

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

Name: Ms Trish Doyle MP

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The Hon Paul Green MLC
The Committee Chair
General Purpose Standing Committee No. 6
Parliament House
Macquarie St
Sydney NSW 2000

Dear Chair,

Submission To the Inquiry Into Vocational Education and Training

I wish to formally lodge this submission with the Inquiry Into Vocational Education and Training In New South Wales.

I am representing the Blue Mountains community and adding my voice to the many concerns expressed by local students, teachers, parents and employers about the impacts of the *Smart and Skilled* changes to NSW TAFE.

I hope that by contributing to this review the NSW State Government will come to its senses and address the serious policy flaws of their reform process and their long term impact on those seeking further education and training, teachers, employers and the wider community.

Yours sincerely,

Trish Doyle MP,
Member for the Blue Mountains.

About this submission:

This submission has been informed through consultation with those directly affected by the *Smart and Skilled* changes.

Rather than merely entering into a debate about the policy implications of the 'reforms', I will address the issues from a practical perspective and, where possible, provide case studies based on the direct experience of my constituents.

The Terms of Reference:

I note the terms of the Inquiry and I will address the priority criteria relevant to my electorate as set out in those terms.

1. (a) Factors influencing student choice:

i. motivation to study and barriers

ii. Choice of course, course location and method of study

iii. barriers to participation, including students in the non-government education and home schooling sectors

(a) i Motivation to Study:

Historically TAFE has been a world leader in the provision of education and training to a wide range of students of varying needs and background, educational experience and attainment.

Students choose to study with TAFE for a variety of reasons.

The motivation and educational needs of students varies from apprenticeships and traineeships for school leavers, to mature age students wishing to re-enter the workforce or upgrade their qualifications to meet current industry standards.

The motivation for study is not always clear, particularly for students who have had negative educational experiences or face other barriers to participation. Therefore all efforts must be made to address barriers such as costs, course content and location and student support needs.

TAFE has successfully worked with a diverse population across the State assisting them to meet their education and training goals.

TAFE has been the key provider for people with special needs entering the education and training system, developing courses suited to their needs and providing the necessary resources to support them through their educational experience.

TAFE has provided opportunities for students from a wide variety of backgrounds to resume their education, regardless of their ability to pay.

In the Blue Mountains we are fortunate to have access to community-based TAFE Outreach courses. Outreach has played a critical role in motivating and attracting students back into education and training.

Through Outreach students were able to attend free courses at the certificate one and two level. Courses are usually delivered in the community enabling disadvantaged and marginalised students to access education and training, often for the first time. By doing so Outreach provides a 'soft-entry point' for students to gain or upgrade skills and build self-confidence.

As a result of attending an Outreach course students report that they learnt new skills, became aware of services in their community and have strengthened their personal skills and confidence. As a result Outreach has provided the motivation for many disadvantaged students to pursue further study.

For students who have felt excluded from further education and training, Outreach has provided a critical gateway to further study and/or paid work. Melissa's story is a fine example of this:

Melissa had previously trained as a hairdresser, however, due to a serious car accident which left her with a disability she was no longer able to work in her chosen profession.

Melissa was still recovering both physically and psychologically. Her husband had also recently lost his job. As a result they lost their home.

Melissa saw a notice in a shop window advertising a TAFE Outreach course, "Sustainable Gardening", being run in partnership with Blackheath Area Neighbourhood Centre. Melissa enrolled and really enjoyed this course which helped restore her self-confidence.

Melissa then enrolled in a computer course and learnt MS PowerPoint and Publisher. Following this success she enrolled in a business skills course.

A few months later her husband got a job on the South Coast and the family moved.

Melissa successfully applied for a paid position managing the local school canteen.

Melissa reflected on her success in the job market and said the Outreach course gave her skills and self-belief. She said that the gardening course gave her familiarity with the food industry, food handling and healthy eating; the computer studies and business skills gave her the necessary background to promote and manage the business.

Under *Smart and Skilled* TAFE Outreach courses now have eligibility criteria and attract fees. If students have previous qualifications of Certificate 4 or higher, they must pay full fee. These changes have contributed to a loss of opportunity for disadvantaged students aiming to improve their skills and their life chances.

