

**A submission of  
The Smith Family**

to the  
TAFE Futures National Inquiry

into

The Future of the Public TAFE System in  
Australia

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*everyone's family*



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## Preface

The Smith Family welcomes the opportunity to respond to the National Inquiry into the future of the public TAFE system.<sup>1</sup>

The Smith Family is a national, independent, social enterprise established in 1922. Our contemporary profile is focused on children and education. We are working to achieve our mission *that, together with caring Australians, The Smith Family will unlock opportunities for disadvantaged families to participate more fully in society*. The Smith Family is working to achieve its mission of unlocking opportunities in two ways – by increasing the participation in society of those who have previously been marginalised on the one hand, and through the engagement of those who have the capacity to give of time, talent and dollars, on the other. This strategy contributes to our vision *of a more caring and cohesive Australian community*.

The Smith Family also researches different forms of disadvantage to propose preventive responses to them, and to promote social change. Based on our research findings, our submission reflects on the numerous local and national changes in the contemporary education and training environment, and the critical role that TAFE can play in supporting these transformations. Particular attention is paid to our promotion of legislation that is relevant to and inclusive of disadvantaged communities and families, which continue to face multiple and diverse barriers to education and training participation and achievement. This focus accords with The Smith Family's dual generational approach to education and community support, whereby we consider learners within the wider context of their families in order to strengthen social cohesion and interaction between the generations.

## Terms of Reference

We note the key terms of reference presented in the Inquiry, which reflect the objectives of ensuring that TAFE develops in a way that maximizes its potential in helping to sustain Australia's economic growth and respond effectively to the new and dynamic challenges of a knowledge-based economy:

- **What is VET, what is TAFE's role in it and how does this fit into the Australian education system?**
- **What are the expectations of stakeholders of the VET system and how is TAFE currently meeting these? What impact has recent government policy had on the VET system, and what strategies could be developed for the future to strengthen TAFE's role?**

These terms of reference have relevance to The Smith Family's agenda for societal change in enabling educational access, workforce participation and advancement among disadvantaged communities and families, thereby strengthening their capacity to contribute as active citizens.

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<sup>1</sup> Hereafter referred to as 'the Inquiry'.

# 1. Executive Summary

The Smith Family is a national, independent, social enterprise established in 1922. Our mission is that, together with caring Australians, The Smith Family will unlock opportunities for disadvantaged families to participate more fully in society and in the contemporary context we have a particular focus on children and education. The Smith Family is working to achieve its mission of unlocking opportunities in two ways – by increasing the participation in society of those who have previously been marginalised on the one hand, and through the engagement of those who have the capacity to give of time, talent and dollars, on the other. Pursuing our vision of a more caring and cohesive Australian community, The Smith Family researches different forms of disadvantage to propose preventive responses to them, and to promote societal change.

Over the last decade, The Smith Family has undergone significant transformation from a welfare-oriented model to a social enterprise organisation focused on children and education. Every step of this transition has been informed by the latest national and international research, not only in terms of evolving individual programs, but at a higher strategic level with regard to the range of outcomes we aim to achieve. The overarching purpose of our flagship *Learning for Life (LfL)* suite of programs is to provide disadvantaged individuals and their families with assistance at key transition points throughout the life course. This is achieved through four complementary program streams: (1) **Financial Scholarships** (which facilitate the *participation* of disadvantaged children in educational opportunities from early childhood through primary and secondary school to the tertiary sector); (2) **Personal Support** (which goes hand in hand with financial support and is focused around enhancing the cognitive / academic skills of the individual through formal learning structures such as tutoring, mentoring and coaching); (3) **Personal Development** (which focuses on developing an individual's informal learning around socialisation and capacity to participate in extra-curricular activities through informal mentoring, training and advice across significant life stages, e.g. ante-natal, early childhood and school-to-work transitions); and (4) **Literacy Skills** (which focus on building individual's capacity in comprehension, financial and technological literacies).<sup>2</sup> The suite of programs within our *Learning for Life* strategy do not naturally fall within one particular stream to the exclusion of others, but rather reflect various combinations and emphases depending on their particular program objectives.

It is through the interplay between these four streams of *Learning for Life* that The Smith Family is able to work towards achieving its short, medium and long-term outcomes.

Our **short-term outcomes** are directed towards facilitating the participation of greater numbers of disadvantaged children and young people and their families in education and learning (predominantly through the financial component of *LfL*) in order to facilitate successful transitions from school to work and/or further education.

Our **medium-term outcomes** move further along the life course and are concerned primarily with the home-to-school transition, and helping children acquire the skills to participate more fully in school life. Research has shown that social skills and fundamental levels of literacy are critical to ongoing success in education and life, and the outcomes we aim to achieve at this level are therefore similarly intellectual and socio-emotional.

Finally, our **long-term outcomes** move even further along the change continuum to the prevention and early-intervention end, and focus on establishing the strongest possible foundations for the transition from ante-natal through to birth and school. This encourages a supportive environment for children in the earliest weeks and months after their birth, which a significant body of research has shown to greatly increase their chances for optimal cognitive and non-cognitive development, as well as for better learning outcomes and more successful transitions from home to school and through other life transitions (Shonkoff & Phillips, 2000;

<sup>2</sup> For examples of programs within our *Learning for Life* strategy, see The Smith Family web site, [www.smithfamily.com.au](http://www.smithfamily.com.au).

Shonkoff & Meisels, 2000; Keating & Hertzman, 1999). This has also informed our involvement in The Australian Government's *Communities for Children* initiative, and our partnership with Good Beginnings Australia.

As an evidence-based organisation, The Smith Family collects and conducts its own research to inform the appropriate and optimal development of our *Learning for Life* strategy and suite of programs. Different aspects of The Smith Family's research are integrated into this submission. Some of the most relevant findings to the TAFE Futures National Inquiry are:

*In relation to connecting VET, education and skills shortages*

The skills shortage is driven [among other things] by a mismatch of skills between the capabilities of the current workforce and the complex and fluctuating demands of the new knowledge economy. Research by The Smith Family (2005) has found that students in Australia begin considering their career pathways from as early as Year 8, but with around one-third of students who nominate a desired occupation planning an education at too low a level to achieve this. Of this group, 70% still expect that they would get this job, suggesting a significant lack of realistic guidance, information and support in forming these goals.

*In relation to the socioeconomic potential of VET*

Our research has shown that student motivation, self-esteem and level of participation in the learning process are all key factors influencing educational outcomes (The Smith Family, 2006, 2005, 2004, 2003, 2002b). TAFE can and should play an important role in the cultivation of these personal attributes, and in the promotion of lifelong learning as a catalyst for positive socio-economic development at both a personal and national level.

It has been suggested that students in VET programs are generally limited in their vision of where their training program may lead apart from an immediate anticipated job (NCVER, 2000). This underscores the importance of developing a broader lifelong perspective to education, training and employment whereby individuals are given appropriate guidance and support at key transition points in their lives – particularly disadvantaged students and their families, who may struggle to overcome negative experiences of learning in the past.

*In relation to entering the VET pathway*

Research by The Smith Family and others has suggested that in practice learning pathways are experienced more as a 'fractured multi-dimensionality' in young people's lives (The Smith Family, 2002a; Dearn, 2001). In light of this, the concept of 'transitions' from education to work need to be expanded to encompass broader conceptions of youth and adulthood that focus on more than the study / work dichotomy. Research carried out by The Smith Family and others has also suggested that students from disadvantaged backgrounds do not appear to interpret and apply information provided on career pathways within this maze to their best advantage, or, at least with comparably positive outcomes as more advantaged students (The Smith Family, 2004; NCVER, 2000).

In addition, research by The Smith Family has shown that ability, gender and vocational orientation are strong influences on the formation of post-school plans among Year 9 students, but that the curricula and support provided to them in making choices is not responsive to these emphases (The Smith Family, 2004). More effort is needed to tailor the content and delivery of career information to student capacities and interests as suggested in the Appendix to this Submission.

