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**Submission to the
House of Representatives
Standing Committee on Education and
Employment
Inquiry into the TAFE system**

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A. EXECUTIVE SUMMARY

A well-educated and highly skilled population is the key to Australia's economic and social prosperity now and into the future. However recent national data confirms the major educational challenges facing Australia. Significant numbers of Australians, particularly children and young people, are not meeting educational benchmarks and there are major equity gaps in the performance of different groups of young people.

The TAFE contribution

The TAFE sector is currently making a significant contribution to enhancing the education, training and employment outcomes of large numbers of Australians, with around 1.2 million students attending TAFE institutes across Australia in 2010. TAFE plays a particularly important role for students from low SES backgrounds, Indigenous students and those living in rural and regional areas. Around 40% of Australian students involved in VET in 2010, were from the two most disadvantaged quintiles on the Index of Relative Socio-economic Disadvantage.

TAFE infrastructure tends to include a range of resources and supports that can be particularly important to low SES students and other groups who generally have poorer educational outcomes. These resources and supports include careers and counseling services, learning support services, disability specific services, libraries and computer facilities. They also tend to be located in areas with relatively good public transport.

TAFE is also often a key partner in collaborative and innovative approaches that draw on the particular assets and resources of a community or region with the goal of addressing the local education, training, skills and employment needs of young people, particularly those from a disadvantaged background.

Some challenges limiting TAFE's contribution

While TAFE is currently making an important contribution, there are also some inherent challenges or limitations within this. Students from disadvantaged backgrounds disproportionately enrol in lower level VET courses. This is of concern, as these courses do not provide a pathway to higher education and employment outcomes for people with these qualifications are generally poor.

Added to this there is currently an inconsistency in Commonwealth funding support for VET and higher education students. VET providers, including TAFE, are not eligible for Commonwealth funding under the Higher Education Participation and Partnerships Program (HEPPP). HECS is also not available for degree programs offered by TAFE and the Youth Allowance Relocation Scholarship is only available to university students.

Opportunities for enhancing TAFE's contribution

There are opportunities for enhancing the contribution TAFE is making to Australia's education, training and employment outcomes, particularly for disadvantaged Australians. These opportunities include expanding collaborative approaches that leverage resources from across

A. EXECUTIVE SUMMARY



everyone's family

the community and include a key role for TAFE, if appropriately resourced and supported. Critical to the success of such initiatives is the strengthening of links between young people from low SES, schools in low SES communities, non-government organisations and the TAFE/VET sector.

TAFE must also be seen as a key partner in strategies aimed at improving career development across Australia. There should be a particular focus in a national strategy on the needs of equity groups such as young people from low SES backgrounds and their parents. Included in this strategy must be initiatives which aim to increase the proportion of low SES students participating in the higher levels of VET. The possibility of developing more integrated sources of information on tertiary pathways should also be explored.

A more consistent approach to the credit transfer and articulation arrangements between VET and higher education institutions also has the potential to positively impact on the educational, training and employment outcomes of students. This will require collaboration across institutions which may be best facilitated by the assigning of staff who span institutional boundaries in order to support, negotiate and implement pathway programs between the VET and higher education sectors.

The current inconsistencies regarding the financial support available to students participating in tertiary education should be reviewed, especially given the greater likelihood of disadvantaged students participating in VET.

Conclusion

TAFE is currently contributing in a significant way to the educational, training and employment outcomes of significant numbers of Australians. It plays a particularly important role for disadvantaged Australians, including those from low SES, those from Indigenous backgrounds, and those living in rural and regional communities.

This contribution has the potential to be enhanced with the appropriate policy and programmatic frameworks. Central to realising this potential are increased cross-sectoral partnerships, a stronger focus on supporting young people to navigate pathways and more equitable financial support for those undertaking TAFE/VET programs.

B. BACKGROUND ON THE SMITH FAMILY

The Smith Family is a national, independent charity committed to increasing the educational participation and achievement of Australian children and young people in need. Our belief is that every child deserves a chance and our mission is to create opportunities for young Australians in need, by providing long-term support for their participation in education.

In 2011-12, The Smith Family supported over 106,000 children, young people and parents/carers nationally. This included:

- Over 34,000 young people on an educational scholarship. Around 450 of these young people were studying through TAFE.
- Close to 39,000 children, young people and parents/carers through our *Learning for life* programs, including early literacy and numeracy programs, a peer mentoring reading program, primary and secondary after school support, and an on-line mentoring program for high school students to support their career and post-school plans.
- An additional 33,000 children, young people and parents/carers supported through a range of government funded programs such as the Commonwealth Government's *Communities for Children* and *School Business Community Partnership Brokers* initiatives.
- Fourteen percent of the young people we support identify as Aboriginal and Torres Strait Islander people.