(a) ii Choice of course, course location and method of study:

Over the past two years I have met with numerous students, teachers and concerned citizens of the Blue Mountains about the NSW Government's *VET (vocational education and training)* 'reforms'. Their concerns highlight the negative impacts and costs of these changes on individual students and teachers as well as the broader TAFE system.

I hear regularly from my local community about the impact of these changes on students, young and old, denying them the opportunity to improve their skills and have greater opportunities to study and work.

TAFE fees are now well out of reach of many students. The increased fees have led to TAFE enrolments plummeting and the restriction of course availability, duration, location and method of study.

Marg's story:

Marg is a single mum who, after working in administration for many years, has decided to change careers and return to study to qualify with a Diploma in Child Care.

In first semester there should have been three classes running at the Kingswood campus. However when Marg arrived for her course, travelling 50 kilometres to get there, she discovered that no classes were running. At the same time the subjects she required were not available at the Kingswood Campus therefore she had to enrol in subjects that were available instead of those that she required to achieve her competencies.

(a) iii Barriers to participation:

As discussed elsewhere in this submission barriers are created by a whole range of drivers including cost, location, geography, age, educational experience, course availability and choice, cultural and language factors as well as disability and disadvantage.

The new market-driven approach which underpins the VET reforms will not resolve the barriers which exist for students. The market is poorly equipped to address issues of access and disadvantage.

Specific programs, targets and supports are required to reduce the barriers to accessing education and ensuring all members of the community have access to the necessary education and skills to assist them to live full and independent lives and access employment.

Instead of ensuring consistency across the sector, Smart and Skilled has delivered cut-backs, loss of courses, uncertainty and lost opportunity.

Teachers feel ill-prepared to advise students with confidence about the best options for them. They feel unsure of the implications of student enrolment choices on course fees. As a result the provision of this advice now largely rests with the College Counsellors.

At the same time in many colleges in this State Counselling and Career Development positions have been deleted or down-graded leaving those left at the coal-face over-worked and exhausted. These roles are needed now more than ever before to assist students to navigate the complexity of the system and make the best choices.

All TAFE Institutes require strong Counselling and Career Development Services. In the interests of student welfare NSW TAFE must restore the level of counselling support provided in the College system.

The drop in enrolments this year has led to the cancellation of many courses at the two Blue Mountains colleges. As a result students have been forced to travel to Kingswood campus and sometimes to Nirimba Campus to access their desired courses. Travel time and cost presents a major barrier, particularly for students with disabilities as well as those with caring responsibilities.

A number of students have described a reduction in teaching hours which has led to a reduction in course hours and duration. This has placed significant pressure on students particularly those with special needs, disabilities or simply those who haven't studied for a while.

A visually impaired student named Paul met with me and explained the impact of *Smart and Skilled* on his educational experience:

Paul had enrolled in a full-time Certificate 4 in massage therapy at Blue Mountains College. Due to Smart and Skilled and the resulting changes to courses this full-time course was compressed into 5 months.

Paul explained that the workload was difficult given his visual impairment. In spite of that he did very well academically achieving credits and distinctions in his subjects.

Paul explained that he did not have a problem with the course work. What he did have a problem with was the pressure created by the intense timeframe. Paul commented that even for a person without a disability it would be hard for them to squeeze twelve month's coursework into a five month timeframe.

Paul went on to explain that the teachers were supportive however they couldn't do anything about workload and timeframe of the course.

Sadly Paul dropped out of his course couldn't keep up with the work. He is now attending a private course which is costing \$5000 but offering greater flexibility.

Prior to the introduction of *Smart and Skilled* students who needed additional learning support or literacy-help could enrol, free of charge, in an additional course called 'Learner Support'. This course also allowed colleges to provide Learning Centres with teachers rostered on to provide small group or individual tuition on a drop in basis.

Sylvia, a student from a non-English speaking background, explained that she was told she would have to pay over \$100 per session for additional learning support. When she said she could not afford this she was told "well you will just have to work closely with another student". This seems unfair for both students.

