has enabled many people from such vulnerable communities to access employment pathway courses that have assisted them to gain qualifications to obtain employment.

Given this level of success there has been a strong demand for TAFE Outreach courses from newly arrived refugee and migrant communities. However with the current VET reforms, many of the prospective students after expressing an interest in courses have had to withdraw due to the high costs involved. This indicates that our clients are missing out on opportunity to get skilled and this is an anomaly that should be rectified.

Service Providers are at their wits end as to how to assist such clients. The scholarship system is not adequate to provide for all vulnerable people interested in acquiring basic training. This is compounded by limited information for those wanting to access these scholarships.

The cost for TAFE Outreach Courses is much cheaper than full TAFE courses. If people cannot afford these then there is no guarantee that such people can afford to study full courses and get the required qualification to gain employment in Australia.

#### **Recommendation:**

- 4. *We call on the Department to retain free TAFE Outreach for vulnerable communities including those from a refugee background in need of such services. This is important in the settlement experience of migrants with a refugee background as many within such communities are keen to contribute to their new country through participation in the workforce.***

#### **The emergence of third party operators leading to unscrupulous practices**

There has been an emergence of third party operators whose role is to recruit individuals into courses for RTOs. This appears to be more evident in migrant communities where English is not the first language. There are also reports of third party 'recruiters' door-knocking housing estates to recruit people into courses.

Some of these recruiting practices have been linked to misinformation around VET Fee Help where people have been signed up to significant loans on various promises such as the government will pay for the loan.

We also have anecdotal evidence from some of our operation areas in South West Sydney to suggest that students undertaking basic level 1 English courses in some AMEP programs have been accepted by some RTOs to undertake Certificate II and III courses. This brings into questions issues of standards and quality assurance. And it has taken some time for the regulator to address these types of concerns.

The quality of education standards has also been questionable among some providers, with some providers targeting specific communities on the promise of a qualification and a work placement. There is also anecdotal information about instructors who have little experience in the field that they are training in.

#### **Recommendation:**

- 5. *We call on the Department and other relevant bodies such as the Australian Skills Quality Authority to ensure VET providers are adequately meeting all the required standards, and that there is consistency in the delivery of courses across NSW.***
- 6. *We also urge the Department to investigate allegations of unscrupulous practices in the recruitment, retention and delivery of courses by some VET providers to ascertain whether or not such claims are true. And to bring to justice any culpable VET providers.***