

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

**Organisation:** National Disability Services

**Date received:** 14/08/2015

---

# INQUIRY INTO VOCATIONAL EDUCATION AND TRAINING IN NEW SOUTH WALES

---



National Disability Services (NDS)  
August 2015



## Contact

**John Macmillan**

**Tony Pooley**

## About National Disability Services

**National Disability Services** is the peak body for non-government disability services. Its purpose is to promote quality service provision and life opportunities for people with disability. NDS's Australia-wide membership includes more than 1030 non-government organisations, which support people with all forms of disability. NDS provides information and networking opportunities to its members and policy advice to state, territory and federal governments.

# OVERVIEW

---

National Disability Services (NDS) welcomes the opportunity to provide this submission to the Legislative Council General Purpose Committee No. 6 Inquiry into vocational education and training in New South Wales.

In the context of the NSW Government's commitment to the transition to, and ongoing operation of, the National Disability Insurance Scheme (NDIS), this is a timely inquiry into an integral element of the overall service system available to people with disability. Where it operates in accordance with the principles of the NDIS, the Vocational Education and Training (VET) system will play a major role in enabling people with disability to exercise choice and control over their lives. In 2003 43.4% of VET students reporting a disability across Australia were undertaking their training in NSW<sup>1</sup>.

NDS notes that one of the core objectives of the NDIS is to support participants to participate in employment activities. The VET sector has traditionally played an important role in facilitating pathways into employment for people with disability. Whilst at the end of March 2015, employment supports featured in only 11.4% of NDIS participant plans<sup>2</sup>, the NDIS could potentially assist 40,000 participants nationally into FTE jobs in collaboration with the VET sector. There is, however, some indication that recent changes under the NSW Government's Smart and Skilled reforms have served to constrain, rather than enhance, the potential role of the VET sector in this regard.



The full rollout of the NDIS in NSW will see the number of people with significant and permanent disability receiving support grow from around 50,000 in 2012 to 140,000 by 2018. Not only will there be a substantially increased demand for vocational education and training by people actively and increasingly empowered to make informed choices about their career directions, there is also a corresponding need to support the growth and professional development of the workforce required to meet this demand.

Through its Ready Together reforms, the NSW Government is investing substantial resources to grow the size and capacity of the disability service system in preparation for full transition to the NDIS. It is estimated that the disability workforce will need to grow by 25,000 full time equivalent positions to meet this expansion in service capacity<sup>3</sup>. Recognising the inherent challenges to achieving this target, the NSW Government, through the Family and Community Services portfolio, has also invested significantly into initiatives aimed at building the size and capacity of the disability workforce.

Such investments will not, however, achieve their objective in isolation. Consistent with the broad objectives of the NDIS, as well as the NSW Disability Inclusion Act, a whole of Government approach is required to building and sustaining the systems required to ensure that people with a disability are included in all aspects of community life. Vocational education and training must continue to play an integral role in both enabling NDIS participants to pursue their educational and employment aspirations, and developing the service system that supports them.

A VET system that fails to meet these important functions would be inconsistent with the NSW Government's commitment to the successful roll-out and operation of the NDIS as well as its own legislated commitments.

---

1 Cavallaro, Foley, Saunders & Bowman, 2005, People with a disability in vocational education and training: A statistical compendium, National Centre for Vocational Education Research, at page 9

2 National Disability Insurance Agency, 2015, 7th Quarterly Report to COAG Disability Reform Council, at page 33, <http://www.ndis.gov.au/sites/default/files/files/Q3Report2015.pdf>

3 NSW Department of Family and Community Services, Ready Together: A better future for people with disability in New South Wales; [http://www.adhc.nsw.gov.au/data/assets/file/0008/280277/ReadyTogetherBooklet\\_LargePrint.pdf](http://www.adhc.nsw.gov.au/data/assets/file/0008/280277/ReadyTogetherBooklet_LargePrint.pdf)

Furthermore, there is a significant risk that a VET system that is not in step with other NSW Government priorities could undermine the integrity and effectiveness of those investments.

In this context, and with reference to the Terms of Reference of the Inquiry, this submission focusses on two broad areas:

1. The role of the VET system in supporting people with disability; and
2. The role of the VET system in developing and building the specialist workforce required to support people with disability.

National Disability Service's membership includes a range of Registered Training Organisations (RTOs). Noting that the Smart and Skilled reforms are in a relatively early phase of implementation and that there is, therefore, limited data available to inform an assessment of the impact of these reforms, this submission is informed by the experience and views of this membership.

## THE ROLE OF VOCATIONAL EDUCATION AND TRAINING IN SUPPORTING PEOPLE WITH DISABILITY



### VET as a pathway to community inclusion and employment for people with disability

The VET system has traditionally played an important role in supporting people with disability to pursue training opportunities that would otherwise not be available to them. People with disability have often had training made available through registered training providers that specialise in supporting people with disability to pursue their educational goals, as well as having access to additional supports through mainstream training providers, such as specialist Teacher Consultants at TAFE.

