NSW Business Chamber
Member feedback
Review of TAFE NSW
January 2012
NSW Business Chamber

NSW Business Chamber is one of Australia’s largest business support groups, helping around 30,000 businesses each year. Founded in 1885, the NSW Business Chamber works with thousands of businesses, from sole traders to large corporates. The Chamber is a leading business solution provider and lobbying group with strengths in workplace management, occupational health and safety, industrial relations, human resources, international trade, and improving business performance. NSW Business Chamber has over 7,500 members in NSW across all major industry sectors.

Independent and non-government, NSW Business Chamber represents the needs of business at a local, State and Federal level, lobbying governments and authorities to create a better environment in which to do business.

NSW Business Chamber is consistently engaged in policy interaction with Government regarding skills issues, providing high level input and recommendations to support employers’ engagement in a range of workforce skill development programs.

NSW Business Chamber also owns and operates Australian Business Limited Apprenticeships Centre (ABLAC). ABLAC is NSW’s most experienced provider of Australian Apprenticeship services. ABLAC has specialist knowledge, expertise and over ten years' experience in the signup processes and ongoing management of apprenticeships and traineeships. ABLAC works under a contract funded by the Commonwealth Department of Education, Employment and Workplace Relations (DEEWR).

NSW Business Chamber’s views in relation to the VET sector reflect both our commitment to represent members’ concerns and develop policy positions to promote positive and pragmatic change across the employment, education and training sphere. Our views also reflect ABLAC’s broad experience as a service provider to the State and Commonwealth.

This submission includes a selection of individual member responses to questions posed in the Stakeholder Discussion Guide.
Individual responses to Stakeholder Discussion Guide

Role of TAFE NSW

What do you think the role of TAFE NSW is in:

- addressing the skill needs of industry and enterprises;

  ➢ TAFE makes a significant contribution at varied levels:
    o It employs lots of people in many places, and in many regional centres is one of the largest employers.
    o It is also a major export earner through its overseas student program (although I think this has taken some hits in recent times).
    o In regional locations it is also a direct source of trained workers (with some strange gaps where there are no courses in some key mismatches with local industry/business needs).
    o It has a valuable role in its articulation with courses run in High School, universities and by private providers.

  ➢ What is less clear is how adaptive TAFE is to skill shortages. As a large organisation linked to complex training requirements, its courses are not changed quickly. TAFE also prides itself on its industry relationships. While to some extent there is obvious connection due to the trade backgrounds of many staff, this is often experience well removed from current industry needs and practices. As well, it may not reflect the skill needs of emerging industries. There is also the problem that TAFE equipment is not generally at the cutting edge. There are examples of good industry partnerships but we shouldn't judge any organisation by its best practices, but rather, by a broad assessment of all its practices.

  ➢ As an aside - It's worth stating that industry isn't always at the cutting edge in this country, that's why our report (unpublished BVET report 2002) had been suggesting new joint innovation centres so that industry could influence TAFE and vice versa in the case of best practice.

  ➢ TAFE is essential as one of a range of providers of training services and facilities, where they have appropriate infrastructure and skilled teachers.

  ➢ I think TAFE has an important role, but the inconsistency between campuses results in inconsistent service and delivery. I think there has been a move to TAFE becoming more responsive to business, but there is still a very strong
model of "classes" being taught in "classrooms", which needs to follow those who are taking TAFE to the workplaces.

- Whilst I agree that TAFE has a model of teachers maintaining industry experience (they have a system whereby teachers can go back and work for a period in industry), it's not often taken up, and leaves a big gap with currency. Teachers who are part time teachers have better currency, as they often work in industry to complement their income.

- TAFE is an important player in addressing the skills needs, but needs to clean up house if they want to maintain it. There are some providers who deliver ad hoc delivery and the skill level of teaching staff is poor. I'm afraid this is true across the board, and TAFE is not immune. TAFE do have resources, which give them an advantage, but I believe there are several providers delivering high quality and tailored programs to industry all over the country.

- TAFE should be the primary source of addressing the skills needs of industry; it has already got the infrastructure and resources. The training models are well set up and generally TAFE has the right mix of industry and teaching.