The Smith Family has identified three long-term high level outcomes as the focus of its work with disadvantaged children and young people. They are to:

- Increase school attendance to 90%.
- Increase the proportion of Year 10 students who advance to Year 12 or equivalent.
- Increase the proportion of young people in education, training and/or work post school.

The Smith Family's core focus on the long term educational participation of disadvantaged children and young people, means that it has a keen interest in educational public policy, including the functioning of a strong Vocational Education and Training (VET) sector, of which TAFE is a major component.

This submission will draw on our research and practice experience working with disadvantaged children and young people across Australia. In particular it will draw on our role as a facilitating partner for the Australian Government's School Business Community Partnership Brokers Program in six regions across Australia¹. This program is a key component of the National Partnership on Youth Attainment and Transition. It aims to build sustainable partnerships that provide the necessary support to improve educational outcomes and successful transitions to further education, training or employment for all young people. A key goal of the program is to significantly lift the Year 12 (or equivalent) attainment rate by 2015. The partnerships developed

¹ These regions are Darwin/Tiwi Islands (NT), Brisbane north west, Brisbane south east and Redland city, Gold Coast, Darling Downs (QLD) and Illawarra (NSW).

B. BACKGROUND ON THE SMITH FAMILY

through the program involve education and training providers, parents and families, business and industry and community groups. A range of initiatives that The Smith Family's Partnership Brokers have developed have involved TAFE as a key partner.

The submission will also draw on a range of our other programs which have a focus on improving educational, training and employment pathways for disadvantaged young people. These include:

- *iTrack*: A school-based online mentoring program that provides Year 9 to 11 students with the opportunity to discuss career plans and future pathways with trained mentors.
- *Career Days*: Experiential careers days and university experience days run in partnership with corporate supporters and university partners for secondary school students.
- *Tertiary Mentoring Program*: tertiary students who are being supported by The Smith Family through a financial scholarship are matched with mentors who work in the field of interest to the student. The aim is to provide students with industry relevant advice and guidance as they undertake their studies and transition to the workforce.

The submission will also draw on the findings of the recent NSW Government *Review of tertiary pathways* (June 2012). This review took an in-depth look at a range of areas relevant to this inquiry and analysed a variety of data which, while NSW-specific, is also more broadly informative. The Smith Family's Chief Executive Officer was a member of the NSW Review of Tertiary Pathways Committee.

The focus of this submission will be on three of the Committee's terms of reference, and how they relate in particular to disadvantaged young people, namely:

- The development of skills in the Australian economy.
- The development of opportunities for Australians to improve themselves and increase their life and employment prospects.
- The delivery of services and programs to support regions, communities and disadvantaged individuals to access training and skills and through them a pathway to employment.

Australia's future prosperity and current educational challenge

A well-educated and highly skilled population is the key to Australia's economic and social prosperity now and into the future. Providing all Australians with the opportunity to realise their potential is central to enhancing Australia's overall productivity and ultimately will benefit our nation as a whole.

The Council of Australian Governments (COAG) has identified a number of key education and training targets, including:

- Lifting the Year 12 or equivalent or Certificate II attainment rate to 90% by 2015.
- Lifting the Year 12 or equivalent or Certificate III attainment rate to 90% by 2020.
- At least halving the gap for Indigenous students in Year 12 or equivalent attainment.
- Halving the proportion of Australians aged 20 to 64 without qualifications at Certificate III level and above between 2009 and 2020.
- Doubling the number of higher qualification completions (Diploma and Advanced Diploma) between 2009 and 2020.
- 20% of university enrolments at undergraduate level to be from low socio-economic status (SES) backgrounds by 2020.

However, recent data from the COAG Reform Council shows the extent of the educational challenge facing Australia if it is to achieve the above targets:

- There was no significant improvement in the Year 12 or equivalent attainment rate for 20 to 24 year olds in any Australian jurisdiction between 2008 and 2011.
- Between 2008 and 2011, the proportion of 18 to 24 year olds who were fully engaged in employment, education or training significantly declined.
- Educational outcomes for Indigenous students are still a long way behind non-Indigenous students and outcomes for young people from low socio-economic status (SES) have not improved in recent years.
- In 2011, the proportion of 20 to 24 year olds from the lowest socio-economic group who had completed Year 12 or equivalent was 74.1% compared with 93.8% of those from the highest socio-economic group.
- In 2011, 59.4% of 18 to 24 year olds from the lowest socio-economic group were fully engaged in employment, education or training, compared to 79.6% of those from the highest socio-economic group.
- Progress is currently too slow to meet the COAG 2020 target of halving the proportion of Australians without a higher level qualification.
(COAG Reform Council, 2012)

