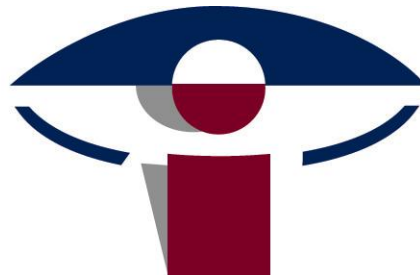


Victorian TAFE  
*Association*



***Response***

***Review of Australian Higher  
Education Discussion Paper  
June 2008***

From the Victorian TAFE Association  
Level 3, 478 Albert Street  
East Melbourne, Victoria, Australia

July, 2008

# **VICTORIAN TAFE ASSOCIATION RESPONSE TO REVIEW OF AUSTRALIAN HIGHER EDUCATION DISCUSSION PAPER JUNE 2008**

## **INTRODUCTION**

The Victorian TAFE Association (VTA) welcomes the opportunity to respond to the review of Australian higher education initiated by the Deputy Prime Minister and Minister for Education, the Hon. Julia Gillard MP.

Membership of the VTA includes four multi-sector universities and fourteen stand-alone TAFE providers. Of the stand-alone TAFE providers, six offer higher education qualifications as non-selfaccrediting higher education providers and all Victorian TAFE providers have co-operative and collaborative arrangements with universities in Australia and offshore. VTA members provide vocational education and training (VET) to over 350,000 individuals annually and employ over 10,500 effective full time staff.

VTA members will, in many instances, respond individually to the discussion paper to highlight areas of particular interest to their organisations. The VTA in this response will focus on the introductory part of the discussion paper and part 3.4 'Connecting with other education and training providers'.

## **EXECUTIVE SUMMARY**

The membership of the Victorian TAFE Association represents a diverse group of organisations. In responding to the Terms of Reference and the questions posed in the Review of Higher Education Discussion Paper every effort is made to acknowledge this diversity. Key points raised in the response are highlighted here.

### **Functions & Characteristics of VET & Higher Education in Australia**

- There are strong similarities between TAFE and the functions described as belonging to contemporary universities and TAFE providers.
- It appears the single function currently distinguishing VET from higher education as is outlined in the discussion paper, is higher education's role to generate new knowledge by undertaking research and developing high level research skills, though VET capabilities in this area are building.

### **Meeting industry and labour market needs**

- Highly developed systems and processes have been implemented in the Victorian TAFE sector to ensure industry needs are met.
- Student choice primarily drives funding to universities rather than the needs of industry.
- Any links between higher education course offerings and industry needs are not publicly transparent.
- Places in higher education in the future may include an allocation specifically driven by student demand and a majority allocated specifically to meet labour shortages in higher skill levels.
- TAFE has the capacity to act as the bridge for older learners as they enter, or re-enter, the tertiary education sector, by providing the training equivalent to the first year of higher education and even beyond.

- TAFE has highly developed models of delivery to enable successful learning outcomes for older learners and enable the transition to further higher order learning.
- TAFE models serve as benchmarks for higher education to build capacity to meet industry needs.

#### **Distinctive or defined missions?**

- It has been suggested that the TAFE sector is the place where education policy, social policy and economic policy intersect. In this regard it is important to also recognise the social policy aspects underpinning the VET mission and which significantly distinguish the VET sector from that of the HE sector.
- The mission of higher education and VET is the same if we are to view training and vocational skills as pursuits of both sectors.
- Any lines between VET and higher education are becoming increasingly blurred.
- A broader conception of a *tertiary* as opposed to a *higher* education sector is worth considering.
- Should a unified approach be taken to tertiary education in Australia, a number of inhibiting regulatory and financing factors need to be addressed.

