

**Submission  
No 92**

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

**Name:** Ms Kerrin McCormack

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31.7.15.

**Re: Vocational Education and Training in NSW (Inquiry)**

As a recently retired Senior Counsellor from Bankstown TAFE, with over 39 years of experience in TAFE's Career Development and Counselling Service, I have concerns about the changes in VET and its delivery and the impact this has had on its client base and the ramifications for our people and economy in NSW.

**1 a) The factors influencing student choice about entering the VET system**

**(i) Motivation to study**

From my perspective, the single largest disincentive to study is the new fee and entitlement structure under Smart and Skilled and IPART's fee calculations.

For many families who fear debt, the prospect of owing thousands of dollars is off-putting and something to be avoided. Regardless of VET Fee Help provisions it is cost shifting to many people who cannot absorb the debt and hence avoid entering studies.

**(ii) Choice of course, course location and method of study**

TAFE has had state-wide changes in its IT systems for course information and student enrolments and record keeping, along with human resources and purchasing. All these changes coming together in the same timeframe created a perfect storm of chaos and uncertainty for staff and students alike.

The confusion about what and where to study is compounded by the rise of thousands of private providers who are in the business for profit and undertake heavy marketing of their products.

As TAFE accommodates to lower expected student numbers from the loss to the above private colleges and rationalises its offerings by consolidating courses, this too puts students off from travelling the distances to more centralised locations that can be at opposite ends of TAFE institutes from where they live.

The financing of TAFE's heavier infrastructure commitments and its qualified staff, most of whom hold adult education degrees, as well as the CIV in Training and Assessment, means that TAFE cannot compete against those providers who only use TAE10 accredited trainers. This change has been across Australia for some time, but at what cost in the long run to the employment sector? This flies in the face of education in the school sector, where teachers are being required to have stronger credentials, not lower.

Education for school students does not lead them to jobs and occupations like those in TAFE, where in many of TAFE's programs peoples' lives can be at risk if workers are poorly trained. Surely we want to know that these vocationally trained students are thoroughly trained and educated, not just passed through the program, so the people they go on to serve are not put at risk. For example, a three-quarters qualified electrician or plumber – what won't they know or be able to do to keep clients safe?

In order to attempt to cover curriculum in cheaper modalities, materials on-line and in moodles are provided, or else delivered in ever larger class sizes. For some more capable students this may be acceptable, but for many others they are short-changed and do not cope.

**(iii) Barriers to participation, including students in the non-government education and home schooling sectors**

The idea that one only needs to go up through the certificate levels and be happy in employment is a red herring. Many people need to test themselves in a number of lower level courses to develop their talent. Many more need to consider as career counsellors know, that we can expect to engage in seven or more careers in a lifetime and even more now with the rapid changes in technology.

So gaining skills for one career puts people at a disadvantage when work changes, people are promoted, or made redundant, technology changes, or they have workplace injuries.

Multiple skills sets need to be developed, not just one, and this is where TAFE in the past has proven invaluable to the government, industry and business in providing the on-going training, upskilling across people's working lives and re-training.

**1 b) The role played by public and private vocational education providers and industry in:**

**(iii) the development of opportunities for unemployed people, particularly migrants and persons in the mature workers' category, to improve themselves and increase their life, education and employment prospects**

Under Smart and Skilled rules, those with **long-term unemployment** or welfare recipients, or their dependents, can have concession fees up to the Certificate IV level. A 10% loading attracts only for those with long-term unemployment, not for all others who may have similar problems from their welfare situation. A person with a disability gets one course a year for free and a second course at a concession rate.

I have found however, that many who have lower skills, need more than one course to build their general and specific skills and confidence to contemplate employment. One short course is a drop in the bucket when you look at marginalised populations and what they can pay for or not.

**Migrants** as temporary visa holders, have no entitlement to study, but those on spouse visas for instance, are treated almost like citizens in other ways, but not in VET education.

English and knowledge of the culture and customs here is surely a right for these people and yet after they have done their basic Navitas or Intensive English program at school, they are supposed to have enough to function. It depends where they came from, any previous exposure to English or European languages, any previous education in their own country, general ability and motivation, poverty and high needs, as to whether they can think, let alone absorb the complexities of our language to learn anything else for work.

Many of these people will remain marginalised and go on to create second and third generations of welfare dependents who will not be strong advocates for our society and its values.

Even when migrants gain their permanent residency, qualifications gained overseas are likely to be out of date, or not recognised here and because they are proud and tell us about their previous skills, they will be excluded from courses by being required to pay full fees. Many turn away from their professional background and seek to do a job in a high demand category like aged care, just to get a job, but never to be able to work in their original field of study and work, which can cover anything from agriculture to medicine, engineering and

many other occupations. Many have come here as skilled migrants and the reception they get can be anything but welcoming.

New Zealand citizens are not entitled to VET Fee Help for diplomas and advanced diplomas, or HECS Help for university courses, and are also being discouraged from developing to their fullest potential and contributing in a meaningful way to our economy.