The relationship between student background and educational outcomes

The relationship between student background and educational outcomes is more pronounced in Australia than in other comparable high performing OECD countries such as Canada. Educational

C. CONTEXT



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disadvantage in Australia starts early, with one in five children starting school developmentally behind in one of five key areas (Australian Government, 2013). School-readiness and early school performance can impact on academic performance in the later years of school and in turn this can influence the post-school pathways young people pursue. By Year 4, a quarter of Australian students are at or below the international 'low' reading benchmark (Martin et al, 2012). A failure to achieve foundational skills can have a long term impact on children and young people, affecting school engagement, Year 12 completion and the subsequent acquisition of post-school skills and qualifications.

The contribution of TAFE and VET to the development of skills

Each year very large numbers of Australians participate in TAFE courses or Vocational Education and Training² more broadly. In 2010, around 1.2 million students (465,000 full-time equivalent students) attended TAFE institutes across Australia. This was around two thirds of all those involved in VET (NCVER, 2010). The role VET plays at a macro level as an educational and employment pathway is highlighted by the fact that for around 60% of commencing VET students, Year 12 or below was their previous highest level of education. Further for VET graduates under 24 years of age, around 86% were employed or in further study after graduating (NCVER, 2010).

VET participation for low SES, Indigenous and rural and regional students

Students from low SES backgrounds, Indigenous students and those living in rural and regional areas are better represented in the VET sector than they are in the higher education sector. Around 40% of Australian students involved in VET in 2010, were from the two most disadvantaged quintiles on the Index of Relative Socio-economic Disadvantage (NCVER, 2010). This data is complemented by NSW data for TAFE which shows 46% of its students are in the two most disadvantaged quintiles on the same index (NSW Government, 2012).

TAFE infrastructure tends to include a range of resources and supports that can be particularly important to low SES students and other groups who generally have poorer educational outcomes. These resources and supports include careers and counseling services, learning support services, disability specific services, libraries and computer facilities. They also tend to be located in areas with relatively good public transport. All of these features contribute to the role TAFE can play in supporting improved educational outcomes for students from low SES backgrounds, Indigenous students and those living in rural and regional areas.

TAFE as a key partner

In addition to the range of infrastructure supports that TAFE provides to support students, it is also often a key partner in collaborative approaches aimed at building educational participation and employment pathways. The partnerships developed by The Smith Family's School Business Community Partnership Brokers regularly involve TAFE as a key partner. These partnerships involve innovative and collaborative responses that draw on the particular assets and resources of a community or region, to address the local education, training, skills and employment needs of young people. A number of examples of TAFE's involvement in these initiatives are outlined below. While in some cases the number of young people involved maybe small, these initiatives highlight the diversity of ways in which TAFE can (and do) support improved educational, training and employment outcomes for young people, including for disadvantaged young people.

² This includes VET activity, both publicly funded and fee-for-service, delivered by TAFE, other government and community providers, as well as publicly funded VET delivered by private providers.

D. CONTRIBUTION OF TAFE

Case study 1: Yamaha Student Technicians Grand Prix, Brisbane North

This initiative aims to create opportunities for Year 9 students to engage in hands-on learning experiences within the motorcycle and marine mechanics fields. The partnership involves The Smith Family, Yamaha Motor Australia and eight local dealers, Sandgate District and Upper Coomera State High Schools, the Gold Coast Institute of TAFE, and SkillsTech Australia. To date, 85 students have been involved in field trips, including to TAFE and 25 have attended a training day at Yamaha. Outcomes from the initiative include students increasing their awareness of how their school studies are relevant in the workplace. A pathway, including relevant certificates at local TAFEs, work experience and potential apprenticeships, is being developed for students who want to gain the skills and experience required to pursue a career in the marine and motorcycle industries.

Case study 2: Pathways Pilot Program, Gold Coast

This initiative aims to develop a collaborative approach to flexible learning for young people at risk. The partnership involves The Smith Family, the Gold Coast Institute of TAFE, Centacare, Police Citizens Youth Club, Youth Connections and Apex. The initiative has used existing TAFE accredited Pathway courses (equivalent to years 9 and 10) and added to the curriculum through the expertise of a range of community organisations who work with young people at risk. The pilot program is aiming to initially support 20 to 25 young people and is seeking to leverage a range of existing resources to more effectively support disadvantaged young people to achieve educational outcomes.