#### **Connecting effectively with VET – movement between the sectors**

- Pathways between VET and higher education need to be based on principles similar to those of mutual recognition in the VET sector.
- Admission to a course on the basis of prior studies or qualifications and the granting of credit for prior studies or qualification are the key indicators of educational pathways.
- TAFE graduates have expectations that their VET qualifications will provide them with more than entry into higher education. Repeatedly TAFE graduates experience indifference when they approach higher education providers for credits into higher education based on VET qualifications.
- Currently successful articulation, and more explicitly credit transfer, between VET and higher education relies on the personal relationships between individuals than the application of consistent, systemic policies.
- People at the interface between VET and higher education are challenged to make the transition by the different educational frameworks in which they operate. The outcomes focussed competency-based environment of VET, represents challenges for determining credit opportunities into and/or from the more traditional curriculum frameworks operating within higher education.
- It is important that there is better education available to the sectors about what constitutes competency-based learning and assessment practice.
- Recognition of competency based assessments; recognition of prior learning and on-the-job assessments are keys to improving the credit transfer outcomes for TAFE qualified applicants to higher education.
- Alignment of quality, governance and reporting across state and federal governments, higher education and VET to make it easier for institutions to operate across current sectoral boundaries.

## **FUNCTIONS & CHARACTERISTICS OF VET & HIGHER EDUCATION IN AUSTRALIA**

The Terms of Reference for this Review seek to establish the place of higher education in the broader tertiary education sector suggesting that the functions and characteristics of higher education can be distinguished from other players in tertiary education – primarily vocational education and training (VET). This proposition is worth exploring within the context of the Victorian TAFE sector.

The opening paragraphs of the discussion paper 'The place of higher education in modern Australia' could be read to be as relevant and applicable to the VET sector as to higher education. VET, like higher education, provides access to higher levels of learning to people from all backgrounds, enhances social inclusion and reduces social and economic disadvantage. Within the Victorian context, TAFE providers offer access to learning from Certificate 1 – Bachelor degrees and post-graduate qualifications, in their own right and as part of auspicing or partnership arrangements.

The economic benefits of completing a VET Diploma qualification have been estimated in the vicinity of 7%-10% for men and between 10% and 14% for women compared to people completing a school qualification<sup>1</sup>. These benefits are considerably higher for people from lower socio-economic groups and for people that have not completed school<sup>2</sup>. By comparison, Larkins<sup>3</sup> found personal economic benefits of a bachelor degree to be in the range 15% - 20% and for particular Masters-by-research and Doctor of Philosophy degrees between 8.8% - 12.7%. While Masters and Doctoral degrees are the remit of universities and are completed by a minority of the population it is more useful to consider the economic benefits from Diploma/Advanced Diploma and Bachelor degree qualifications. Access to learning, whether through the VET or higher education sectors contributes significantly to reducing social and economic disadvantage.

TAFE, with the underpinning principles of equity and access, contributes considerably to enhancing social inclusion and providing opportunities for people from disadvantaged social groups. More flexible entry requirements and fee structures in TAFE, including concessions, open the doors to tertiary education for many community members that would not be able to support a HECS debt. Further, TAFE providers contribute to international connectivity through international partnerships including onshore and offshore delivery. In 2007 there were 99,615 onshore international student enrolments in Higher Education bachelor degree programs<sup>4</sup> and 94,663 students enrolled onshore in VET Diploma/Advanced Diploma programs<sup>5</sup>.

TAFE like higher education can transform the lives of individuals by engendering the love of learning.

---

<sup>1</sup> Chapman, R., Rodrigues, M. & Ryan, C., 'HECS for TAFE: the case for extending income contingent loans to the VET sector', Treasury Working Paper 2007-2, April 2007

<sup>2</sup> Ibid.

<sup>3</sup> Larkins, F., 'The Economic Benefits of Australian University Degrees: Bachelor and Research Higher Degrees', The Australian Economic Review, Vol. 34, no. 4, pp. 403-414.