Who students confide in when making decisions about their education and career should also be a key factor in policy reform. Our research (The Smith Family, 2002b) has shown that just under 75% of students from disadvantaged backgrounds turn to their parents or wider family,

as opposed to a career counsellor (19%), a teacher (26%) or friends (27%). Our latest research (The Smith Family, 2006) has also shown that the stronger the family support for further study, the more likely the student is to attend TAFE or university. This suggests a relatively high degree of trust and support between parents and their children, and reflects The Smith Family's dual generational approach of providing information and support not just to students but to their parents as well.

*In relation to barriers to participation for disadvantaged students*

Our research (The Smith Family, 2003) has shown that low-income households devote much less of their budgets to education than medium and high-SES groups, which means that despite its popular image as the inexpensive alternative to university, TAFE can still present significant financial challenges from the perspective of disadvantaged students.

*In relation to VET withdrawal and non-completion*

The ability of disadvantaged groups to identify their training needs and be proactive in negotiating with training providers has been questioned (Kilpatrick, 2003), and our own research has shown that at least a third of junior secondary school students themselves have difficulty in matching their educational paths to their preferred career (The Smith Family, 2005).<sup>3</sup> This was further confirmed by our latest research (The Smith Family, 2006), which found that a majority of disadvantaged students also have difficulty understanding the availability of specific jobs in the current market.

*In relation to the role of VET in building learning communities*

VET could be understood as a body of applied knowledge and skills that provides a basis of flexibility and renewal for a range of education, training, and employment based organisations. This framework allows VET to embrace not only industry concerns but also efforts associated with building the social capital of communities and more opportunities for interactional infrastructure such as leadership, shared vision and networks within and external to the community (Kilpatrick, 2003). As an organisation involved in the promotion of social capability across the population, The Smith Family supports this expanded view of the potential for VET and TAFE in particular to strengthen community capacity in addition to individual industry skills, and to increase re-entry points for workers to return to the workforce through community skills programs.

The VET sector, particularly TAFE, has always been of considerable importance to disadvantaged groups, who for over a decade have had approximately half the likelihood of participating in higher education as Australians from medium and higher socioeconomic status (SES). This phenomenon has remained relatively stable for over a decade, despite extensive equity initiatives across the higher education system as a whole (James, 2002). Compared with higher SES students, those from lower SES groups: (a) have a stronger belief that a TAFE course would be more useful to them than a university course; (b) are less confident that their parents want them to do a university course; and (c) exhibit a stronger interest in earning an income as soon as they leave school (James, 2002). Of the more than one in four Australians aged 15-19 years participating in the VET sector each year (NCVER, 2004a), disadvantaged

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<sup>3</sup> In response to this problem and the lack of appropriate career guidance/information available to many disadvantaged students, The Smith Family operates the 'eXLR8' mentoring program, designed to promote the successful school to work transition of financially disadvantaged students undertaking vocational education. The students receive a financial scholarship that covers course fees and some additional costs, and are matched with a mentor working in their field of interest.

students are therefore likely to constitute a significant proportion. This makes it essential to consider the particular needs of these groups in planning future strategies to strengthen the role of TAFE in the VET sector and higher education as a whole.

While confirming the importance of strengthening the contribution TAFE can make in raising workforce participation and productivity rates, this submission also reflects the broader importance of developing an holistic approach to policy reform that encompasses and is informed by the experience of children and youth beyond their involvement in formal education / VET. Research has shown that there exist various points or phases along the continuum of individual development that are highly influential with regard to educational and economic outcomes, including workforce participation. These include the transition from home to school, primary to secondary schooling, from secondary to tertiary education, school to work, and work back to further education / different employment. These emphases are currently reflected in The Smith Family's Learning for Life suite of programs, which provide various forms of support to disadvantaged groups to progress through these transitions as smoothly as possible.

In light of these considerations, this Submission will respond to the two Terms of Reference of the Inquiry (outlined earlier) by providing evidence around the importance of TAFE/ VET in three key areas. Recognising and further supporting the role of TAFE / VET in these fields will help to create a desirable and sustainable future for TAFE in Australia:

- ***The importance of TAFE / VET in ensuring higher workforce participation and productivity rates.*** In this section, we assess the critical role played by education in responding to the different facets of skills shortages, and the need to situate the socioeconomic potential of TAFE / VET within a broader lifelong perspective to secure more positive employment outcomes. We then discuss the manner by which disadvantaged students generally become involved in VET, the lack of appropriate guidance available in navigating the multiple pathways on offer, and the various financial, educational and technological barriers that currently hinder the equitable participation of disadvantaged students. The section then concludes with an analysis of the factors behind withdrawal and non-completion within VET, with reference to the varied outcomes of designated equity target groups.
- ***The importance of TAFE / VET in ensuring that the Australian base of human capital has the right skills to operate in a high-skill, high-wage, knowledge-based economy.*** This section will review contemporary perspectives around the appropriate balance of technical and generic skills learning within VET, and raise specific concerns with regard to the emerging problem of poor literacy and numeracy skills in the workforce as a whole. The responsibility of employers in providing workplace training is also discussed in light of the need for TAFE / VET to contribute to the development of the workforce in general. The section then concludes by emphasising the need for a more holistic, learner-centred perspective in the analysis of VET's roles and responsibilities within the broader home-education-work matrix.
- ***The importance of TAFE / VET in facilitating a flexible labour force that is able to acquire new skills in response to changes in the economy and their professional aspirations.*** This section highlights the increasing importance of lifelong learning as a guiding principle through which TAFE/VET responsiveness may be enhanced. We explore the crucial role VET plays in the promotion and facilitation of lifelong learning across the community and the need to ensure proposed reforms are consistent with the associated outcomes of developing self-direction and engagement in learners. Finally, we reflect on the potential involvement of TAFE / VET in creating learning communities and review emerging calls for the sector to strengthen its contributions to social capital and community capacity.

As all of these objectives are to some extent inter-related and overlapping, this submission emphasises the importance of policy integration within and across the fields of education,

employment and the transitions from home to school in early childhood, school to work and back from work to further education and learning. A holistic evidence-based perspective of this nature has great potential in unlocking opportunities for disadvantaged families to participate more fully in the education process and work with others to gain the knowledge, skill and confidence to exercise realistic and beneficial life choices.

## 2. Rationale

Recognizing the impact of global, domestic and local labour market changes, The Smith Family has focused program initiatives to unlock opportunities for disadvantaged Australians to be able to develop skills to successfully participate in a 21<sup>st</sup> century knowledge economy. Having conducted and commissioned research and considered other studies, the provision and promotion of lifelong learning opportunities and preventive programs is the key strategy through which The Smith Family believes it can best contribute towards preventing those in disadvantage from living in continued circumstances of social exclusion.

The past few years have seen a concentration of attention around the problem of Australia's ageing population, sharply brought into focus in 2002 by the relevance of the Treasurer's Intergenerational Report (Commonwealth of Australia, 2002) and the more recent Productivity Commission's report on 'The Economic Implications of an Ageing Australia' (Australian Government Productivity Commission, 2005). Both reports stress the need for greater participation in the workforce, and as better educated people generally have higher rates of participation,<sup>4</sup> it is in the interests of all to provide more educational opportunities for those who have been previously excluded. This requires more than the provision of youth apprenticeships and training – according to The House of Representatives, the issue is more about assisting all Australians to be financially independent and secure in their futures, which demands a longer-term policy perspective (Commonwealth of Australia, 2005).