The specific arrangements varied across colleges and institutes, however, support was always available in some form. Now support attracts a course fee and students are required to pay to access this help.

A number of students described a lack of support services for students with special needs as a result of the introduction of *Smart and Skilled*. Many institutes have been forced to cut staffing positions that provide specialist support for students with disability and the number of hours that students can access help has been drastically reduced due to funding cuts.

In Paul's situation the only additional support he was offered was large print books. He was not offered a scribe which may have made his workload more manageable.

The results of the introduction of the VET reforms potentially undermines TAFE's very own charter and commitment to ensuring equitable access to training and education and that support is provided to those students who need it.

The International Day of People with Disability last year marked the commencement of the *Disability Inclusion Act (DIA) 2014*. The Act sets out "the NSW Government's commitment to identifying and breaking down the barriers

which prevent those with disability from enjoying the same opportunities and choices as everyone else.”¹

Under the Act NSW Government agencies are required to develop Disability Inclusion Plans.² The current levels of support provided to TAFE students with disability seems at odds with this policy. A whole of government commitment to upholding this policy is needed and TAFE’s Learner Support programs must be reinstated if this policy is to have any real meaning.

The fundamental principles embedded in the DIA must be re-instated in a practical sense to ensure students who are in most need have access to the support they require to successfully participate in education and training.

(b) The Role played by Public and Private Providers and Industry:

- ii. educational linkages with secondary and higher education:***
- ii. the development of skills in the New South Wales economy:***
- iii. the development of opportunities for unemployed people, particularly migrants and mature workers:***
- i. delivery of services and programs to regional, rural and remote:***

(b) i. Educational linkages with secondary and higher education:

TAFE has enjoyed solid partnerships with the secondary schools in my electorate.

Through Senior Pathways secondary students can access:

TAFE delivered HSC VET Courses (TVET) are courses, developed or endorsed by the Board of Studies, which senior secondary school students may study at a TAFE NSW institute while completing their HSC at school.

TVET courses are taught by TAFE teachers usually at a TAFE NSW college/campus. As these students are enrolled in TAFE NSW they are subject to student rights, obligations and policies and also receive TAFE NSW credentials on successful completion of their studies. In some cases, courses are delivered by TAFE NSW teachers using school or other facilities. Students can also undertake HSC VET courses through a shared school/TAFE delivery arrangement.³

As a result of *Smart and Skilled* and the subsequent reductions in TAFE enrolments and course options, secondary students have reduced choices and reduced access to TVET courses in this area.

In the Blue Mountains this means that Blue Mountains students wishing to participate in TVET are often required to travel to other Colleges such as Mt Druitt TAFE to access courses

Given the distances and time involved, what previously may have been a morning class based in Katoomba or Wentworth Falls now takes a full day. This in turn has a significant impact on the other classes and subjects that students are enrolled in at school.

For many students wishing to pursue TVET Pathways the impact has restricted access and choice.

b. ii. The development of skills in the New South Wales economy:

Employment growth in NSW remains considerably stronger for higher and medium-skilled occupations (up by 433,000) than for lower-skilled occupations (up by 53,000)³. It is in the area of higher and medium-skilled occupations that TAFE plays such an important role in skilling and building workforce readiness and capacity.

At the same time youth unemployment across New South Wales sits at around 13 per cent. Again TAFE has been a lead player in providing training for early school leavers, those wishing to finish their secondary studies, apprentices and trainees as well as those pursuing other vocational studies.

Introducing programs that restrict access and cut participation in further and higher education seems at odds with the evidence and what we know about skills and knowledge transfer and building workforce participation.

Further the introduction of a market-driven and fully contestable model (as discussed later in this submission) has the potential to undermine quality and access to programs and skills targeting areas of skills shortage. This impact also has the potential to undermine public confidence in VET programs.

A TAFE teacher explained that although students may attend TAFE with a university level qualification, many university qualifications do not include the necessary industry experience and vocational educational required by a student to be 'job ready' and to be employed in their chosen field.

Many of our students come with degrees in Environmental Science with which they may have difficulty gaining employment.