Case study 3: CALD Industry Summer School, Toowoomba

This initiative aims to raise the aspirations of young people from African refugee backgrounds. A two week program has been developed and run in Toowoomba with 15 students aged between 15 and 18 years. The program focussed on exploring vocational pathways to careers in health, community service, mining/energy/resources and agriculture. The program involved guest speakers, industry tours and completion of TAFE units in Work Health and Safety and Preparation for Work. Students have also undertaken work experience and have the opportunity to enter into school-based apprenticeships and traineeships with local employers. The partnership involves The Smith Family, the Southern Queensland Institute of TAFE, the Surat Basin Corporation, the African community, MRAEL (which manages apprenticeships), the Department of Education and Training and the Catholic Education Office.

Case study 4: Laboratory and Biological Industry Skills (LABIS), Brisbane North

This initiative aims to give high school students exposure to careers in biological science laboratories and commence their skill development in this area. The partnership involves The Smith Family, the University of Queensland, the Brisbane North Institute of TAFE, and Kelvin Grove and Ferny Grove State High Schools. The initiative grew out of the identification of a demand for skilled laboratory technicians in the biological resources sector and the identification in the partner schools of students interested in this area. The University of Queensland hosted an information session for parents and families to identify opportunities in this area and the relevant

D. CONTRIBUTION OF TAFE



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certificate qualifications available at the local TAFE. Following this, eight students were signed up as trainees with the University of Queensland Laboratories and they are currently completing the relevant qualification through TAFE. The initiative will be re-run this year and it is envisaged it could be expanded to other laboratories across Brisbane.

The above examples highlight the key partnership role TAFE often plays in supporting educational, training and employment outcomes for young people. They often have a capacity to engage in innovative initiatives, including an outreach approach. Both of these are important features of many of the programs which successfully support disadvantaged young people's enhanced participation in education, training and employment.

While TAFE is currently making an important contribution to developing the skills and life and employment opportunities of disadvantaged Australians, and in particular, young people from low SES, there are also some inherent challenges or limitations within this.

Concentration in lower level qualifications

The data showing that disadvantaged young people are better represented in the VET sector than they are in the higher education sector has led to the assumption that the VET system is making a particularly strong contribution to promoting greater educational equity. Dr Leesa Wheelahan (2010) has noted that 'it is almost taken for granted by policy makers and educational researchers that pathways from VET to higher education will provide disadvantaged students with a 'second chance' to access higher education and the social, cultural and economic benefits this brings' with the Diploma qualification being the key pathway that students use to access higher education.

However, while students from low SES, Indigenous backgrounds and rural and regional areas are more likely to enrol in VET than in higher education, students from these groups tend to enrol in lower level courses (such as Certificates I to III) rather than at the Diploma and Advanced Diploma levels (NSW Government, 2012). Wheelahan (2010) estimated that nationally around 32% of low SES students, 40% of Indigenous students and 27% of students studying VET were enrolled in Certificates I or II. This compares with only 7%, 4% and 5% respectively enrolled in Diploma or higher qualification levels. VET data for NSW similarly shows that a quarter of low SES students and those living in rural/remote areas, and a third of Indigenous students were enrolled in Certificate I or II. This compares with less than 7% in Diploma or higher qualifications (NSW Government, 2012).

The disproportionate enrollment of students from disadvantaged backgrounds in lower level VET courses is of concern, as these courses do not provide a pathway to higher education and employment outcomes for people with these qualifications are generally poor.

The financial costs of post-school education and the inconsistency of assistance provided to TAFE and higher education students

The Smith Family's long history of providing support to disadvantaged families to enable their child's participation in education confirms the significant financial burden of education, including post-school education. The costs associated with such education can be significantly increased if students have to support themselves during their studies and/or live away from home. Research by the Melbourne Institute has shown that 'young adults are more likely to be fully independent and receive no parental support the more disadvantaged their families are' (Cobb-Clark and Gorgens, 2012).

The NSW's Government Review of Tertiary Pathways highlighted that there is currently an inconsistency in Commonwealth funding support for VET and higher education students. VET providers, including TAFE, are not eligible for Commonwealth funding under the Higher Education

Participation and Partnerships Program (HEPPP). HEPPP is designed to improve the participation of students from low SES in higher education.

In addition, the Review highlighted a range of inconsistencies in the provision of assistance to tertiary students which may influence the decisions students make. These include HECS not being available for degree programs offered by TAFE and the Youth Allowance Relocation Scholarship only being available to university students.