Our own research and experience with disadvantaged groups suggests that this longer-term strategy for increased workforce participation and social inclusion can be facilitated through engaging individuals in lifelong learning. As this submission will show, ensuring that TAFE / VET and education in general is characterised by equitable opportunities and the full participation of students from all groups within society is critical to cultivating a community where learning is a tool for contemporary living, rather than a luxury. Extended flexibility in the areas of teaching methodologies, curricula, school to work transitions and civil society engagement in the education sector, could all potentially contribute to a more active and productive workforce. As an organisation facilitating financial and educational support to over 22,000 students through our flagship *Learning for Life* suite of programs, The Smith Family is thus fully committed to the progressive evaluation of teaching and learning strategies within our own operations, and as part of the bank of knowledge emanating from the public and private sectors.

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<sup>4</sup> Australian Government Productivity Commission (2005), pXIX.

### 3. Introduction

As an organisation involved in the promotion of social capability across the population, The Smith Family (TSF) holds firmly to the view that education, including Vocational Education and Training (VET), is critical to promoting an active and inclusive citizenry. Based on our research findings, our submission reflects on the numerous local and national changes in the contemporary education and training environment, and provides an insight into how new or revised strategies can best respond to these transformations. Particular attention is paid to our promotion of legislation that is relevant to and inclusive of disadvantaged communities, who continue to face multiple and diverse barriers to education and training participation and achievement. This focus is concomitant with The Smith Family's dual generational approach to education and community support, whereby we consider children and young people within the wider context of their families in order to strengthen the social cohesion and interaction between the generations. This perspective then reflects our mission that 'together with caring Australians, The Smith Family will unlock opportunities for disadvantaged families to participate more fully in society'.

While confirming the importance of reforming TAFE / VET in raising workforce participation and productivity rates, this submission also reflects the importance of developing a holistic approach to policy reform that encompasses and is informed by the experience of children and youth beyond their involvement in formal education / VET. Research has shown that there exist various points or phases along the continuum of individual development that are highly influential with regard to educational and economic outcomes, including workforce participation. These include transitions from home to school, from primary to secondary schooling, from secondary to tertiary education, school to work, and work back to further education / different employment. The Smith Family's agenda for societal change is focusing on all of these transitions. They are currently reflected in The Smith Family's Learning for Life suite of programs, which provide various forms of support to disadvantaged groups to progress through these transitions as smoothly as possible. The Smith Family is particularly taking note of a significant body of research that shows that supporting children in the years before school (0-5 years) greatly increases their chances of better learning outcomes and more successful transitions from home to school and through other life transitions (Shonkoff & Phillips, 2000; Shonkoff & Meisels, 2000; Keating & Hertzman, 1999). This has informed The Smith Family's involvement in early childhood intervention as a component of lifelong learning for a number of years, and our commitment to this developmental phase has been most recently expressed in our role as a facilitating partner in the Australian Government's Communities for Children initiative.<sup>5</sup>

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<sup>5</sup> The Smith Family manages Communities for Children initiatives in seven locations in New South Wales, Western Australia, the Northern Territory and Victoria, providing extra support for more than 15,000 babies and toddlers. For more information, see The Smith Family web site: [www.smithfamily.com.au](http://www.smithfamily.com.au).

## 4. Response to Terms of Reference

**What is VET, what is TAFE's role in it and how does this fit into the Australian education system?**

### ***The importance of TAFE / VET in ensuring higher workforce participation and productivity rates***

The Vocational Education and Training (VET) sector has always been of considerable importance to disadvantaged groups, who for over a decade have had approximately half the likelihood of participating in higher education as Australians from medium and higher socioeconomic status (SES). This phenomenon has remained relatively stable for over a decade, despite extensive equity initiatives across the higher education system as a whole (James, 2002). Compared with higher SES students, those from lower SES groups: (a) have a stronger belief that a TAFE course would be more useful to them than a university course; (b) are less confident that their parents want them to do a university course; and (c) exhibit a stronger interest in earning an income as soon as they leave school (James, 2002). Of the more than one in four Australians aged 15-19 years participating in the VET sector each year (NCVER, 2004a), disadvantaged students are therefore likely to constitute a significant proportion. This makes it essential to consider the particular needs of these groups in planning reforms to the VET sector or higher education as a whole.

### *Connecting Education and Skills Shortages*

Over the last few decades, Vocational Education and Training (VET) has played an increasingly strong role in the higher education sector by providing apprenticeships, traineeships and other courses primarily aimed at skilling people for the workplace. During 2003, 1.72 million students were enrolled in the public VET system across the country, and participation rates are likely to expand in the wake of increased funding and new initiatives such as the Australian Technical Colleges.<sup>6</sup> This year alone, the Australian Government will spend a record \$2.5 billion on vocational and technical education, including an additional injection of over \$280.6 million for a suite of new initiatives designed to address skill needs, particularly in the traditional trades (DEST, 2005).

At the same time, this steady growth has been offset by an increasing concern regarding a nationwide skills shortage and the implications of an ageing population (Commonwealth of Australia, 2002; Productivity Commission, 2005). It is estimated the current wave of skills shortages affects 42 occupations (16 Professional and 26 Trade), with the overarching transformation of Australian industry from a manufacturing to a service (or 'knowledge') economy held as primarily responsible.<sup>7</sup> Other contributing factors have included a strong economy with

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<sup>6</sup> The 2005-06 Budget provides \$65.4 million to establish 24 Australian Technical Colleges across Australia to promote pride and excellence in teaching and acquiring trade skills at the secondary school level. The colleges will send a powerful signal to young Australians that trade skills offer a proven path to a rewarding career (DEST, 2005)

<sup>7</sup> See The National Skills Shortage List 2004 for details, available on the Employment and Workplace Relations web site, [www.workplace.gov.au](http://www.workplace.gov.au).

low rates of unemployment<sup>8</sup> and a lack of interest in particular industries among potential job seekers, of which the recent downturn in Information Technology recruitment is a good example.<sup>9</sup>

In response to these factors, the Federal Government's 2005 Budget sought to increase overall workforce participation by assisting those of working age on welfare support (notably lone parents and the disabled) back into employment. An extra 4,500 pre-vocational training places for people interested in a traditional trade and an additional 7,000 School Based New Apprenticeships for students were also announced with the intention of creating "an economy where every Australian who wants work can find it".<sup>10</sup> In combination with policies to increase the availability and affordability of quality childcare, improve the general health of the population and delay retirement among those of working age, these reforms are very likely to contribute to increasing participation and retaining workers within the labour force for longer.

However, the problem of skills shortages is not simply one of numbers, for more than one in six Australians are already 'underemployed' and in need of more work, with this sub-group increasing in size year by year (Wilkins, 2004).<sup>11</sup> The shortage is also driven (arguably more strongly) by a mismatch of skills between the capabilities of the current workforce and the complex and fluctuating demands of the new knowledge economy. This mismatch has been shown to operate at a number of levels and across a range of key transitions throughout an individual's progression from early childhood to adult participation in the workforce. For example, research by The Smith Family (2006, 2005) has found that students in Australia begin considering their career pathways from as early as Year 8, but with around one-third of students who nominate a desired occupation planning an education at too low a level to achieve this. Of this group, 70% still expect that they would get this job, suggesting a significant lack of realistic guidance, information and support in forming these goals.<sup>12</sup> This mismatch is then exacerbated when students leave school to find work, only to discover that employers do not value qualifications in the same way as the VET sector, demanding a higher grade of competencies, often in excess of the level appropriate to the job (NCVER, 2005; Karmel & Stanwick, 2002). The same sources also suggest that small businesses, which by some estimates constitute 40% of the Australian workforce, are indifferent to the VET system in particular and qualification outcomes in general (NCVER, 2005). Finally, there appears to be further misalignment between the type of skills job candidates possess, with many employers now seeking a range of generic skills in addition to more specific technical skills in order to respond to the increased level of workplace change (NCVER, 2005).