In the past they have trained as a Bush Regenerator at Certificate III level. This course would now attract full commercial fees creating a significant disincentive for enrolment and hence reduced job opportunities.

These barriers are stopping people training and retraining. When we are now required to work into our late 70's this is counter-productive. Making

prospective and highly probable successful students pay prohibitive commercial fees for entry level courses is bad for our students and bad for local industries.

From an economic and social perspective denying students access to the additional skills needed to bridge the skills-gap makes very little sense. Surely investing in skills and training is the 'smart' way to grow as individuals, as a community and as an economy. Yet the VET reforms are having the net effect of reducing enrolment choices and denying students places in TAFE. Ultimately this will negatively impact workforce skills and participation which is simply not good for our State's economy.

(b) iii. The development of opportunities for unemployed people, particularly migrants and mature workers:

Historically TAFE has been the provider of choice particularly when it comes to meeting the needs of people who are experiencing barriers to participation.

In the case of migrants and unemployed mature aged workers, students often have a lifetime of skills and experience to offer employers. However for a variety of reasons, they may experience difficulty obtaining employment. Additionally their existing qualifications may not be recognised by current or future employers.

Under *Smart and Skilled* subsidised places will not be available to those that have a prior qualification higher than a certificate three.⁴ Students with pre-existing qualifications are required to pay full fee.

Again I refer to Melissa's story which clearly illustrates the possible unintended consequences of this policy.

Under *Smart and Skilled* Melissa would be ineligible for a subsidised place due to her existing qualifications yet she is unable to return to work in her former field due to her disability. This policy would have locked Melissa out of obtaining additional skills that enabled her to re-enter the workforce.

Danny, a Springwood resident, contacted me to let me know of his experience. At the time Danny was unemployed. Danny is the carer for his son who has cerebral palsy. Danny himself had recently experienced a major health crisis and was in recovery at the time he wrote to me.

In his letter to me Danny described the impact of the reduction in courses and having to settle for what was available rather than what was needed. He also described the dramatic increase in fees following the introduction of *Smart and Safe*:

Being in his 50's and finding himself out of a job as a result of the Global Economic Crisis, Danny "*decided that going to school to obtain some sort*

of qualification would allow me to work within my limitations and support my family”.

In 2013 I enrolled at TAFE Mt. Druitt campus for a Cert III in Electronics and Communication. The idea was that I would be able to get into appliance/equipment repair/servicing. With all of the electronic devices being used in this day and age it was a no-brainer.

Because of our low income, I was accepted to receive an AUS Study payment and reduced enrolment fees. For full-time study I was assessed at \$100 per year enrolment plus associated costs.

I have worked hard in the last year and a half and even added a Cert IV in Electronics and Communication to my studies simultaneously. I have completed the Cert III and am within 100 units of completing my Cert IV. And that's where my shock, (and anger) have come in to play...

When enrolling this semester for the one, (online), class that I need to obtain the necessary units I was faced with the following issues:

- *Class selection. In talking with my past instructors and the head teacher I found out that very few classes are being offered as there was no budget to offer anything but a minimal selection. Therefore I am forced into taking a RADAR/SONAR course, (developed with the Navy in mind), that is utterly useless to me...*
- *Fees. I am so livid over this that I do not know where to begin... After paying \$100 per year for 2013 and 2014, my current fees for this one useless online class ended up being \$828! For one class that I do from home! One class that isn't even useful. Our circumstances haven't changed and it's only by God's grace that we are able to cover the cost. There is no way that a lot of the students I used to study with could afford such an increase.*

Danny and Melissa's stories demonstrate how unpredictable life can be and why we need a TAFE system that is responsive, fair and equitable.

iv. Delivery of services and programs to regional, rural and remote:

The Blue Mountains is located on the fringes of Greater Western Sydney. Whilst not considered 'regional' under most policy and funding definitions, the Blue Mountains experiences distinct geographic disadvantage when it comes to residents accessing employment and education within the LGA with many residents commuting many hours and kilometres to other parts of Sydney for work and study.