**Mature workers** have multiple problems. Many are similar to migrants who may have previous qualifications but they are out of date. In some areas having qualifications over 5 or 7 yrs ago means they have to start again. But the Smart and Skilled rules preclude them, due to having to pay the highest rates for these courses.

Many mature workers are also unemployed, due to having had workplace injuries, and some concession exists for those with disabilities acquired after gaining original qualifications to do one course a year for free. But again, if they have to start a totally different field of study or work, they will not gain sufficient proficiency in one semester to compete against younger higher qualified people and they will fall through into a larger pool of disengaged and disaffected people.

#### **(iv) the delivery of services and programs particularly to regional, rural and remote communities**

For any of the range of problems in a life, TAFE staff have sought to support the students with services that are being slashed in an attempt to survive in the current climate against private providers who do not make such provisions for professionally qualified and experienced staff in –

- Professionally qualified Counselling staff also cover Career Development, in the support of the whole person while they are seeking to develop the necessary skills to get into a better life and work for them and their families. The Career Development and Counselling staff take a careful history of education, work, personal problems and financial issues and note the range of problems that need to be addressed and supported and plan the progressive steps carefully, with not just any enrolment, but appropriate enrolment for where the person is up to and what they can cope with in light of their life situation – with success, in stages, as the goal.
- Aboriginal Education supports individuals and groups of students.
- Adult Basic Education for those who have not gained the basics of reading, writing and maths from the school sector and when they understand the need for it in the vocational education setting, they then set to work to build this skill. Many people have failed to thrive and achieve age-appropriate educational milestones, or missed out on schooling here or overseas.
- Disabilities who seek to provide reasonable adjustments in their study that meet the legal requirements under Disability Education standards. There are six areas of disability identified for support - acquired brain injury, hearing, intellectual, mental health, physical and vision – but many people have more than one disability which compromises their studies even further and poses higher challenges to help them.
- English as a Second Language support for those who can do the basics, but not the more technical and applied uses of English in the fields they study.
- Multi-cultural Education where English is the major disability and can lead to unemployment, under-employment and depression unless targeted language support is offered in VET courses.

Study programs have also been rationalised, centralised and cut back, along with reductions in teaching staff. The Arts courses have not been supported both federally and in the states due to a perception that they are more of a hobby. But media and advertising are huge

businesses that draw on such skilled workers and this distancing seems at odds with the industry's needs.

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

Private providers have the same obligation as TAFE to provide support and reasonable adjustments for the most vulnerable, however, with smaller cohorts, they do not have the expertise to support the wide range of students who present with every conceivable health and welfare problem. The result is TAFE has an over-representation of such students and a 15% fee loading for one disability in no way acknowledges the fact that many people have more than one type of problem.

In my many years of counselling with the most-needy in our society, the levels of reductionism to a simple question and simple answer seem to sway political debates. On the other hand, I have found that if you look and if you ask people what they are trying to cope with in their lives, they will tell you.

Without specific case examples it becomes more like a shopping list of needy people – and it reduces the impact that the problems have on the individual to make it more distant and not so real and raw.

- Each of the problems people experience have the potential to lead to depression, anxiety and life threatening self harm.
- In the health sector we speak of co-morbid conditions, or those that exist alongside other conditions and make the first or second problems worse – this is what we see and try to help.
- Aboriginal background – **student exempt from fees – 15% loading for RTO**
- Long-term unemployment/under-employment - **1 fee exemption a year for long term unemployed student – 10% loading to RTO**
- Lack of education or sufficient background to cope with course needs
- Migration and broken education when going through war, or violence, or refugee camps or other countries, leading to poorer language, literacy and numeracy to cope with studies in English
- Lack of recognition for skills and qualifications gained overseas
- Older qualifications not recognised for currency, but student penalised in having to pay highest fees
- Person is injured after gaining earlier qualifications and needs retraining due to disability - **1 fee exemption a year for one disability, then loading as for Student with a Disability**
- One disability, or multiple disabilities – **1 fee exemption a year for one disability, concessions for courses up to CIV if student is on Centrelink – 15% loading for RTO**
- On medication and its side-effects for single or multiple problems
- Homelessness
- Domestic violence and/or being the victim of crime
- Single parent/carer responsibilities
- Younger – early school leaver, before Legal school leaving age
- Older – with potential problems in returning to work
- Centrelink beneficiary, or their dependent - **concessions for courses up to CIV**

Please note: that any one student may have anywhere from one of the above problems through to a student I helped with 14 of the above problems, including multiple disabilities. In a private RTO college, this student received none of the support that TAFE provided. Coming to TAFE maybe seen to be an indulgence, but it is therapeutic to get out of the house and to meet new people and occupy the mind with new information and new potential friends that builds resilience and some work skills. It is also a way of distracting oneself from

constant pain and refocusing the mind. It has the potential to build new hope.

But in no way is TAFE compensated for all the adjustments and support given to students. My own redundancy and the halving of our counselling service in this metropolitan institute of TAFE is just one example of TAFE not being able to afford to provide the qualified and experienced support staff to support those with multiple needs, disability and/or severe disadvantage.