People with disability have a diverse range of educational capacities and support needs. VET learners with disability are more likely than other students to have left school before year 10 and so struggle with VET subjects. About 54% of all people with a disability had left school at or before the end of Year 10. For total VET students, this figure is 39%. People with learning and intellectual impairments have low levels of completed schooling<sup>4</sup>. Students with disability in aggregate have subject success rates somewhat lower than for all VET students: 75% compared with 82%<sup>5</sup>. While Certificate III and above awards often have employment outcomes directly associated with them, Certificates I and II can lead less directly to employment outcomes by providing a pathway to further education opportunities for people with a disability<sup>6</sup>. As a whole, people with disability are less likely to undertake/attain higher-level Australian Qualifications Framework qualifications (such as diplomas and Cert IIIs) and are more likely to undertake/achieve Cert I or II qualifications<sup>7</sup>.

Some people with intellectual disability, for example, will have limited capacity to complete studies at Certificate III level and above or may require a longer-term supported program of study to build up to higher level qualifications.

---

<sup>4</sup> Cavallaro et al., above n1 at p18

<sup>5</sup> Ibid, p11

<sup>6</sup> Ibid, p10

<sup>7</sup> Ibid, p6

People who are hearing impaired are likely to require the support of Auslan interpreters to successfully complete their studies. A person who acquires a substantial physical disability in adulthood may require more time and access to assistive technologies to re-train for a new career.

This small number of indicative examples highlights the need for a VET system that is sufficiently flexible to respond to the different needs and aspirations of people with disability to enable them to participate in their communities and the broader workforce. Under the NDIS, participants will develop plans that will include a focus on their educational and vocational objectives. The VET system will need to play a fundamental role in enabling participants to actively pursue these objectives as part of the NSW Government's ongoing commitment to the implementation of the Scheme.

Based on advice received from NDS members there are a range of factors emerging under the NSW Government's Smart and Skilled reforms that are potentially inconsistent with NDIS objectives, including:

- The risk that a focus on shorter term 'employment outcomes' for VET participants does not recognise the sometimes longer, and indirect, pathways for people with disability gaining access to paid employment.
- The risk that the competitive training market being established under the reforms will, over time, lose the flexibility to adequately respond to the needs of people with disability through an increased focus on achieving shorter term employment outcomes at lower cost to the provider.
- Indications that funding and subsidies are being channelled towards higher level qualifications aligned with the employment market in some industries, which are not conducive to the learning ability of some people with disability.
- The system of prioritisation of courses on the Skills List aligned with the employment market is limiting access to and choice of training opportunities and is not reflective of the more complicated pathways for people with disability into the workforce.



## **The impact of fees on the participation and vocational outcomes of people with disability**

People with disability are more likely to be living in poverty<sup>8</sup> and are less likely to be in a position to pay substantial fees for unsubsidised vocational education and training.

Prior to the introduction of the Smart and Skilled reforms people with a disability were eligible for one fee exempt course enrolment of their choice per year. Depending on whether they choose a course on the Skills List, under the new arrangements a person with disability may be eligible for one fee exempt course enrolment in a year. If however, in exercising choice and control over the directions of their vocational education and training, they choose a course that is not on the Skills List they could be liable for substantial cost. An example has been provided by an NDS member of a school leaver motivated to gain employment as a library assistant who was required to pay \$2000 for an online Certificate II qualification in Information and Cultural Studies. Given the limited capacity of many people with disability to meet such a cost, their choice of vocational direction is effectively limited under the Smart and Skilled funding model.

Where someone accesses a course on a fee exempt basis, subsequent courses can only be accessed with the payment of a fee. For a person with disability who needs to build their capacity and confidence to study by initially participating in shorter courses, or is struggling to find a course best suited to their particular needs, this factor is likely to limit their ongoing pursuit of, and progress in, vocational education and training.

In addition, a person who already has a qualification at Certificate III or above, is generally ineligible to access subsidised training for courses at a lower level. This again has the potential to limit choice and control for

---

<sup>8</sup> Australian Council of Social Service, 2014, Poverty in Australia 2014 at page 27, [http://www.acoss.org.au/images/uploads/ACOSS\\_Poverty\\_in\\_Australia\\_2014.pdf](http://www.acoss.org.au/images/uploads/ACOSS_Poverty_in_Australia_2014.pdf)

people with disability and may represent an unhelpful inflexibility in response to changing capacities and circumstances.

## The accessibility of vocational education and training programs for people with disability

NDS is aware through its membership base that a number of organisations previously providing a substantial level of specialist training to people with disability are receiving no, or a reduced level, of funding for this purpose under Smart and Skilled. The changed funding arrangements have also led to a decrease in the availability of courses at TAFE in some areas, where adequate and appropriate support services required to enable people with disability to complete education and training have generally been available.