The Blue Mountains population profile is under-represented in the age-groups 19 – 35 years due to students leaving the Blue Mountains LGA to take up work and

study opportunities in Sydney and surrounds. The effect of this is a narrowing of the population in these young adult years.^{5,6}

An unintended consequence of the TAFE policy changes in NSW is likely to exaggerate this effect. Young people who may have stayed in the LGA to take up study opportunities at the two Blue Mountains Colleges will now have little choice other than to seek these opportunities at other education and training facilities located outside of the LGA. This is a significant cost to individuals and their families who face additional living away from home expenses. It will also deprive our economy and community of workforce capacity.

An example of this is the cuts made to the Outdoor Recreation Course (certificate IV axed in 2012). Students, teachers and industry were furious that in order for course completion students would have to travel away to another campus. As a result many did not complete their final certificate.

Although located 100 kilometres from the Sydney CBD, Blue Mountains Colleges are zoned “Metropolitan” under Smart and Skilled. This creates a significant disadvantage without any of the advantages of population size and large catchment area generally enjoyed by true “Metropolitan” areas. This has impacted significantly on enrolments at both colleges.

In regards to apprenticeships, the TAFE Metropolitan Solution calls for the establishment of Super Centres. Trades courses will only be provided from these Centres.

In this model students from across the State will be funnelled into these courses and locally based courses will close. This is a significant disadvantage and impost on students living in regional, rural or remote areas that will also impact on regional economies.

(d) the effects of a competitive training market on student access to education, training, skills and pathways to further education and employment for the most vulnerable in our community including those suffering a disability or severe disadvantage:

In January 2015 Sydney University's Business School's Workplace Research Centre published a report prepared for the Australian Education Union, titled *'The Capture of Public Wealth By The For-Profit VET sector.'*⁷

According to this report:

In 2012, the Commonwealth and all states and territories agreed upon a new market-driven funding model for vocational education, intended to promote opportunities for for-profit registered training organisations (RTOs) at the expense of public TAFE institutes. The centrepiece of this reform was a

national training entitlement, or a minimum guarantee that all working age individuals could access subsidised training up to Certificate III level at a vocational education provider of their choice, provided they satisfied various eligibility criteria that vary among the states and territories.

This demand-driven funding model has been the primary means of opening up contestable funding to for-profit training providers, and forcing TAFEs to compete in a competitive market. It followed the earlier implementation of the model in Victoria (2009), with the rollout across other states currently in motion.

This report shows that the reforms have led to a sharp reduction in government spending per hour of VET (vocational education and training) delivery and a massive transfer of wealth from taxpayers to the owners of for-profit training providers. For example, government funding of the for-profit VET sector in Victoria grew at an annual pace of 42 percent between 2008 and 2013, rising from \$137.6 million to \$799.2 million

Much of this research is based on the Victorian experience where the implementation of the reforms commenced in 2009. The Victorian experience demonstrates the significant short-comings of this de-regulated, market driven approach to the VET training reforms with particular reference to cost, quality, equity, choice and the primacy of the profit motive.

The report found that *“The profit maximisation principles of these for profit providers (and the primacy of shareholder and owner interests) provide strong incentives to offer training which attracts the highest subsidy, at lowest cost”*. This is often at odds with the needs of students and employers and particularly detrimental to the more vulnerable and disadvantaged students.

The report findings reject the notion that the vocational training sector, under demand-driven entitlement funding, has made progress in the transparency and quality of training delivery. Instead it finds that:

- 1. The behaviour of for-profit providers has served to undermine confidence in vocational qualifications and taken advantage of students unable to make informed decisions.*
- 2. Disadvantaged students are under-represented in for-profit VET providers and TAFE and other public providers continue to enrol most early school leavers, regional students, and students with a disability.*
- 3. VET for-profit providers are also avoiding offering courses in skill shortage areas like the trades (which are often expensive to provide and may be subject to more rigorous quality assurance), instead focusing on high volume, high profit areas like business studies.*
- 4. Students not eligible for an entitlement place are vulnerable to increasingly high fees, which in many cases are not capped. The availability of VET FEE*

HELP loans has encouraged some for-profit VET providers to sign up students to loans they have little realistic prospect of repaying.