- Some private providers have rather ad hoc delivery and skill level of teaching staff is poor, especially in rural NSW where it’s harder to get teaching staff, generally needed on a part time basis and most don’t have regular industry contact. Which is vital. Whereas TAFE has a better mix of teachers who teach say part time and also work in their chosen industry. TAFE also does regular industry experience reviews where teaching staff must demonstrate what they have done outside of teaching to remain current in their industry.

- Some private providers have people delivering that have had little industry development or currency as they are more focused on the cost of the training rather than the delivery. I know people who are working for private providers who deliver modules that they have no experience or qualifications in, purely because they are on the payroll and its cheaper for them to do it than source a qualified person, or they have a contract with that employee to deliver so many hours and if the area that they have qualifications in has no work they will fill their contract with other courses.

- TAFE should be actively engaged with industry and schools to pinpoint skill shortage areas and deliver required training. TAFE needs to engage more with business, and seem to have the attitude that business will come to them, but due to the size and general difficulty of working with a large organisation such as TAFE, business finds it hard to pinpoint who and how to engage. TAFE needs to make it easy and accessible.
• supporting rural and other local economies and communities

➢ TAFE is an important contributor to local economies, but it has even greater potential to help skill the whole nation. It has played a very important role in a number of industry sectors in the past and needs to keep doing this. An example that comes to mind is the quality of TAFE IT courses in the 1990s (I haven’t looked at them lately) that had a very positive impact on producing qualified and skilled workers across varied industry sectors.

➢ TAFE is essential as a provider of skills training and further education in areas that support the employment outcomes of existing and emerging local business/industry.

➢ TAFE is a vital provider for youth especially in rural communities. It is often too expensive for families to send their children away to get further education and TAFE plays a vital role in keeping these communities open for further education.

➢ In the case of trades, it can mean that students can complete their TAFE portion of their trade qualification without having to travel to the city. In the case of beauty, apprentices must travel to Dubbo from all areas of the Central West. This in most cases is a one to three hour journey for two days every two weeks for two years. If this was not an option then students would have to complete in Sydney at a very high cost.

• Providing niche and high cost training?

➢ Yes, there is a role for TAFE here but it needs to be in partnership with industry. Our report (unpublished BVET report 2002) had lots of suggestions for how this could be done. It is unrealistic to expect that TAFE can continue to upgrade technology and equipment that keeps pace with cutting edge commercially driven industry. It is also in the interests of business and industry to make sure that the key trainers have equipment and the people able to help train students to use it. While there are excellent examples around the world (and in Australia) where industry trains its own staff rather than outsourcing, we need providers like TAFE linked arm in arm in areas where new technology is driving change. This is important for industry innovation in this country.

➢ A role for TAFE exists if the resourcing and qualified staff are available, however may often be more suited to specialised industry RTO’s

➢ TAFE is perfectly placed to provide niche training as it has the flexibility and generally a good range of teaching staff to tailor training.
An example is the course that I developed and deliver for the Orange TAFE. A need was seen to have a nine week introduction to the establishment of a small business; students didn’t want a year long course, but rather a concise 9 week program that gave then the basic skills and knowledge on how to start a small business, from registering business name to how to complete a business plan. This has met a niche in the market and the course runs each semester.

What do you see as the emerging directions for the New South Wales VET sector in light of the COAG and New South Wales Government reform agenda?

- Opportunity to lift the bar on accountability, quality and relevance to industry and skill development as long as funding is strategically targeted and industry-driven.

- The introduction of any student entitlement model in NSW provides opportunities to achieve greater efficiency, encourage innovation, and offer flexibility of course delivery and create the potential for further growth in the vocational sector.

- This does not challenge TAFE, but offers a significant opportunity. TAFE is a recognisable brand and is known for quality delivery of training. By its nature and through its infrastructure, TAFE has a competitive advantage over private providers and this means it will be well placed to compete with private providers under an entitlement model.

What is TAFE NSW’s contribution to economic development in New South Wales?

- TAFE has no doubt played a significant role in contributing to economic development in NSW, through the provision of skilled graduates and meeting some needs of industry.

- Potentially TAFE should be a significant partner in the development of skills, however, performance is not consistent across the state. The TAFE system lacks knowledge and forward planning to meet industry needs and future trends.

How does this vary by region?