<sup>4</sup> <http://www.deewr.gov.au/AEI/PublicationsAndResearch/Default.htm> Australian Education International, Research Snapshot, Number 31, March 2008 accessed July 30, 2008

<sup>5</sup> <http://www.deewr.gov.au/AEI/PublicationsAndResearch/Default.htm> Australian Education International, Research Snapshot, Number 32, March 2008 accessed July 30, 2008

What then are the distinguishing functions of higher education? Reviewing the descriptions on page 2 of the discussion paper, the apparent single function currently distinguishing VET from higher education is higher education's role to generate new knowledge by undertaking research and developing high level research skills. A review of the R&D expenditure in the top 30 universities (page 4, discussion paper) suggests this research effort is highly concentrated among eight universities. The distinguishing functions of the majority of higher education providers and TAFE providers in Victoria may not be at all clear. Victorian TAFE providers have previously expressed a desire to undertake research and develop high level research skills. The NCVER has enabled some progress towards this aspiration by offering VET New Researcher awards and developing VET researchers of the future through the annual No Frills conference.

TAFE has a substantial, untapped capacity to contribute to applied research effort. The major defining characteristic of research in higher education is the access to research funding. Victorian TAFE providers would like equity with universities to be able to apply for Federal research funding and in particular to form partnerships with industry for research and development opportunities in order to access this funding.

The VTA notes that the discussion paper describes aspirational characteristics including, among others, meeting the needs of the labour market and industry for high level skills, providing opportunities for all capable students to participate and connecting effectively with the other education and training sectors. These are not characteristics unique to higher education.

### **Meeting industry and labour market needs**

Victorian Government funding to the TAFE sector is currently based on qualitative and quantitative data on labour market movements and skills needs of industries. The Area Study Reports produced by the Victorian Skills Commission have informed the purchase of publicly funded VET in Victoria for some years. Data collection methods also include continuous improvement processes to work towards ensuring the most accurate information is available to inform short-term and longer-term planning. Industry Skills Councils are preparing Industry Environmental Scans for Skills Australia which will also be used to inform VET purchasing decisions. By contrast, student choice primarily drives funding to universities rather than the needs of industry. Any links between higher education course offerings and industry needs are not publicly transparent.

The discussion paper (page 22) notes research findings that occupations requiring university training and VET will be in demand in the future. Methodologies used in Victoria to forecast future demand for skills could be a first point of reference to universities to meet labour market needs. If *higher level* skills are defined as those resulting from qualifications available through higher education accredited courses, there is already a considerable body of knowledge regarding skills demands at AQF 5 and 6 levels that may inform universities.

Places in higher education in the future may include an allocation specifically driven by student demand and a majority allocated specifically to meet labour shortages in higher skill levels.

In relation to the expectation that participation in higher education by older adults will grow to meet the demands for new and increasingly complex work tasks and job mobility, an informed assumption would be that the vast majority of adults upgrading or retraining will be looking for skill sets at the Diploma, Advanced Diploma,

Associate Degree, Bachelor Degree, Graduate Certificate or Graduate Diploma levels. TAFE has the capacity to act as the bridge for these learners as they enter, or re-enter, the tertiary education sector, by providing the training equivalent to the first year of higher education and even beyond. TAFE has highly developed models of delivery to enable successful learning outcomes for this cohort and enable the transition to further higher order learning. The ability to construct a pathway at the upper end of the AQF scale with multiple exit points allows the VET sector to more easily reflect changes in industry and workforce requirements. Comparatively, university programs are less reflective of current and emerging industry requirements. The industry driven training package regime in the VET sector, whilst itself not particularly agile, provides a far more contemporary industry and labour market focus.

TAFE models serve as benchmarks for higher education to build capacity to meet industry needs. Unfortunately the TAFE sector does not receive due recognition of the importance of the role of TAFE in offering applied degrees in a quality environment which support government directions in terms of strategic sectors and skills shortages.

### **Distinctive or defined missions?**

The mission of the VET sector in Australia is grounded in a focus on the development of human capital to meet the needs for social and economic wellbeing. The primacy given to this mission reflects the impacts of globalisation, technology developments, the creative knowledge economy, political change and demographic shifts as have been referenced in the Higher Education Review discussion paper.