Again, it is simplistic to assume that people only have one problem at a time, as evidenced under the Smart and Skilled rules that only provide for one problem.

People are complex beings and they come as they are, not as Smart and Skilled imagines them to be. They do not all develop in straight linear upwards trajectories and come to study as a blank slate ready to be informed and trained. They come, with their history of successes or failures from schools; abuse and family traumas; migration and dislocation from country, language and culture and often after violent histories. They come with the need for skills for work, or from lack of work and doing lower level jobs.

Hope is essential for motivation and to sustain people when it is hard to proceed. I have seen people so dejected with the Smart and Skilled rules that they just go away.

Some of the consequences of opening up the VET marketplace to private providers, who are largely in the market to make a profit, are that The Department of Fair Trading is receiving many many complaints about unconscionable marketing and inducements for people to study what is too hard for them and they are unsupported.

I have met students who are in all of these categories - older, unemployed, with disabilities and migrants with English problems, who have been signed up for diplomas in business at private RTOs with no background, or reasonable literacy or computer skills, or prospects of successfully completing the course, but who get their laptop and no training in how to use it and the software, who are set up to fail. There is no facility to take out a lower level course as they do not offer such courses, unlike TAFE where it is possible to step back to a lower level course, but preferable to build upwards on the strength of successes and appropriate career counselling.

The private providers get paid their progress payments regardless. There seems to be no ethics in the accountability requirements other than being a "Fit and Proper Person" to run an RTO. Failures only drive people away from studies, more convinced than ever that they are for the scrapheap and not to try anything else.

Legal Aid is getting more cases of people with intellectual disabilities who have been similarly signed up for diplomas who had no way of understanding or doing the work and taking cases through court for the cancellation of the VET Fee Help debts. But this is a drop in the bucket of those being wooed to sign up.

There is another issue and that is that carrying a debt to the government may impact on a person's likelihood of getting another loan later on and this is never mentioned to anyone when choosing courses and fees. The assumption being made in enrolling them into any diploma course is that lower level workers and marginalised people will never earn \$53,000 or more, to be in a tax bracket to have to pay back any of the VET Fee help debt, so these courses are promoted as "all for free". This debt will hang over them for their entire life and multiple failures at these diploma levels will just add to their debts, unless they withdraw before census dates, again unknown to many people.

My concern is that if young people, especially in the south west and west of Sydney and from the lowest of socio-economic levels with multiple indicators of need, are deprived of access

to gain realistic education and training pathways for real skills, they will not engage in further studies. We will then see an increase in disengaged, disaffected and depressed young people and others of all ages who will seek out less socially acceptable forms of recreation and end up in gaols and juvenile detention, with an escalation in alcohol and drug use and mental health problems and hospitalisations. All of these consequences, eventualities and alternative paths are not counted under Smart and Skilled as options and hidden costs and are far more expensive solutions for a community and society to bear. There is also a loss of a generation. It is a government's responsibility to target and support the development of the skills needs of its community and not pass the bill to the user, instead of adequately supporting a public provider like TAFE.

Schools cannot provide all that TAFE has done for over a century to support the economy and the society. They keep young people in a protracted adolescence. It also amazes me that so much money is channelled into the school sector at the expense of say TAFE. Before the election the Minister, promised to reduce the ratio for school counsellors to school students from 1 per 1,000 to 1 per 750, an increase of 236, Sunday Telegraph, 8.3.15. due to the serious problems the children confront. So many of the "children" they see and seek to help move on to TAFE, where they are called "students".

These students are the same people and many have the same problems and issues as those at school, as well as not coping in the school environment. Even if they have not met the legal school leaving age requirements of being 17, or having a Yr 10, SC or equivalent level course, or an apprenticeship or traineeship – they leave schools. I heard one report of 7,000 falling through the cracks on this policy and then they need to get an apprenticeship or traineeship to even be able to access TAFE – if not, they are turned away and back to the school system they had been moved on from, or had rejected. Some stay at home for one – two years helping out, playing computer games or watching TV, others are open to getting into far worse options – certainly not in the smart and skilled range of options.

TAFE Counsellors, who fill the joint roles of careers advisers and counsellors, are being drastically cut back across NSW, in contrast to the numbers in schools. Schools with over 700,000 students had 850 school counsellors, plus a careers adviser in each high school. TAFE with over 500,000 students had approximately 150 counsellors and in some institutes they have been cut back by 25%, 50% or 75% with senior counsellors and counsellors along with other support services being expendable. The people have not gone away and their problems have not gone away, but the staff to support them have.

If the employment field has collapsed in so many areas for entry level jobs, then education and training are the keys to getting them to meet the higher levels of skills needed in the market place and not just promoting university as the best and ultimate goal, as all levels of education are important and have their place in our society.

What public money there is needs to be channelled into these people, not into profit making businesses – some are good, but others are better to be out of this VET marketplace.

If you have any queries, please do not hesitate to contact me as the development of people's potential has been my passion for nearly 40 years.

*Kerrin McCormack*

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