- 5. The current regulatory arrangements have failed to address serious quality issues in the for-profit VET sector, which has engaged in practices including subcontracting delivery, one hundred per cent online delivery, and allowing students to complete qualifications in less than a quarter of the nominal duration.*
- 6. The complexity of the operations of for-profit providers casts considerable doubt on whether regulators can possibly stay abreast of the operations of for-profit providers, particularly given limited disclosure requirements and audits which occur on average once every five years.*
- 7. The research strongly endorses the case for publicly funding vocational education and calls for an evaluation not only of the current architecture in the vocational education system, but also of the principles underpinning its growth. The key design features of the current system – one hundred percent contestable funding and risk-based regulation – will fail to deliver the assumed price and quality benefits of a competitive market.*

This research “strongly endorses the case for publicly funding vocational education and calls for an evaluation not only of the current architecture in the vocational education system, but also of the principles underpinning its growth”.

It concludes that:

The key design features of the current system – one hundred percent contestable funding and risk-based regulation – will fail to deliver the assumed price (cost) and quality benefits of a competitive market because of two factors:

- 1) Education is an ‘experience good’ – no amount of information (for regulators or students) can overcome the fact that its quality can only be evaluated after its consumption, and*
- 2) The sector is characterised by imperfect competition between profit-seeking (and increasingly larger) providers whose business models have scant regard for educational standards.*

These two factors combined point to the “sustained profitability and poor quality educational outcomes in the for-profit sector and few of the public benefits that theoretically accrue from a (perfectly) competitive market”.

The report also notes: “All other educational sectors – from early childhood education and care to higher education – receive vastly more public funding (on a per student basis) and far greater regulatory scrutiny to deliver quality outcomes.”

(e) The level of industry participation in the vocational education and training sector, including the provision of sustainable employment opportunities for graduates, including Competency Based Training and the application of training packages to workplace requirements:

*"TAFE graduates care for our elderly parents and our youngest children, they build our houses and keep our cars running safely, they prepare our food and they help manage our businesses and their finances. It is in everyone's interests that the skills of these people are of the highest quality. Numerically, TAFE is more significant than universities: almost 500,000 people will study in TAFE in NSW this year while 290,000 domestic students were enrolled in the state's public universities in 2013. And thousands of university graduates will go to TAFE to get the practical training they need to score a job."*⁸

According to the Workplace Research Centre the evidence from the Victorian experience indicates that enrolments in skill shortage or specialist skills training grew by an average of 15 percent annually between 2008, to 184,400 in 2013.

However, their report also found that following the introduction of the Victorian reforms, there was a 7 percent increase in the chance of being enrolled at TAFE in skills-shortage areas, compared to a 23 percent decrease in chance of being enrolled at a for-profit provider advantage (Leung et al. 2013; Leung et al. 2014).

This reflects the *"wide offerings of for-profit providers outside skills shortage areas. It also shows how public provision of vocational education has suffered as a result of the reforms"*.

As noted earlier, the research indicates that:

VET for-profit providers are also avoiding offering courses in skill shortage areas like the trades (which are often expensive to provide and may be subject to more rigorous quality assurance), instead focusing on high volume, high profit areas like business studies.

Blue Mountains employers I have spoken to have enjoyed a positive relationship with their local TAFE Colleges. They acknowledge the Colleges as providing courses relevant to local industry needs which are of high quality producing work-ready employees.

Employers have enjoyed a good working relationship with the Colleges and are concerned by the current policies which jeopardise the quality training programs currently offered locally.

At a recent meeting with local College management, I heard about the training partnership with the Escarpment Group, owners of the Hydro Majestic, Lillianfels

and other luxury resorts in the Blue Mountains. It was also noted that the hospitality industry worked closely with the College securing their best students.

To create appropriate quality education and training requires considerable investment from both the training institute, students and employers. It also requires strong knowledge of the local environment, market and opportunities to create the necessary supports, structures and partnerships to ensure success.

Research and evidence indicates that private providers are likely to have limited interest in providing apprenticeships as they are unlikely to be profitable due to the set-up costs and investment required.