In recent years, Federal and State governments in concert with business/industry have re-emphasised the role of vocational education and training in meeting the workforce needs of current and emerging industries. This attention has largely been driven by a concern for the implications of labour and skills shortages in limiting the economic development and prosperity of the country.

While public reporting of the implications of the labour shortage and possible solutions which may be provided by the TAFE sector have largely centred on the issue of addressing short term skills shortages in the traditional trades<sup>6</sup>, it is important to appreciate that this is only one very narrow slice of the VET mission. Building on the Human Capital Reform Agenda, the mission of VET is clearly one centred on meeting the workforce development needs of individuals and enterprises.

It has been suggested that the TAFE sector is the place where education policy, social policy and economic policy intersect. In this regard it is important to also recognise the social policy aspects underpinning the VET mission and which significantly distinguish the VET sector from that of the HE sector.

The mission of higher education and VET is the same if we are to view training and vocational skills as pursuits of both sectors. The discussion paper addresses vocational degrees as if there are non vocational degrees. If the nursing profession is taken as an example, the convergence of the VET and higher education program is already recognised through the articulation arrangements that exist between providers of VET and higher education programs.

---

<sup>6</sup> Nb: delivery of traditional trades training represents approximately 20% of TAFE delivery.

The question should be rather is there value in recognising the two post secondary sectors separately? Several VTA members are of the view that there is little value and there should be support for developing a broader conception of a *tertiary* as opposed to a *higher* education sector. Any lines between VET and higher education are becoming increasingly blurred. The discussion paper treats universities as homogenous when clearly they are not. The tables presented throughout the discussion paper show diversity of revenue sources and R&D Expenditure. The character and culture of universities differ as do their student cohort. There are strong similarities between some Victorian TAFE institutes' profiles and the profiles of some universities than there are between some universities.

The Victorian Government's recent discussion paper on skills reform moots changes that will focus TAFE on higher level qualifications and away from entry level provision and even Certificate III delivery. The tertiary education sector in Australia has evolved so that now, separately and in partnering arrangements, VET and universities offer Diplomas, Advanced Diplomas, Associate Degrees, Bachelor Degrees and post-graduate qualifications.

Should a unified approach be taken to tertiary education in Australia, the ensuing debate will need to consider funding equivalents between universities and TAFE providers and whether market forces should determine qualification offerings or if interventions should be made to delineate offerings.

Intuitively the construction of dual sector universities and/or multisector campuses seems to offer excellent opportunities to maximise the interface between the VET and higher education sectors. However, even where these are currently in place there are a number of inhibiting regulatory and financing factors which need to be addressed. Examples include:

- Quality Frameworks. A single tertiary sector should be regulated by a single quality system.
- Capital Funding. The difference in State and Commonwealth approaches to the allocation of capital funding makes it difficult to come to the relationship as equal partners, but more particularly makes it difficult to effectively plan capital and infrastructure development and management.

TAFE institutes as non-selfaccrediting higher education providers also note the following inhibitors:

- Duplication and the regulatory burden at both State and Commonwealth levels.
- Inability to access Commonwealth funds in terms of support for the mandatory quality reporting requirements, for example, course evaluations and graduate destination surveys.
- Inability to access Commonwealth Supported Places as well as FEE-HELP in order to achieve access and equity for disadvantaged students.

### **Connecting effectively with VET – movement between the sectors**

VTA members contributing to this response have presented a diversity of views regarding the extent of connectivity between higher education and VET. One consistent message though is that pathways between VET and higher education

need to be based on principles similar to those of mutual recognition in the VET sector. In VET RTO's mutual recognition obligations exist whereby each RTO recognises the Australian Qualifications Framework (AQF) qualifications and Statements of Attainment issued by any other RTO. In the experience of TAFE providers, 'The Guide to Minimum Credit levels contained within the AVCC Policy Guidelines on Cross-Sector Qualification Linkages'<sup>7</sup> are not being used to underpin decisions of articulation, credit transfer and RPL, as understood by the VET sector, and are generally not available at the undergraduate level.