It is the recognition of these numerous and fluctuating pressures on job seekers that has sharpened understandings of the crucial role education – particularly TAFE and VET – plays in equipping young Australians for their future working lives (Kennedy & Hedley, 2003; Dusseldorp Skills Forum 2005; Davis and Ewing, 2005). These studies have all concluded that increasing educational attainment across the population tends to increase labour force participation levels across all age groups, and this is particularly significant in light of Australia's comparatively low

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<sup>8</sup> [www.getatrade.gov.au](http://www.getatrade.gov.au)

<sup>9</sup> In Victoria first-preference applications for IT fell 42.5 per cent between 2000-01 and 2003-04. South Australian first-preference offers dropped 46.4 per cent between 2001-02 and 2003-04, while in Queensland they fell 49.6 per cent between 2000-01 and 2003-04. Figures were not available for NSW. Source: Hayes, S. (2005) 'Tech courses in trouble'. *The Australian*, 14 June.

<sup>10</sup> Budget Speech 2005-06, delivered on 10 May 2005 on the second reading of the Appropriation Bill (No.1) 2005-06 by the Honourable Peter Costello MP, Treasurer of the Commonwealth of Australia.

<sup>11</sup> According to The International Definition of Time-Related Underemployment, 'underemployed' people are those who satisfy the following criteria: willing to work additional hours; available to work additional hours; and worked less than a threshold relating to working time.

<sup>12</sup> Boys were also more likely than girls to have a mismatch between their planned education level and the skill level of their preferred job, reconfirming the need for gender specialisation within policy strategies relating to information provision.

level of educational attainment in its working age population.<sup>13</sup> As a result, policy strategies in response to the skills shortage have focused overwhelmingly on reforms to the VET and higher education sectors in an attempt to counter the impact of this mismatch.

#### *VET market reform: TAFE, Private Providers and 'User Choice'*

The VET sector has seen significant and dramatic transformation over the last 30 years, from a centralized model of state planning, financing and provision of VET in the early 1970s, to the introduction of private provider recognition and competitive tendering. Roles, responsibilities and relationships between government, providers and students (now often referred to as 'clients') have all been recast within a new competitive training market, with the biggest consequence being that Technical and Further Education (TAFE) institutes are no longer the sole recipients of public VET funds and recognition, as they had been previously. Instead, they are now viewed by government as one of many VET providers, alongside and in competition with schools, adult and community education (ACE) centres, industry and private providers of VET, known as Registered Training Organisations (RTOs) (Anderson, 2006).

A key factor in influencing this transformation was the 1990 Deveson Review, which argued that market reform within the sector would result in greater choice and diversity, efficiency, responsiveness and quality, without adverse consequences for access and equity (Deveson, 1990). Furthermore, gradual recognition of the skills shortages discussed above created the perception that TAFE needed to become more responsive to industry, and that marketisation of the sector was necessary to achieve this (AEU, 2000). The resulting 'revolution' (AEU, 2000) in the VET system was relatively quick, and between 1997 and 2001, government payments to post-school non-TAFE providers grew by a remarkable 87% nationally. While TAFE institutes today continue to dominate the primary and secondary training markets, the introduction of market-like mechanisms into VET resource allocation processes has triggered 'complex chains of interactive effects' (Anderson, 2006).

In terms of access and equity to the VET sector, the transformation of the Australian labour market and the shift to a marketisation of the VET sector has, according to The National Centre for Vocational Education Research, been generally negative (Anderson, 2006). Whereas the workplace was once the traditional site for worker training, access to employer-funded training declined during the 1990s, leaving individuals with greater responsibility for accessing and funding their own training (Considine and Watson, 2005). With the growth of the fee-for-service private provider, competition for public TAFE places has intensified, with suggestions that as many as 400,000 students were turned away from TAFE and university between 1997 and 2004 due to insufficient places.<sup>14</sup>

In addition, the majority of students in one survey viewed the costs of VET courses at TAFE institutions as either 'very important' or 'important' in making the decision whether or not to enrol (DEST, 2004a). Study costs – including course fees, textbooks and material fees – are all 'up-front' costs that can amount to over \$600 on average for a full-time student (DEST, 2004a). This is before taking into account additional costs for transport to and from the campus. Our research (The Smith Family, 2003) has shown that low-income households devote much less of their budgets to education than medium and high-SES groups, which means that despite its popular image as the inexpensive alternative to university, TAFE is still a financially difficult prospect for children from disadvantaged backgrounds.

<sup>13</sup> Compared to its major competitors, 41% of people aged 24-65 in Australia have not completed Year 12 or an equivalent level of education, compared with 24% in New Zealand, 18% in Canada, 17% in the UK and 13% in the USA.

<sup>14</sup> ALP (2005) 'John Howard to blame for skills crisis: 400,000 Turned Away from Training and \$833m Skills Deficit.' Media Statement by Right Hon Kim Beazley MP, 6 March 2005.

In this respect, the recent shift in enrolment in New Apprenticeships (the flagship VET program in the Federal Government strategy) to attracting more students who are Year 12 graduates and fewer individuals who finish in Year 10 (DEST, 2004b) presents a further challenge. Applicants who have completed high school are increasingly perceived as having 'obvious' advantages over those who finished in Year 10, largely because of the increased literacy and numeracy demands of employers (O'Malley, 2005). This acts as a further barrier to VET participation for students from disadvantaged backgrounds, who are disproportionately represented among those who leave before completing Year 12 (The Smith Family, 2002a). While The Smith Family welcomes initiatives such as the New Apprenticeships Access Program (NAAP) that are designed to assist disadvantaged groups in overcoming these barriers, we would nevertheless express concern with regard to their potential sustainability and capacity if the trend towards recruiting Year 12 graduates persists.

Overall, the evidence suggests that the marketisation of the VET sector has had positive outcomes in relation to choice and diversity; responsiveness (to medium/large enterprises and fee-paying clients); flexibility and innovation. However, outcomes appear to be generally negative in relation to efficiency (due largely to high transaction costs and complexity); responsiveness (to small enterprises, local/surrounding communities and government-subsidised students); quality and, as discussed above, access and equity (Anderson, 2006). The future of TAFE in meeting the educational needs of disadvantaged groups therefore a matter for concern, with concern expressed that in a price-competitive VET market environment, the need to provide training in the cheapest and quickest way possible often outweighs the capacity to provide quality learner-centred teaching (Smith & Dalton, 2005). Moreover, there are concerns that over the next five years the TAFE institutes, which already have an older teaching workforce than the Australian workforce overall, face an erosion of critical organisational knowledge as they face the prospect of losing a highly experience section of the teaching population. For TAFE, this could threaten training capacity and credibility, and leave the institutes struggling to meet their increasingly important obligations to provide training to all sectors and groups within the Australian community (Clayton et al, 2005).

**What are the expectations of stakeholders of the VET system and how is TAFE currently meeting these? What impact has recent government policy had on the VET system, and what strategies could be developed for the future to strengthen TAFE's role?**

### *The socioeconomic potential of VET*

It is evident that the vocational education and training sector is a critical factor influencing successful school to work transitions and long term labour participation rates. The expectations attached to the recent proposed reforms are therefore high: the 2004-2010 National Strategy paper claims that VET will work to (a) make business internationally competitive, (b) give Australians world-class skills and knowledge; and (c) build inclusive and sustainable communities (ANTA, 2003). However, it would appear from international experiences that the scope of reform necessary for these goals to be achieved is considerably wider than simply creating extra places for apprenticeships and traineeships. For example, it has been argued in the case of the UK that:

Throughout the 1990's, education and training policy became increasingly mired in the belief that simply boosting the outputs of the VET system by expanding the supply of educated and skilled employees, would be sufficient to transform national economic competitiveness and realise the vision of high skill, high value-added capitalism... It is now widely accepted amongst critical academic commentators in the field that this prevailing policy orthodoxy is both myopic and deeply flawed. (Payne 2000, p.359)

Ensuring positive employment outcomes is often beyond the VET system alone to tackle, particularly for disadvantaged groups who are usually less equipped in terms of skills and experience to overcome competition. Our research has shown that student motivation, self-esteem and level of participation in the learning process are all key factors influencing educational outcomes (The Smith Family, 2006, 2005, 2004, 2003, 2002b). It has also been suggested that students in VET programs are generally limited in their vision of where their training program may lead apart from an immediate anticipated job (NCVER, 2000). This underscores the importance of developing a broader lifelong perspective to education, training and employment whereby individuals are given appropriate guidance and support at key transition points in their lives – particularly disadvantaged students and their families, who may struggle to overcome negative experiences of learning in the past.