The VET reforms are likely to have an adverse effect on course quality and regulation. In relation to apprenticeships, this can have serious occupational and work safety implications. For example when it comes to the building trade and training of electricians and plumbers we can not leave safety to chance.

(f) the *Smart and Skilled* Reforms:

Over the past two years I have met with numerous students, teachers and concerned citizens of the Blue Mountains about the *Smart and Skilled* 'reforms'. Their concerns highlight the negative impacts and costs of these changes on individual students, teachers and employers as well as the broader TAFE system.

The implementation of *Smart and Skilled* was flawed from the beginning. People involved in the sector (managers, teachers and students) have commented that *Smart and Skilled* has added *"further layers of complexity to the system making it complex and cumbersome for students and teachers to navigate. These effects were further compounded by the introduction of the new computer system, Learning Management and Business Reform (LMBR), which made it almost impossible for students to enrol and for teachers to be assigned to classes."*

Many of the students I have spoken to who have certificate IV qualifications (or higher) are often seeking to return to education and training for a variety of reasons including:

- returning to work after caring role for children or a relative
- changes in industry standards requiring employees to re-train in order to maintain or acquire employment or
- they have become unemployed as a mature-aged person and their previous qualifications are no longer recognised.

However, under the *Smart and Skilled* policy a student that has previously completed a Certificate IV, Diploma or Degree is not eligible for any subsidised course which means they are required to pay the full commercial course fee. For

many of my constituents this may ensure those keen and motivated individuals are locked out of further education and future employment.

In many of the case studies I have noted the benefits of providing subsidised education beyond a certificate III level to students, their family and the economy. These benefits are inter-generational and far outweigh the costs.

Shanti's Story illustrates this point:

Shanti is a TAFE success story that could not happen today due to course the current policy changes and fee increases.

Shanti has two Masters degrees in botany, one from her country of birth, India, and the other from Sydney University. Shanti homeschooled her daughter until year 6 and was out of the workforce for seven years.

In 2000 Shanti enrolled in a Career Education and Employment course for Women (CEEW) run by Blue Mountains TAFE's Access Department. This was a free course to assist women to rejoin the workforce. It taught IT and job seeking skills. This course gave women skills and confidence to re-engage in the workforce. The course was tailored around appropriate school hours for mothers with children.

The course included a work placement in which Shanti was encouraged to apply to the BM TAFE Environmental Studies Dept.

Shanti has been teaching units within our Horticulture courses from 2004 - 2015. She teaches Certificate IV and Diploma of Horticulture units. Shanti is also a support teacher for students with disabilities.

The free CEEW TAFE course delivered Shanti to our department. She is a valued member of our team. This course was free for women and should remain available be subsidized to make it accessible to women.

The proof is in the pudding. The barriers created by the introduction of *Smart and Skilled* have resulted in enrolments plummeting at the two Blue Mountains Colleges. **In the first semester of this year enrolments dropped from 3,600 down to 960.** The NSW Government must consider the evidence and reverse this policy restoring access, equity and opportunity to TAFE.

(g) any other related matter:

i. Foundation Skills / Special Access and Outreach Courses:

There should be NO eligibility restrictions at all for Foundation Skills / Special Access and Outreach Courses. These courses are on the 'Smart & Skilled' list, however, many people are missing out because of the eligibility rules.

Those who would normally enrol in these courses may include; early school leavers, those with interrupted schooling, women, migrants and temporary visa holders, long-term unemployed, people who suffer from mental health issues, ex-offenders, carers - people needing to retrain or who need a 'second chance' to gain or update work related skills such as literacy and numeracy, digital literacy, and employability skills.

The cost now attached to Foundation Skills and Outreach courses is a strong barrier to people who need to develop skills to gain employment and effectively participate in vocational education and training.

Foundation skills and Outreach courses assist with effective educational preparation allowing people to decide on the best training and work pathways. Foundation skills courses also develop study skills and confidence for future retraining, and to have a greater chance of success in both current and subsequent training efforts.