- Experience in TAFE – Western Sydney Institute has largely been positive – driven by some key personnel who have engaged well with industry and have been responsive to working in partnership with business. Delivery of services has also been flexible, with examples of TAFE teachers delivering in the workplace and to meeting the needs of shift workers.
The Hunter Institute also has a strong record in working with local industry and delivering according to industry need.

How should this contribution vary on the basis of regional needs and characteristics?

Provision of public funds must be on the basis of need, relevant skills and employment opportunities in a region, planned and supported by evidence.

Should TAFE NSW alone provide essential services such as literacy and numeracy programs, programs for the unemployed, second chance secondary education, delivery to rural and regional communities and delivery in specialist industry areas?

There are a range of providers, particularly not-for-profits/charities who are engaged with communities and have the skills to deliver these programs. This should be an option.

How should these essential services be delivered in a New South Wales VET environment of potentially greater contestability and a student entitlement?

Funding models need to address the resource needs, access to existing tax-payer funded infrastructure, and the ability to demonstrate experience, qualifications and outcomes for the student.

To what extent do private Registered Training Operators (RTOs) operate in New South Wales and in particular industry sectors of interest to you?

Very broad for NSWBC – given the industry representation. A good example here would be Hunter Valley Training Company – extremely relevant to the needs of the local area/s they service. They provided excellent pre-apprenticeship training in metals and general construction and then linked to their Group Training Company to maximise the student outcome.

Given the scope for local competition, how would increased contestability affect the operation of TAFE NSW institutes, and particularly the delivery of training in your industry sector?

Expect that, if well managed and measured, it would improve quality and provide more opportunity to respond to changes in skill demands. (TAFE has often been guilty of providing courses to serve the needs and skills of staff, rather than industry.)
Performance of TAFE NSW in meeting the demand for skills

How well does TAFE NSW adequately provide the range of skills required by individuals and employers in your industry sector? Does this performance vary across the state? To what extent does TAFE NSW meet the demand for training? For example, are there training areas where demand is not met?

- I believe that in our area (beauty courses) TAFE has capacity for greater enrolments, especially in HSC leavers. TAFE is not seen or pushed as an option for further education in schools and children who attend often find TAFE as a last resort rather than a primary target. This is due to poor interaction between TAFE and the high schools and getting the message out that TAFE is a very good option. Not just an option if you do not gain a university placement as it seems to be marketed.

How well are TAFE NSW’s services marketed, and particularly attracting students to undertake VET and other education and training?

- Poor in my experience. My daughter did VET, only because I pushed the school and chased it myself. The schools do not have the resources or funding to manage VET and generally it’s given to a teacher to do as well as their normal teaching job so it’s given a low priority in the school. TAFE needs to actively engage with the schools and handle the VET enrolment and care of the students. I have since spoken to other parents with the same experience as myself and generally the schools are only concerned with ATAR subjects and these are pushed before TAFE, TAFE is seen as a pain as it takes students out of classes and makes more work for the school. Most VET enrolments happen because of parent and student word of mouth.

- How well does TAFE NSW adequately provide the range of skills required by individuals and employers in your industry sector? Does this performance vary across the state?

- Yes, it depends on the TAFE and how actively they market and have budget to employ a mix of full time and part time teaching staff. I do believe that on the whole most TAFEs that I have worked with provide a good level of industry experience and apply experts to teach specific classes. Example, I teach marketing and small business finance to the equine massage students and the veterinary students as an agriculture teacher would not have the industry experience to deliver these units and I don’t have a clue how to massage a horse!

- The marketing was good the last time I looked closely, but I think it has lost ground in this area. Of course, it has taken some hits in this area as well. But I don’t think the greatest need is better marketing, rather we want even better courses.
TAFE seems to rely on the government pushing VET, and assumes people will associate this with TAFE. I think their marketing needs some serious work.

To what extent does TAFE NSW meet the demand for training? For example, are there training areas where demand is not met? Where demand is met, is their capacity for additional enrolments?

- My experience is that TAFE is slow to respond, though there have been instances of incredibly responsive and creative delivery.

**Pricing, funding and expenditure**

How competitively priced are the services provided by TAFE NSW institutes?