### *Entering the VET pathway*

As discussed above, the Australian VET system has made significant changes in order to respond to a greater diversity of students and to try to improve access and equity in service delivery (Bean, 2004). Yet, perhaps because such efforts have focused on VET in isolation from wider socioeconomic perspectives, it equally has been suggested that increasing the numbers of VET participants from disadvantaged sectors with a view to making the system more equitable has not resulted in similarly positive employment outcomes (Bowman, 2004). To understand more about why this may be, it is necessary to consider how disadvantaged students enter and experience the VET system.

The idea of 'pathways' from school to work has influenced most post-compulsory education policy in Australia since the 1980s, and was a key concept in the landmark report by the Australian Education Council Review Committee (Finn, 1991), which described it as:

...movement through a coherent set of educational and employment experiences leading to some identified destination, which may also be a link into a subsequent pathway. (Finn, 1991:94)

Research by The Smith Family and others has suggested that this assumed linearity is in practice experienced more as a fractured multi-dimensionality in young people's lives (The Smith Family, 2002a; Dearn, 2001). In light of this, the concept of 'transitions' from education to work need to be expanded to encompass broader conceptions of youth and adulthood that focus on more than the study / work dichotomy. The range and diversity of pathways open to students today is so considerable that following a linear career trajectory is not valid, with "portfolio careers" now the accepted mantra. Research carried out by The Smith Family and others has also suggested that students from disadvantaged backgrounds do not appear to interpret and apply information provided on career pathways within this maze to their best advantage, or, at least with comparably positive outcomes as more advantaged students (The Smith Family, 2006, 2004; NCVET, 2000). In addition, the nature of students' difficulties in navigating VET pathways in particular has also been shown to be strongly regional, with those in metropolitan areas complaining of 'too many courses to consider' and those in rural areas struggling with 'not enough courses to choose from' (Anderson, 2003).

The evidence suggests that the root of the problem is the fact that too often, these kinds of advisory services – whether classroom or counsellor based – are marginalised and/or misconceived within schools. For example, research by The Smith Family has shown that ability, gender and vocational orientation are strong influences on the formation of post-school plans among Year 9 students, but that the curricula and support provided to them in making choices is not responsive to these emphases (The Smith Family, 2004). More effort is needed to tailor the content and delivery of career information to student capacities and interests as suggested in the Appendix to this Submission.

Who students confide in when making decisions about their education and career should also be a key factor in policy reform. Our research (The Smith Family, 2002b) has shown that just under 75% of students from disadvantaged backgrounds turn to their parents or wider family, as opposed to a career counsellor (19%), a teacher (26%) or friends (27%). This suggests a relatively high degree of trust and support between parents and their children, and reflects The Smith Family's dual generational approach of providing information and support not just to students but to their parents as well. Policy must embrace and enhance the knowledge capacity and engagement of parents in the educational process if it is to lead to outcomes that are both positive and sustainable.

At present, formal career counseling services sometimes function simply to steer higher achieving students into tertiary education and other lower achievers (notably low SES students) into 'subordinate' vocational training or poor quality jobs. Studies have shown that in general, students, parents and career advisers share the perception that TAFE / VET is for the 'non-academically oriented' student. Moreover, VET subjects are generally seen by students, career advisers and principals as 'less intellectually demanding', and 'more likely taken for enjoyment and as a break from a more rigorous academic load' than for any other reason (Alloway *et al*, 2004; NCVET, 2000). It is misconceptions such as these, exacerbated by the continued promotion of university degrees as 'real' learning, that often jeopardise students' abilities to translate their VET experience into sustainable employment outcomes. Moreover, the lack of institutionalised bridges between vocational training, apprenticeship and tertiary education further reduces the likelihood of students on either path fully understanding the flexibility or range of their options, and increases their chances of withdrawal or non-completion.

### *VET outcomes, withdrawal and non-completion*

A recent report by NCVET (2006) made clear that participation in TAFE had the following positive outcomes for students:

- By comparison with their pre-training conditions, young people who undertake TAFE training experience substantial improvements in employment levels, wages, skill levels and occupation approximately two-and-a-half years after training.
- Not all students are employed immediately after their training; however, employment outcomes for these students improve over time. Around two-thirds of those students who were unemployed in 2002 were employed by September 2004. Likewise, over half of those not in the labour force (not working and not actively looking for work) in 2002 were employed by 2004.
- TAFE training is used by many as a pathway into further study. Some students enrol in further study immediately after training. By September 2004, 43% of graduates (students who had completed a full qualification) had completed an additional qualification and around a third of module completers (students who had completed at least one module) had completed a qualification. Around a fifth of graduates had completed an additional qualification at a higher level.
- Students reported many personal benefits from their TAFE training; in particular, in improving skills both generally and in relation to specific jobs. Students also reported their earlier TAFE experiences as being important to them, with nearly nine out of ten graduates and two-thirds of module completers rating their training as important to them two-and-a-half years later.

Despite these positive outcomes, if the ultimate aim of TAFE / VET reform is to increase workforce participation rates and productivity, factors influencing the withdrawal and non-completion of VET need careful consideration. Although neither withdrawal nor non-completion are *necessarily* equated with failure,<sup>15</sup> only 60% of people who begin apprenticeships generally complete them (DEST, 2004b). Withdrawal and cancellation rates increased by 19% over the year ending July 2004, and the average age of those taking up apprenticeships is increasing, suggesting fewer and fewer young people are interested (ACTU, 2004). The drop out rates in traditional trades are especially poor, with around half of all new building trades apprenticeships dropping out within six months of enrolling (DEST, 2004b). This is despite traditional trades being identified as an area of acute skills shortage (DEWR, 2004) and evidence that suggests male students in low SES schools are more interested in traditional trades as a career than any other SES group (Alloway *et al*, 2004). Non-completion therefore remains 'a serious problem, especially for students from disadvantaged circumstances' who rely more heavily on apprenticeships to secure employment (McInnis *et al*, 2000).

The possible reasons influencing withdrawal, drop-out and non-completion of VET are complex and varied. As already noted, a substantial number of students are initially not well-informed about the pathways they select between school and work, and factors such as wrong choice of course or subject, poor preparation and lack of readiness or commitment figure prominently in the reasons for non-completion (McInnis *et al*, 2000). It is hoped that the recent formation of the Australian Network of Industry Career Advisers (ANICA), intended to help all young people aged 13-19 make a smooth transition from school to further study or employment, will have a beneficial

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<sup>15</sup> Non-completion or withdrawal from VET may signify the achievement of desired goals, either in the sense that skills have been gained, employment outcomes realised or articulation to further studies negotiated. Many students return to study fairly soon after withdrawing from a course, so the notion of non-completion from a lifelong learning perspective becomes less meaningful (McInnis, 2000).

impact on making this information more accessible and appropriate to students.<sup>16</sup> However, it has also been suggested that the high rates of non-completion, particularly among traditional trade apprenticeships, are a direct result of the relatively poor level of wages associated with this sector. It is estimated that for a building trade apprentice in their first year, weekly earnings amount to just over \$200, while a fast food trainee flipping burgers earns between \$50-100 more each week (ACTU, 2004). Given that income is a prime factor in making VET-related decisions (particularly among disadvantaged groups), this is an aspect that requires attention if traditional trades are to attract and retain apprentices.

