

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

**Organisation:** Muswellbrook Shire Council

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

---



Enquiries  
Please ask for Joshua Brown  
Direct  
Our references  
Your reference

14 August 2015

**The Hon Paul Green MLC  
Chair  
General Purpose Standing Committee No.6  
NSW Legislative Council  
Macquarie Street  
SYDNEY NSW 2000**

By email: [gpscno6@parliament.nsw.gov.au](mailto:gpscno6@parliament.nsw.gov.au)

Dear Mr Green,

**RE: Inquiry into vocational education and training in New South Wales**

I refer to the reference provided by the NSW Legislative Council to the General Purpose Standing Committee No. 6 to inquire into vocational education and training in New South Wales. Muswellbrook Shire Council ("Council") has resolved to make a submission to the Committee's Inquiry.

Council has a long standing involvement in and commitment to the delivery of vocational education and training in the Upper Hunter region of NSW. Council sees the role of education as critical to the economic prospects of the Upper Hunter and has undertaken considerable work to ensure that opportunities are in place for the continued and enhanced delivery of vocational education.

Council has worked in close partnership with Hunter TAFE, local industry and the State and Federal Governments on several major education infrastructure projects, including the construction of the Sam Adams residential student accommodation college, the new Upper Hunter Tertiary Education Centre, and a new home for the Upper Hunter Conservatorium of Music. The total value of these projects represents an investment by industry and the community of over \$20 million. This investment builds on recent investment in the Muswellbrook Regional Library and the Hunter TAFE Muswellbrook Mining Skills Centre.

Council has taken the view that the future of our region and that of vocational education delivery is dependent upon strategic investment that will strengthen the productive capacity of the regional and State economy through the delivery of skills necessary to meet the ongoing and future needs of industries across a range of sectors.

The establishment of the Sam Adams College builds on the competitive advantage of Muswellbrook's location with respect to the Lower Hunter, Sydney and north-west NSW and the critical mass of mining industrial activity in Singleton, Muswellbrook, Mid-Western, Gunnedah and Narrabri Local Government Areas. Students from those areas and other parts of the State wishing to gain skills for the mining industry now have access to affordable and secure accommodation for the duration of their training. Council in partnership with the State Government, Hunter TAFE and local industry has also identified a range of other skills shortages in the regional economy as part of the Upper Hunter Workforce Plan, and the investment in education infrastructure will continue to add to the diversity of skills training

**Muswellbrook Shire Council** ABN 86 864 180 944

Address all communications to The General Manager Mail PO Box 122 Muswellbrook NSW 2333 Phone 02 6549 3700  
Fax 02 6549 3701 Email [council@muswellbrook.nsw.gov.au](mailto:council@muswellbrook.nsw.gov.au) Web [www.muswellbrook.nsw.gov.au](http://www.muswellbrook.nsw.gov.au)

delivery in the Upper Hunter.

Council has recently sought funding from the Commonwealth Government's *National Stronger Regions Fund* for the establishment of an Early Education Centre, which will provide the opportunity for the delivery of Early Education Vocational Training – an identified need in the region – for students in Muswellbrook and surrounding regions, removing the need for travel to the Lower Hunter to access this training.

Notwithstanding the support Council and local industry has provided the vocational education sector, concerns have been raised concerning the limitations the State Government's *Smart and Skilled* program create for students. The concerns include the complexity of subsidies for training and the regressive nature of fees beyond the first Certificate II. This will result in a workforce with fewer skills as students choose not to pursue education pathways due to prohibitive costs and a less mobile workforce as people are also limited in their options to reskill.

This is a short sighted approach to ensuring that NSW has a workforce with the skills that industry requires. In times of change, particularly when demand for particular skills is low, limiting access to study places for both unskilled and skilled people who need to re-skill will put people and NSW at a disadvantage, particularly if they are experiencing unemployment or underemployment and we will not meet the future skills need of industry.

In the Upper Hunter we are already seeing a significant drop in enrolments in vocational education and with only one significant Regional Training Organisation ("RTO") in the area and long travel distances to a metropolitan area, and with no public transport between education facilities, the early conclusion is students are choosing not to study which is a worrying trend.

*Smart and Skilled* is based on a market approach to the delivery of training. This may be appropriate where there is a critical mass of students and RTOs, such as in metropolitan areas. However, in regional areas such as Muswellbrook, where there are few providers, the ability of the market to determine what skills are delivered is subject entirely to the cost of delivery and this is likely to result in market failure, which will severely limit the offerings available to prospective students. Where in the past training delivery in rural and regional areas was based on industry and community need a market based approach means many courses are not being delivered due to class numbers not meeting unachievable financial benchmarks. This also likely to result in perverse skill outcomes where students enrol in a course simply because it is available and rural and regional communities end up with people qualified in limited trades.

Vocational education training generally in rural and regional areas will fail under a market system. What is required in the Upper Hunter is an adequately subsidised vocational education system and a TAFE supported by the State Government to ensure that training is delivered to meet the needs of community and industry.

Council appreciates the opportunity to comment. If you require further information please contact Joshua Brown, Executive Services Manager on .

Yours faithfully,

Steve McDonald  
**General Manager**