We ask for reinstatement of Special Access Courses (free Foundation Skills-language, literacy and numeracy courses and Outreach programs). This would assist with providing essential foundation skills for the groups outlined above.

ii. The restriction on eligibility for those who hold a Cert IV or higher qualification should have a time limit:

Currently, many industries require people to update and train regularly. Two to five years should be the limit at which a previous qualification disqualifies someone from enrolling in a 'Smart & Skilled' entitlement funded course. Previous qualifications are often not recognised or need updating beyond this timeframe.

With "Smart & Skilled", anyone holding a Cert IV or a higher qualification, wanting to do a lower qualification (e.g. for retraining purposes) have to pay the full unsubsidised amount, which e.g. for a Cert II in Skills for Work and Training would be over \$3 000 or for a Cert III Natural Area Restoration would be \$10,700. This is proving a substantial barrier to potentially training keen and competent students.

People who have been away from the workplace for a longer period of time (such as those who have been stay-at-home parents, those who have had caring responsibilities or those recovering from illness or injury) should be able to access subsidised training in order to be able to re-enter their previous work, regardless of their previous qualifications. This includes, among others, people from a non-English speaking background and women.

Furthermore there should be NO time limit at all for people whose previous qualification was in a completely different industry or work type, especially when we consider that people are now expected to work for longer and will most likely need to change their employment a number of times during their work lifetime.

iii. *Reinstatement of the Diploma Remedial Massage to the NSW Skills List:*

In my electorate massage therapy is an important industry and is in demand by individual consumers and the hospitality industry such as day spas.

When the *Smart and Skilled* Targeted priorities list was released last year the Diploma Remedial Massage was listed as a priority. A further amended list removed the Diploma but included the Certificate IV Massage Therapy Practice.

However to qualify to practice Massage Therapy a Diploma is the accepted level of qualification. The enormous increase of fees for the Diploma has resulted in a significant reduction in student enrolment.

I request consideration be given for the Diploma in Remedial Massage be reinstated as a targeted priority course.

iv. *Other Costs to Employment and the Wider Communities of these 'reforms':*

Those employed in the Education and Training sector make up the second biggest occupational group in my electorate. According to the last census 14.65% of Blue Mountains residents were employed in the Education and Training sectors. This sector also contributes the third highest economic value to my electorate.

The VET reforms have resulted in increased job insecurity across the TAFE workforce, a greater reliance on casualised labour and job losses in my area. As a result of the significant reduction in enrolments this year, teacher hours have been significantly compromised or reduced.

Given the significance of the Education and Training sector and TAFE being a major local employer this is highly significant to the local Blue Mountains economy and community.

Conclusion:

As a proud member of the NSW Teachers' Federation and strong advocate for TAFE and public education I end by quoting from their analysis of the state of play in NSW regarding the not-so 'Smart and Skilled reforms':

The State Budget that failed public education

- *TAFE enrolments crash, school maintenance backlog not funded*

Increased fees, the axing of TAFE courses and the introduction of the State Government's Smart and Skilled policy have seen a record drop in TAFE enrolments.

In the three years before the introduction of Smart and Skilled (2012-2014) more than 40,000 students were lost from TAFE. With the introduction of Smart and Skilled this year, enrolments are forecast to be a further 43,000 less than last year's low. This means a loss of more than 83,000 students from TAFE in four years.

There are fewer Aboriginal students and students with disabilities enrolled in TAFE. Budget papers forecast 2663 fewer Aboriginal students in TAFE this year than last year with 5289 fewer students with disabilities. Over the past four years 11,562 fewer students with disabilities have been trained in TAFE. They have not all gone to private providers. They are simply dropping out of vocational education.

TAFE has seen a massive loss of teaching expertise and support. In the past four years, 2600 full time equivalent positions have been lost with another 200 full time equivalent positions to be lost this year. TAFE budgets have been cut through the imposition of "efficiency dividends" and "labour expense caps" that can amount to around 2.5 per cent each financial year. TAFE will see even less guaranteed funding. It is estimated that more than 30 per cent of government funding will be "contestable" between TAFE and private providers.

The dramatic decline in student enrolments in TAFE and the massive loss of teacher expertise from TAFE is not good for the individual student's life chances and hardly good for the NSW economy.⁹

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