'Admission to a course on the basis of prior studies or qualifications and the granting of credit for prior studies or qualification are the key indicators of educational pathways.'<sup>8</sup> TAFE graduates have expectations that their VET qualification will provide them with more than entry into higher education. Yet, repeatedly TAFE graduates experience indifference when they approach higher education providers for credits into higher education based on VET qualifications. TAFE providers can offer examples where graduates holding the same VET qualification receive differential treatment by the same university when applying for the same higher education course. A respondent from a regional Victorian TAFE institute commented "There seems little drive by the higher education sector to welcome initiatives by TAFE/VET providers especially in regional areas to facilitate articulation arrangements and when they do occur or are initiated, they are slow to implement with attempts to speed up the process thwarted not by local regional campuses but by remote academic committees located in metro based universities. "

Successful articulation, and more explicitly credit transfer, between VET and higher education relies on the personal relationships between individuals than the application of consistent, systemic policies. The proportion of Victorian domestic students commencing a bachelor pass degree program who received credit towards their bachelor pass degree in 2004 on the basis of TAFE studies was only 3.2%. Long (2006) finds that while the proportion of commencing students admitted to higher education on the basis of TAFE studies or qualifications had increased between 1999 and 2004, granting of credit was almost unchanged nationally. The VTA notes that this report is not included among the references used by the Panel to prepare the discussion paper. The VTA commends this report to the panel for consideration.

People at the interface between VET and higher education are challenged to make the transition by the different educational frameworks in which they operate. The outcomes focussed competency-based environment of VET, represents challenges for determining credit opportunities into and/or from the more traditional curriculum frameworks operating within higher education, even when these frameworks are predicated on a capability-driven model not dissimilar to the competency-standards approach.

The VTA understands the use of competency standards within Training Packages and the assessment of the achievements of competency are not deeply understood by higher education selection officers. From the perspective of transfer from the VET sector to the higher education sector, the implementation of Training Packages has been said to have made the details of the learning program less transparent. It is important that there is better education available to the sectors about what

---

7

[http://www.universitiesaustralia.edu.au/documents/policies\\_programs/teaching\\_learning/credit\\_transfer/08\\_guidelines\\_5.pdf](http://www.universitiesaustralia.edu.au/documents/policies_programs/teaching_learning/credit_transfer/08_guidelines_5.pdf) Accessed July 30, 2008

<sup>8</sup> Long, M., 'TAFE and entry to higher education', VQA, December 2006,

constitutes competency-based learning and assessment practices to dispel the myths which have seen this approach characterised as the 'poor relation' in education and training and thus somehow a lesser learning model. Recognition of competency based assessments; recognition of prior learning and on-the-job assessments are keys to improving the credit transfer outcomes for TAFE qualified applicants to higher education.

Similarly the imperative for the VET sector to embrace a competency-based completion approach rather than time served model has in some instance resulted in the devaluing of the VET learning program in terms of the granting of credit. One solution to addressing the varying duration of VET programs at any qualification level is to re-invigorate understandings of the outcomes-focus of the AQF level of the qualification as a mechanism to determine credit. The TAFE sector is willing to assist colleagues in higher education to better understand the rigour of the assessment processes and the standards and to work towards improvements to reporting processes to facilitate credit pathways. Recent work between the VRQA, Deakin University, Box Hill Institute and South West TAFE utilising the Credit Matrix may be a useful point of reference for the Review Panel.

Several respondents to the VTA noted the importance of aligning quality, governance and reporting across state and federal governments, higher education and VET to make it easier for institutions to operate across current sectoral boundaries.

David Williams  
Executive Director  
Victorian TAFE Association  
3/478 Albert Street  
EAST MELBOURNE  
dwilliams@vta.vic.edu.au