Finally, in line with the increasing recruitment of Year 12 graduates discussed earlier, the level of a student's prior educational attainment has also been found to affect their VET outcomes. Those who have Year 12 or higher qualifications are far more likely to achieve a successful result and less likely to withdraw than those with qualifications no higher than Year 11 (John, 2004). This is before taking into account the various financial and technological barriers to participation facing disadvantaged students that increase the risk of their not coping with the demands of the course (The Smith Family, 2003). Evidence of students from lower SES groups struggling with these demands is already apparent in research evaluating their transition to university, where they are more likely to encounter difficulty comprehending the material and in adjusting to the style of university teaching (DEST, 2005b). Unfortunately, there is very little comprehensive evaluation of the experiences of low SES groups within the VET sector, as they are not included within the designated equity target groups specified under the National Strategy for Vocational Education and Training 1998-2003.<sup>17</sup> However, as the table below indicates, the VET system is still not working effectively for disadvantaged groups in general, which is very likely to include those from low SES backgrounds.

**Table 1: How well each designated equity group was doing in VET by 2003, relative to all students**

Equity Group	Participation Level	Pass Rate	Employment Outcomes
<b>Women</b>	Above average	Above average	Good but below for men
<b>Indigenous Australians</b>	Relatively high	Relatively low	Relatively poor
<b>People with a disability</b>	Relatively low	Relatively low	Relatively poor
<b>People in rural/regional areas</b>	Relatively high	Relatively high	Relatively good
<b>People from non-English speaking backgrounds</b>	Slightly below average	Slightly below average	Relatively poor

Source: Dumbrell *et al* (2004)

It has been suggested that the relatively poor outcomes of disadvantaged groups in VET are the result of an inherent problem in the design of the Australian VET system, which encourages employers and students to negotiate with training providers to tailor training and delivery to

<sup>16</sup> Under the ANICA initiative, an Australian government network of Local Community Partnerships (LCPs) will partner with industry and professional career advisers. Its role will be to engage parents and local communities to ensure that young people have the skills, experience and professional guidance they need to help them identify their potential and to make informed decisions about their future. In addition, a more nationally consistent approach to career education for young people will be supported through the development of quality professional standards for career education. See DEST (2005) *Australian Network of Industry Career Advisers – Directions Paper* for details.

<sup>17</sup> These were specified as women, Indigenous Australians, people with a disability, people from a non-English speaking background, and people living in rural and remote areas of Australia.



individual needs. The ability of disadvantaged groups to identify their training needs and be proactive in negotiating with training providers has been questioned (Kilpatrick, 2003), and our own research has shown that at least a third of junior secondary school students themselves have difficulty in matching their educational paths to their preferred career (The Smith Family, 2005).

In response to this problem and the lack of appropriate career guidance/information available to students mentioned earlier, The Smith Family operates the 'eXLR8' mentoring program, designed to promote the successful school to work transition of financially disadvantaged students undertaking vocational education.<sup>18</sup> Developed in response to research conducted by the Australian Chamber of Commerce and Industry that many people entering the workforce today do not have the skills or attributes to make them employable, the program is currently in its pilot phase in Canberra and South Australia. Participants are accepted primarily on the basis of financial need, but must also demonstrate commitment to achieving their future employment goals. They receive a financial scholarship that covers course fees and some additional costs, and are matched with a mentor working in their field of interest. Mentors provide them with experience and advice, inside knowledge of the industry, and encouragement and support for their studies. In some cases they may even be able to arrange work experience or employment.

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<sup>18</sup> The eXLR8 program is funded by the Department of Education, Science and Training and run collaboratively with TAFE South Australia and the Canberra Institute of Technology. The Smith Family also runs the Tertiary Mentoring Program (matching students on *Learning for Life* with mentors who have achieved professional success in the student's field of interest); 'Next Steps' (teaching *Learning for Life* students the skills they need to find, apply for and secure a job); 'Plan-It-Youth' (offering young people at risk of leaving school early the opportunity to link with trained mentors from the community); and 'Fast Track' (informing students of their various options for life after school). For more information on any of these mentoring programs, see The Smith Family web site, [www.smithfamily.com.au](http://www.smithfamily.com.au).

## **The importance of TAFE / VET in ensuring that the Australian base of human capital has the right skills to operate in a high-skill, high-wage, knowledge-based economy**

### *Reviewing the balance of technical and generic learning in TAFE / VET*

As already noted, responding to the skills shortage is a matter not just of attracting greater numbers into the workforce, but also ensuring that individuals making the school to work transition are equipped with a level and type of skills reflective of contemporary market needs. This is more than a matter of allowing curricula to be influenced by trade and industry considerations, or steering TAFE / VET students into areas recognised as industry priorities. In fact, there have been a number of arguments put forward against too closely targeting VET curricula to perceived skill shortages, including concerns that this approach 'can have an increasingly constrictive effect on general education' by marginalising learning not directly related to technical skills (Parliament of the Commonwealth of Australia, 2004). For example, although efforts have been made to systematically integrate literacy and numeracy components into training packages since the late 1990s, research suggests that they are still receiving 'insufficient attention' (Sanguinetti & Hartley 2000; Wyse & Brewer 2001; Falk 2002). This is despite observations that the levels of literacy and numeracy demanded by Australian employers are increasing throughout workplaces (Adult Literacy and Numeracy Australian Research Consortium 2002). With research pointing to at least 2.6 million adult Australians (that is, half of all adults) having poor literacy and numeracy skills, and only 8.7% of all VET students enrolled in specific literacy and numeracy courses, there is need for a more appropriate balance (Kilpatrick and Millar, 2004). This is particularly important in light of the fact that low SES groups and early school leavers, who generally have lower literacy and numeracy skills, are especially drawn to VET (James, 2002).

Of course, it cannot and should not be the sole responsibility of TAFE or VET as a whole to ensure that its students entering the workforce are sufficiently capable in terms of literacy, numeracy and other basic skills. Early childhood programs, junior and secondary schooling all have important contributions to make in this respect and are critical precursors to successful adult transitions and outcomes (Shonkoff & Meisels, 2000; Shonkoff & Phillips, 2000). However, neither is it appropriate for VET to marginalise non-technical forms of learning, either through a misconceived understanding of its duties as distinct from higher education or on the basis of arguing that technical skills to secure an immediate income are more important. Evidence shows that the longer students can be encouraged and supported to stay within the education system, the better equipped they will be to cope with adult life. Attempting to push students through VET to employment as quickly as possible can actually work against them, for in terms of longitudinal socioeconomic welfare, 'experience in the labour market generally compensates very little for a low level of education' (OECD, 2005a). This underscores the need for VET reforms to adopt a more holistic, learner-centred perspective to the analysis of the sector's roles and responsibilities within the home-education-work life matrix as a whole. As The House of Representatives observes, the issue is about 'assisting all Australians to be financially independent and secure in their futures, which demands a longer-term policy perspective' (Parliament of Australia, 2005).

Incorporating this perspective within TAFE / VET reforms involves taking into consideration the longitudinal impacts of socioeconomic status on the needs of its students (in terms of both their past and their future) and the development of a more appropriate and systematic mix of technical and non-technical learning. The challenge is to strike an appropriate balance between investing in areas that are in the interests of the community and industry, and delivering in a way that is sufficiently flexible and engaging to meet student's needs.

This is not to suggest that highly focused, trade-specific courses are any less valuable *per se*, but rather to point to the need for students to be able to access complementary or supportive learning modules alongside these courses to avoid limiting their future capacity for success. This directive then requires expansion to accommodate not only those undertaking VET courses, but also those already in formal employment. In other words, there is a need to expand the focus of policy reform from its current preoccupation with TAFE and VET *institutions* to the broader processes of *workforce development*<sup>19</sup> that operate within the labour market (Buchanan et al, 2005).