Despite the availability of the 15% disability loading for eligible students, a range of situations have been reported where RTOs are providing no, or inadequate, supports to assist people with disability to undertake and complete their training. One factor that can lead to this outcome is the inadequacy of the loading to meet the actual cost of the supports required. A RTO is able to seek an exemption from providing supports under the Disability Discrimination Act (s.11(1)(c)) and the Disability Standards for Education on the basis of “unjustifiable hardship” created by this cost<sup>9</sup>.

Auslan interpreting for students who are hearing impaired, for example, appears to be irregularly provided by non-disability specific RTOs, primarily due to the cost of this support. Hearing impaired students can be faced with the choice of paying for interpreters themselves, paying additional fees to the training organisation or simply not embarking on a course where they do not have sufficient resources available. These cost pressures can also be intensified by the additional time it can take a hearing impaired person to successfully complete their studies and other requirements including the need for smaller class sizes and other supports.

In the more competitive training market under Smart and Skilled where the funding can be inadequate to meet additional support needs, an emerging risk has been noted with respect to both the quality and accessibility of vocational education and training for people with disability. As people with more profound disabilities tend to require a higher level of support, questions also arise as to whether Smart and Skilled is more geared towards people with milder disabilities.

Any review of the accessibility of vocational, education and training in NSW should consider whether the current disability loading is both adequate and sufficiently flexible to respond to the varying support needs of people with disability. Given the reported absence of sufficient supports in some instances, consideration should be given to whether the loading would be more beneficially provided directly to the person with disability, rather than to the VET provider.

A more flexible and tailored system for funding reasonable adjustments paid directly to the person with disability would be far more closely aligned with the philosophical underpinnings, and operation, of the NDIS. Whilst the types of supports funded under the NDIS continue to be developed and modified, it is important to recognise that funding for such adjustments is unlikely to be picked up under the Scheme and will remain the primary responsibility of state and territory jurisdictions<sup>10</sup>.



---

9 Disability Discrimination Act 1992 (NSW) s11(1)(c)

10 National Disability Insurance Agency, 2014, Mainstream interface: School education Supports the NDIS will fund in relation to education, <http://www.ndis.gov.au/document/supports-ndis-will-fund-relation-2>

# THE ROLE OF VOCATIONAL EDUCATION AND TRAINING IN DEVELOPING AND BUILDING THE DISABILITY SERVICE SYSTEM AND WORKFORCE

---

Under the NDIS, funding for services will no longer be paid upfront to the service provider. The move to a person centred and directed funding model, where funding is provided only for the supports provided in arrears, will mean that many service providers will have limited resources at their disposal for staff training and development. At the same time, as described above, there is a need to grow both the size and capacity of the disability workforce to meet the increased demand for services. The nature of the new funding model under NDIS is expected to lead to a growth in all forms of employment, including the number of casual staff employed in the sector.

On this basis, the differential funding levels available under Smart and Skilled for new and existing employees presents a challenge to meeting the ongoing professional development needs of staff, with some providers reporting limited or no ability to meet the additional costs incurred. There is a risk that this will constrain the capacity of the service system to attract and retain the required workforce.

By way of example, the amount of Auslan interpreting provided in the Hunter region rose by 119% in the first year of the NDIS trial. An NDIS member advises that the co-contribution model under Smart and Skilled means that a student who must complete the five separate courses to become an Auslan Interpreter (Certificates II, III and IV in Auslan, Diploma of Auslan and Diploma of Interpreting) may need to make contributions of up to \$10,380. This represents a likely disincentive to individuals wishing to undertake interpreter training and a risk to the growth and development of the workforce required in this area.

The inclusion of Certificates III and IV in Disability on the Skills List is welcome. The lack of availability of funding for students with higher qualifications to undertake courses at a lower level, however, also represents a potential disincentive for people wishing to retrain to work in the disability sector. Noting that this cohort has been identified as one of the likely sources of workforce growth, a disjunct between government policy directions and investments in the areas of disability services and vocational education and training is apparent.

# RECOMMENDATIONS

---

On the basis of the information provided above NDS recommends that the General Purpose Standing Committee give consideration to the following:

- The need for greater consistency in government policy in the disability and vocational education and training portfolios and for a specific commitment under Smart and Skilled to the role of the VET system in supporting the transition to, and ongoing operation of, the National Disability Insurance Scheme;
- The need for a vocational education and training funding model that is sufficiently flexible to account for the specific needs of people with disability, and:
  - supports greater choice of vocational direction for people with disability including greater access to lower level certificate courses where required;
  - includes allowances for the additional time and supports often required by people with disability to undertake and complete a course of study; and
  - includes a disability loading that is tailored to the needs of the individual, provides sufficient funding to meet these needs and is provided directly to the student.
- The need to ensure that funding priorities and operational considerations under Smart and Skilled are aligned with, and deliberately informed by, the needs of participants and the requirements of the disability services industry, under the National Disability Insurance Scheme.