Young people's navigation of pathways

Young people, particularly those from low SES, have a complex range of needs and barriers in transitioning from school to work. Globalisation is resulting in entirely new fields of work, and qualifications, work experience requirements, and school to work pathways are increasing in both number and complexity. Research has found that young Australians would benefit from support in identifying and navigating these pathways given:

- Student movement within and between university and VET is growing and complex.
- Students face difficulties in navigating across the university and VET sectors.
- Students moving within and between VET and university are generally not aware of career services available to them, do not use them, and do not think they need them (Harris, Rainey and Sumner, 2006; Harris, Sumner and Rainey, 2005).

Research undertaken by The Smith Family in 2011 complements these findings. The research included a survey of 809 Year 12 and tertiary low SES students who receive an educational scholarship from The Smith Family, interviews and a focus group with young people; and a literature review of mentoring programs.

The research identified the following:

- While the young people often had a general idea of the job or career field they wanted to pursue, they had limited understanding of the pathways to reach their goal and rarely had a plan to get there.
- There is a lack of mentoring, study support and tuition support, particularly for disadvantaged young people trying to navigate tertiary pathways.
- There are inconsistent and under-utilised credit transfer arrangements for VET students seeking higher education study.
- The location of institutions and the availability of transport can be an issue for rural and remote students.
- Young people's individual career goal and personal circumstances are unique, with many facing significant challenges (eg care giving responsibilities).
- Most young people were open to the idea of mentoring once they were provided with information about the 'cost' to them (eg time, resources and commitment) and the (potential) benefit (eg skills, experience, contacts).

Strengthening the contribution of TAFE

The research above suggests that there is still significant work to be done to support improved education, training and employment outcomes of young adults from low SES background. There are a number of ways in which TAFE's contribution to this could be strengthened.

Leveraging resources through innovative partnerships

The case studies included in Section E of this submission are concrete examples of the contribution TAFE is making to improving educational outcomes for disadvantaged young people through collaborative responses that leverage resources from across the community. If appropriately resourced and supported such partnerships could be significantly expanded in communities across Australia. Critical to this will be the strengthening of links between young people from low SES, schools in low SES communities, non-government organisations and the TAFE/VET sector. The facilitation and leadership of such initiatives is likely to vary across communities. In some communities non-government organisations might take the lead, through programs such as the Partnership Brokers. In other communities it might be industry groups and in other communities the TAFE itself might be best placed to take the lead facilitation role. TAFE institutes across Australia should be strongly encouraged to seek out and develop partnerships which explicitly support the increased educational, training and employment outcomes of disadvantaged Australians. The documenting of existing good practice case studies from around Australia could contribute to this process.

Supporting young people to navigate pathways

The NSW Review Committee found that the provision of advice on tertiary education and careers in NSW requires a significant transformation in partnership with industry, VET providers and higher education institutions. The Committee also found that a significant barrier to effective pathways is that credit transfer and articulation arrangements between many VET institutions are largely ad hoc. While states/territories may operate differently regarding pathways, it is likely that these issues are relevant in other states/territories.

The Commonwealth Government is currently working on a national career development strategy. This is an important opportunity for strengthening the quality and accessibility of information and support provided to students and their families regarding education, training and employment pathways. TAFE must be seen as a key partner in such a strategy and there should be a particular focus in the strategy on the needs of equity groups such as young people from low SES backgrounds and their parents. Included in this strategy must be initiatives which aim to increase the proportion of low SES students participating in the higher levels of VET. The possibility of developing more integrated sources of information on tertiary pathways should also be explored.

A more consistent approach to the credit transfer and articulation arrangements between VET and higher education institutions has the potential to positively impact on the educational, training and employment outcomes of students. This will require collaboration across institutions which may be best facilitated by the assigning of staff who span institutional boundaries in order

F. STRENGTHENING THE CONTRIBUTION

to support, negotiate and implement pathway programs between the VET and higher education sectors (NSW Government, 2012).

Equitable financial support

The current inconsistencies regarding the financial support available to students participating in tertiary education should be reviewed, especially given the greater likelihood of disadvantaged students participating in VET.

Conclusion

TAFE is currently contributing in a significant way to the educational, training and employment outcomes of significant numbers of Australians. It plays a particularly important role for disadvantaged Australians, including those from low SES, those from Indigenous backgrounds, and those living in rural and regional communities.

This contribution has the potential to be enhanced with the appropriate policy and programmatic frameworks. Central to realising this potential are increased cross-sectoral partnerships, a stronger focus on supporting young people to navigate pathways and more equitable financial support for those undertaking TAFE/VET programs.

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