### *Training and Workforce Development*

To ensure the sustainability of TAFE / VET reforms, it is necessary to evaluate the impact and relationship the formal sector has regarding the wider informal contributions of employers to workforce development, defined here as:

‘...Those activities which increase the capacity of individuals to participate effectively in the workforce throughout their whole working life, and which increase the capacity of firms to adopt high-performance work practices that support their employees to develop the full range of their potential skills and value.’ (Government of South Australia, 2003: 7, 20)

With respect to employers, workforce development therefore relates to aspects such as their capacity and willingness to provide longitudinal workplace training across their employee population. The importance of this in supporting the VET sector has been highlighted in the National VET Strategy for 2004-2010 (ANTA, 2004), and also by the OECD, who concluded that ‘Training and up-skilling persons already in work should be given higher policy priority’ (OECD, 2004). It would appear from recent statistical research that Australian employers are generally well committed to this responsibility, with 81% of employers providing some form of training over the year ending June 2002 (ABS 2003). However, it should not be concluded from this that 81% of the workforce were able to participate in this training, for a more longitudinal survey suggests that only just over half of all employees are generally given the opportunity to participate in such training (ABS, 2001). In fact, those with the greatest learning needs – older workers, those with lower education levels and those on casual contracts – are often excluded from these opportunities, for as the OECD notes, ‘Employers devote on average significantly more resources for training high-skilled, well-educated employees than others, reinforcing skills differences’ (OECD, 2001). This disparity of opportunity needs to be addressed within a more inclusive approach to workforce development through establishing closer linkages between employers and the VET sector. Inspiring a similar commitment to ongoing skills development among employees through the promotion of lifelong learning is also important in this respect, and critical to improve the flexibility of the workforce in responding to the fluctuating market.

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<sup>19</sup> According to the Government of South Australia, workforce development is defined as ‘those activities which increase the capacity of individuals to participate effectively in the workforce throughout their whole working life, and which increase the capacity of firms to adopt high-performance work practices that support their employees to develop the full range of their potential skills and value.’ (Government of South Australia, 2003: 7, 20).

## **The importance of TAFE / VET in facilitating a flexible labour force that is able to acquire new skills in response to changes in the economy and their professional aspirations**

### *Lifelong learning as a guiding principle for VET*

Educators need to recognise the constantly changing skill requirements of industry. What may be relevant to an enterprise's skill needs today may have no bearing on that same enterprise's skill needs in five years time. There is no point in providing learning opportunities to young people if the outcomes of these learning opportunities are not relevant to the workplace by the time the young person makes the transition from school to work.<sup>20</sup>

Over the last few decades, the nature of work and the contribution of TAFE and the broader VET sector in preparing individuals for employment have changed considerably in line with the emergence of the new knowledge economy. Within this context, the concept of lifelong learning<sup>21</sup> has become increasingly important as a strategy through which the flexibility demanded by the labour market may be realised. 'Learning' is here construed in the broadest possible terms and relates to learning undertaken in both formal and informal education settings, including VET. The key factor in defining a lifelong learner is not, however, the type of education or training in which they are they are involved, but the personal characteristics that lead to such involvement. Lifelong learners must have the motivation and capacity to learn, in any type of setting, with any type of teacher, or simply by themselves. The development of these skills begins in early childhood (0-5 years), when individuals undergo significant transformations in their physical health and wellbeing, social knowledge and competence, emotional health, language and cognition, and communication. Research has shown that supporting children during this period greatly increases their chances of better learning outcomes and more successful life transitions later on (Shonkoff & Phillips, 2000; Shonkoff & Meisels, 2000; Keating & Hertzman, 1999). This has informed The Smith Family's involvement in early childhood intervention as a component of lifelong learning for a number of years, and our commitment to this developmental phase has been most recently expressed in our role as a facilitating partner for the Australian Government's *Communities for Children* initiative.

Collecting developmental baseline data through the assessment of needs and experiences of children at the pre-school stage is thus likely to prove very valuable in informing a more coherent and learner-focused education and training policy strategy. The piloting in Perth of the Australian Early Development Index (AEDI) in 2003 was a significant first step in this respect, providing a community-level measure of young children's development in the fields of language and cognitive skills, emotional maturity, physical health and well-being, communication skills / general knowledge, and social competence. As has been shown in both Perth and Canada (where the EDI was originally developed), using the tool has given communities the chance to strengthen and increase collaboration between schools, early childhood services and local agencies supporting children and families. Using the AEDI to inform education and training policy reform in the context of lifelong learning will therefore help unlock opportunities for disadvantaged families to participate more fully in society, and increase the likelihood of more prosperous and coherent outcomes for all. Hence, among the guiding principles for transformation that The Smith Family adopted almost seven years ago was one to move steadily along the continuum of human development to the prevention and early intervention end.

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<sup>20</sup> Ai Group Submission, quoted in Parliament of the Commonwealth of Australia, 2004.

<sup>21</sup> From the perspective of The Smith Family, 'lifelong learning' refers to an orientation that encourages engagement with learning, and the development of characteristics that will make learning an integral part of the learner's life (Bryce & Withers, 2003, quoted in The Smith Family, 2004).

Due to its special position intersecting the formal education system, industry and adult and community education, TAFE / VET has a very important role to play in promoting lifelong learning strategies across these and other key transition areas. As Ryan (2001) notes, VET:

- Provides the educational opportunities which most broadly apply across age and socioeconomic groups;
- Delivers its programs through the widest variety of locations and means – regional, remote and urban, on-line and in class, in workplaces, in colleges, in prisons; and
- Accommodates the widest range of previous educational backgrounds.

It has been recognised that more than 60% of those who participate in Australian VET programs are 25 years and over, and that the sector represents an opportunity for a significant number of adults to re-engage with their learning and skills development (Karmel, 2004). On the one hand, it would therefore appear that Australia is already very successful in informally providing opportunities for adults to continue engaging in lifelong learning throughout their careers. Moreover, although reforms to the VET sector have not explicitly focused on lifelong learning, they have been aimed at developing a high quality and responsive system to meet student and industry needs – motives that are consistent with lifelong learning priorities (Karmel and Stanwick, 2002). Yet, as Ryan (2001) observes, it has also been argued that VET policy over-prioritises business interests, devalues the role of individual students and communities, and replaces educational goals with a narrow doctrine of vocational competency. The very different funding arrangements for higher education and VET alone do not facilitate lifelong learning, operating to hamper linkages between the two sectors and hinder the effective delivery of lifelong learning (Stanwick, 2003).

Some of these concerns reflect those voiced by the OECD as early as 1973, when, in the context of a vision for lifelong education, VET methodologies were criticised for failing to produce qualities of self-awareness and autonomous decision-making in the learner (OECD, 1973). They also perhaps originate in a Commonwealth goal originally set out in an Employment Department submission in 1985, assertively stating that “vocational education was not a community service but a training market” (Ryan and Hardcastle, 1996:241 quoted in Ryan, 2001). It is this policy transition that effectively marginalised lifelong learning as a guiding principle in VET, and which needs more explicit reconsideration if a flexible labour force is to be achieved.

