

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

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INQUIRY INTO VOCATIONAL EDUCATION AND TRAINING IN NSW

It must be remembered that the students who are involved in VET are a highly varied group in terms of background, motivation and particularly in terms of the financial benefits that will be received from the training. Many of the Smart and Skilled processes assume that there is a significant financial incentive to those who undertake the training. This is an invalid assumption for many sectors, including agricultural and horticultural sectors. VET is valuable in these areas in terms of improved OHS, environmental protections, bio security and efficiency in what is often marginal rural businesses. However, the wage increase to those with qualifications is often minimal. The co-contribution funding model hence becomes problematic. The students on apprenticeship wages find it difficult to make this payment. In industries without high salaries it is most often the employer who is paying the student fee. As more costs are imposed on undertaking VET, those in less financially advantaged sectors are inhibited from being participants.

Furthermore, the processes focus on the student choosing VET when it is often the case that it is the employer who is actively promoting the enrolment of their potential employee or current employees into VET. This has been true historically and particularly when dealing with younger people is certainly still the experience in the field.

The Smart and Skilled processes resulted in many RTOs offering courses that were largely based on On Line training. This is certainly a cheaper option and, to a degree, appropriate in some sectors, but in many it is a second rate approach. For VET that focusses on practical skills such as construction trades e.g. carpentry or agricultural sectors, the importance of hands-on training to ensure that training is effective and that tasks are being undertaken properly has not been factored into the assumptions of the system. All skills have some knowledge base but some must have an important emphasis on practical training. Furthermore, experience has proven that for the usual Cert III training participants in these areas, small group practical training is far more accessible and provides more motivation than online training. Practical training is more expensive training but does provide better motivation in these areas and more effective outcomes. This was not factored into the Smart and Skilled contract process.

RTOs are highly varied. As an RTO that focuses on hands on training in the field it is our experience to work individually with disadvantaged students and to work in rural areas. The blanket assumption that TAFE NSW better provides for disadvantaged and rural and remote VET students is another erroneous assumption at the base of much of the Smart and Skilled processes.

Indeed, under the last contracting agreements this company had interested training participants in rural areas, were prepared to provide training for them at their workplaces but were unable to do so because TAFE had the monopoly on providing the required qualification in that area. The real concern was that TAFE were not providing any training in the required areas locally. So the RTO was unable (although willing) to provide the qualification and were blocked from supporting students in these rural areas because of the government monopoly given to TAFE.

The new Smart and Skilled contracts have similar restrictions. This RTO has employers and students wanting to undertake apprenticeships but because we do not have the Smart and Skilled contract in the required areas the way forward with these is inhibited. The contracts given out, which had been promoted as providing an “Open Market” were very restricted.

Providing VET in schools remains very problematic when only 70 hours a year of practical experience is required for students within their VET qualification. If this was an apprentice who had left school and could only do 70 hours a year of practical work with an employer then DEC would insist that this apprentice be signed on as a part time apprentice, requiring more years to complete the qualification. Yet for the school student it is seen as a fulltime apprenticeship. A full time apprentice who has left school is undertaking 38 hours most weeks in practical activities related to their training. There is no logic in this decision, nor equity between these two systems. One of the outcomes of this is industry and employers seeing VET in schools as being a second rate vocational education, leading to compromised outcomes in many cases. It is obvious that in the overwhelming majority of cases it will be that an apprentice who is working full time at their trade will be far more skilled than someone who only does 70 hours a year.

The tender system to acquire a Smart and Skilled contract with DEC, to be able to provide NSW State funded training was a highly flawed process, lacking transparency particularly in its underlying assumptions. One area evaluated was Student Support. Did this require access to VET Fee Help? Did this require links to an Employment Agency? Did Training organisations that had these rate better in this area? This would be somewhat ironic as Training Organisations have recently been in the news for using these links in a way that was detrimental to training. But, importantly, whether these factors were required was not made transparent. Was On line training seen as an advantage? Once again, this was not made transparent. A fair contract tender system required more transparency.

Furthermore, the central concern is that it appears that these things were privileged in terms of ascertaining which company was given a State contract when, in reality, they do not equate to good training and assessment practices.

The process of evaluation of companies in terms of gaining a contract was based on a relatively simple “tick and flick” form filled in by those contesting for a contract. Such questions as **Does your company undertake external validation?** (does one piece of external validation allow the company to tick this box?) were answered with a tick or not. It would be interesting to see what checks were placed on the responses from training companies – were any or the details checked? At the time, many training companies of good reputation and long history as being Preferred Providers with the NSW State Government were not successful in gaining a State training contract under Smart and Skilled. The concerns of many are on record both with DEC and in the media. This has to raise questions as to the validity of the process. The sad outcome of this is that some of the most experienced and effective Training Organisations in the State are no longer available to provide State funded training to NSW VET students