- Some prices have been inflated due to the TAFE staffing agreements and also the overhead of the Business Development Unit.
- TAFE is competitively priced, but part of this is that it has a monopoly on some of the state based funding. There are examples where a new entrant traineeship where funds are paid to the RTO are only applicable where TAFE is the RTO. I think that's just downright wrong.
- From my experience TAFE is competitively priced and the service high.
- In traineeships once an employer actually knows what TAFE can provide and the government incentives available the delivery and price are well worth it. Again it’s the best kept secret in business about hiring a trainee???

**Human resources**

Are teaching staff at TAFE NSW institutes sufficiently skilled and experienced to deliver training programs? Why or why not?

- No. In my travels and discussions with teachers, they couldn't provide evidence of currency to meet standards (then AQTF, but this still applies now with the NVR). I was told by several head teachers that more than half of their staff still held BSZ qualifications. Several also advised that industries which no longer attract students (and hence left teachers idle) ... those teachers were re-skilled to new and unrelated industries (having no industry experience to boot). How does this happen? Well, under the old VETAB regime, VETAB bequeathed its powers to TAFE so that they ostensibly are self-regulating. I'm not sure if this is still the case, but I will assume it
is. So, under this system, TAFE can add qualifications to scope very, very quickly (in
days, rather than months), and without the regulator audit. Along with this, TAFE
are responsible to ensure their staff are appropriately qualified, and the people I
spoke to (who were from several TAFE’s across NSW) could not provide me with
evidence of this. Of course, I’m not saying that all TAFE staff don’t hold the requisite
qualifications, and I personally know several people who are awesome facilitators in
the TAFE system. I’m am saying that there should be a level playing field, and that
TAFE should operate under the same rules as private RTOs. If this were the case,
then I believe TAFE would really have to work to maintain their brand, as the
limitation of actual regulation would diminish TAFEs ability to be responsive,
efficient, etc. I’ll just reiterate that I think TAFE has and should continue to play a
very important role in NSW, but that if there’s a review to be had, let’s broaden it a
little.

➢ There are some wonderful teachers in TAFE who are well connected to industry and
well qualified. The permanent staff can lose their edge quickly so careful use of part-
time industry-based staff is very important. Sometimes this is done well, but
sometimes part-time staff are very poor. Another problem is the need for more
skilled people at the middle and senior management levels.

➢ There are TAFE teachers who should be long gone, and there are fantastic teachers.
In my experience I work with the full time staff who handle all the logistics of the
students and classes and I do the industry experience and teaching side. Once I have
marked my assignments etc, the full time teacher sits with me and puts it into the
system. This saves me time and gives me more hours to deliver and work on course
content rather than admin which can be handled by the full time staff. I believe that
this works well in many areas of TAFE where a mix of full time and part time
industry teachers work
The study had 14 major recommendations, here are just some that still relate most closely to current needs:

Recommendation 2 - DET should actively seek the involvement of TAFE in key Cooperative Research Centres as a major provider of training related to new technology developments. To support this strategy BVET should commission a review of the role that TAFE might play in technology diffusion.

Recommendation 7 - BVET should investigate the extent to which employers are requiring multi-skilling as part of work practices and what this means for specific areas of training.

Recommendation 8 - BVET should institute an immediate review in association with peak industry bodies to establish the extent to which TAFE institutes are able to meet industry requirements for technology.

Recommendation 9 - BVET should investigate how TAFE can assume a far more high profile role as a training broker specifically for SMEs. BVET should investigate how Innovation Centres could be established in partnership with other key stakeholders.

Recommendation 10 - BVET has a major role to play in encouraging training providers such as TAFE to embrace workplace training and training for workplaces as a more fundamental part of all industry training programs.

Recommendation 12 - BVET should work in partnership with DET and industry associations to seek federal funding to support the establishment of 3-6 industry renewal centres.

Recommendation 13 - BVET should work in association with the Department of State and Regional Development (SA RD) and DET to institute a review of how regional provision of VET matches regional skills gaps as well as opportunities.

Recommendation 14 - BVET should establish a partnership through DET to provide greater input into regional initiatives coordinated through the Premier’s Department and State and SARD.

If you have any questions in relation to the content of this submission, please contact Nick Minto, NSW Business Chamber Education and Training Policy Adviser, Nick.Minto@nswbc.com.au, (02) 9458 7267.