### *The role of TAFE / VET in building learning communities*

The importance of TAFE and the VET sector to disadvantaged groups has already been discussed, and its potential role in building learning communities among these groups is also generating increasing discussion. The OECD (2005b) has observed that there now exist numerous networks of non-university institutions across many countries, and that this both ‘improves local access’ and serves the community by conducting research oriented to local or regional economic development. Malley (2003) similarly notes an emerging call for universities to move away from the dominant academic and competitive model to one that better serves local communities through VET courses, extending access to those not presently attending to provide a greater range of post-school qualifications.<sup>22</sup> In Malley’s view, this raises interesting questions about whether Australian VET should be considered as an exclusive stand alone sector with its own set of private and public institutions or a body of applied knowledge and skill that provides a

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<sup>22</sup> This approach has been typified by the Kellogg Commission of the USA and by the University of the Highlands and Islands in Scotland. In the latter example, a series of disconnected colleges and research organisations are joined by agreement to form the UHI in order to provide a scattered community with access to a range of post-school learning facilities and outcomes. It redefines the boundaries of what is a university to facilitate greater connection with community and learning service provision below the traditional levels of undergraduate and postgraduate degrees.



basis of flexibility and renewal for a range of education, training and employment based organisations. Under the latter framework, VET would embrace not only industry concerns but also efforts associated with building the social capital of communities and in providing more opportunities for interactional infrastructure such as leadership, shared vision and networks within and external to the community (Kilpatrick, 2003). As an organisation involved in the promotion of social capability across the population, The Smith Family supports this expanded view of the potential for VET to strengthen community capacity in addition to individual industry skills, and to increase re-entry points for workers to return to the workforce through community skills programs.

## 5. Recommendations

The Smith Family is ultimately concerned with societal change. At a program implementation level, The Smith Family aims to increase the personal and collective resources of individuals, families and communities to help them develop skills and capacities they need to respond to challenges and more fully participate in society. Furthering opportunity for Australians to successfully access, and participate in, TAFE / VET may be seen as an extremely important response to the incidence of financial disadvantage and social deprivation in our community. Furthermore, successful participation in education is a vital foundation in enabling Australians to become lifelong learners, sufficiently equipped to adjust to changing circumstances across the life course.

The TAFE Futures National Inquiry has an important opportunity through this consultation to create vocational education and training institutes that put the needs of students and their communities first. Equitable access and participation need to be driving factors in goals and targets established through the modernisation of existing policy, so that TAFE and VET as a whole can be brought closer to its democratic potential in creating a society where learning is both valued and open to all socioeconomic groups. The Smith Family recognises that governments' efforts in reforming policy frameworks must be complemented and supported by those of a larger society that involves individuals, families, communities, businesses, organisations and institutions. To this end, the following recommendations are for consideration in this context, recognising the desirability of all working usefully together towards mutually agreed outcomes.

### The Smith Family recommends:

#### **General recommendations:**

- That any reforms to the existing TAFE / VET policy framework directly or indirectly facilitate more equitable access as part of a lifelong learning pathway in which disadvantaged groups within society may fully participate.
- That continuous and systematic evaluation mechanisms regarding policy and program outcomes are integrated across all stakeholder levels within the education process (student, teacher, local government etc.) to further facilitate evidence-based strategies.
- That adequate attention is paid to how TAFE / VET policy affects, and is affected by, legislation in related sectors such as employment and social welfare, and to the potential for greater communication and coherence between them as a platform for reform.
- That policy reform recognises the importance of early childhood development (and tools such as the Australian Early Development Index) in influencing subsequent educational outcomes and the transition from home to school, school to work and back from work to further education / different employment.
- That further research be conducted to explore the variable outcomes and participation of existing equity target groups within TAFE / VET, and that students from low SES backgrounds and students with low literacy/numeracy skills be included in future equity target groups.

**With regard to the role of TAFE / VET in ensuring higher workforce participation and productivity rates to help maintain economic growth and limit fiscal pressures as a result of ageing:**

- That more resources and opportunities for learning are activated at the community level to encourage the (re)entry of adults into formal and non-formal forms of VET, recognising the significant positive influence of this on the educational outcomes of students within their immediate circle.
- That safety nets are installed at the school and community levels to offer appropriate financial or psychological support to those who do decide to leave school early, and that opportunities for these individuals to enter VET pathways or re-enter higher education are formalised within the administration and curricula of the school without stigmatisation.
- That students and their parents/guardians are able to access appropriate information, guidance and support regarding their TAFE / VET options at timely intervals throughout secondary and tertiary education, through a mixture of self-assessment programs and formal counselling.
- That solid linkages and coherent qualification frameworks are put in place between schools and the wider community to maximise the chance for students to experience a smooth/successful transition from school to work.
- That vocational or apprenticeship pathways are given an enhanced status and treatment in the distribution of resources in comparison with tertiary education, and that clear and coherent bridges between these pathways are created to allow students to explore different skills and experiences without limiting their options.
- That measures be adopted with regard to the New Apprenticeship system to ensure that students who leave school before completing Year 12 are given equitable treatment and support with regard to recruitment, participation and employment.
- That further research be conducted around the factors influencing the relatively high rates of withdrawal and non-completion within the VET sector, particularly with regard to traditional trade apprenticeships and the potential correlation of this to wage structures.

**With regard to the role of TAFE / VET in ensuring that the Australian base of human capital has the right skills to operate in a high-skill, high-wage, knowledge-based economy:**

- That efforts be made to address and systematically monitor the apparent mismatch in student VET qualifications and the mix of technical and generic competencies valued by employers, including the perceived indifference of small businesses to the VET system.
- That all students, particularly those from disadvantaged backgrounds, considering or embarking on a TAFE course or VET pathway are given adequate and appropriate assistance in identifying their personal training needs and negotiating with training providers.
- That all TAFE / VET courses include literacy and numeracy assessments / modules to ensure students are adequately prepared to meet the increasing demands of employers in this area.

- That Federal and State/Territory governments encourage employers to adopt a more systematic and inclusive approach to employee training initiatives that is complementary and supportive of VET and the principle of lifelong learning.

**With regard to the role of TAFE / VET in facilitating a flexible labour force that is able to acquire new skills in response to changes in the economy and their professional aspirations:**

- That a learner-centred (as opposed to employer or industry-centred) approach be adopted throughout TAFE / VET policy reforms to facilitate a more diverse and appropriate range of learning structures for students of mixed ability and background.
- That a broad range of community stakeholders from all SES levels, including employers, family members and civil society groups be given formal opportunities to participate in the planning, management and evaluation of TAFE / VET provision in their area, in order to maximise local relevance, ownership and responsibility for learning.
- That TAFE / VET policy and providers recognise the important role the sector plays in the promotion and facilitation of lifelong learning across the community, and that all proposed reforms are consistent with the lifelong learning outcomes of developing capacity in self-direction and motivated engagement among learners.
- That more concerted efforts are made to broaden and support the range of personal and social skills that VET participation develops in students (such as the orientation for lifelong learning), as opposed to furthering appreciation of achievement based solely on technically-related outcomes.
- That recognition be given to the potential contribution of the VET sector in creating learning communities, particularly in the sense of building social capital, community capacity and orientation to local needs.

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## Appendix

### **Suggestions from students for improving the quality, quantity and accessibility of VET courses and providers**

With respect to the quantity of information, the most frequent suggestions were that more information should be provided about:

- course structure, organisation and content (14%); and
- course completion rates and outcomes (primarily relating to jobs/careers) (6%).

With respect to the quality of information, the most frequent suggestions were to provide:

- simpler/clearer/less jargonistic information (7%);
- more consistent/comparable information about courses/providers and outcomes (4%); and
- more accurate and up-to-date information about courses/providers (4%).

With respect to improving the accessibility of information, the most frequent suggestions were to provide:

- more/better course/provider information on websites (provider and/or systemic) (20%);
- more advertising and promotion (newspapers, television, brochures, posters) (14%);
- more interactive use of ICT, particularly emailing of information to clients (4%); and
- more/better information provision by teaching staff (3%).

Almost one in ten (9%) suggested that a single and integrated source of information (mainly online and/or print-based, physical information centre) about all available VET courses and providers should be established. The strong emphasis on strategies to improve online information provision reflects the growing trend, noted earlier, for individuals to use the Internet as their preferred medium for information-searching in choice-making processes.

*Source:*

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