Skills Reform – lessons from Victoria & South Australia

Claire Field, Chief Executive Officer
ACPET – an overview

• The Australian Council for Private Education and Training (ACPET) is the peak, national industry association for independent providers of post-compulsory education and training and has over 1,000 members.

• ACPET members represent a diverse range of private education providers from schools to higher education, VET and English language courses to both domestic and international.

• Almost 350 members in NSW and the ACT.

• Approx 20% of all private RTOs are ACPET members, generate approx 80% of private RTO revenues.
Skills Reform – key features

• Government entitlement for all learners up to & incl Certificate III (where no prior higher level qualification)
• Diploma & above courses have increased student contribution (increased use of VET FEE-HELP loans in TAFE)
• Students choose their provider (entitlement follows student to ‘approved’ provider)
• Increased data collection & reporting to:
  – assist student choice (My Skills website)
  – determine entitlement eligibility (USI)
  – monitor system nationally & improve regulation (TVA)
Skills Reform – why bother?

Myths

• Governments withdrawing funding from TAFE
• Excuse to close TAFE facilities
• TAFE enrolments shrinking
• Poor quality provision by private providers
• Training not linked to state economic needs
• Private providers have ‘cherry picked’ cheap courses that don’t lead to jobs
• Too many fitness qualifications
Skills Reform – Victoria (2008-2012)

- VET enrolments have grown 76% (incl 11% inc in TAFE)
- 87% of all enrolments now in areas of industry need
- 75% of enrolments at Cert III and above
- 88% employers satisfied
- Increased enrolments by all equity groups
  - Indigenous learners: 42% increase
  - People with disability: 68% increase
  - CALD: 117% increase
  - Unemployed: 184% increase
  - Foundation skills: 283% increase
Skills Reform – why do the myths persist?

• Shifting to a market takes time and planning – Victoria made some mistakes initially
• Difficult to manage entitlement model in tight government budget environment
• Poor communication – seen as a luxury for governments to ‘sell’ the benefits of the reforms plus too little community explanation prior to/during reform
• Significant disruptions for private provider and TAFE business models
• VET mindset – TAFE is best – contrasts markedly with community support for choice of service provider for people with disability via the NDIS
Victoria – reform leader

TAFE now the minority provider in Victoria – enrolments increasing but more students choose private providers

Vocational training delivery by provider type - enrolments 2008–2012

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACE</td>
<td>73,800</td>
<td>68,300</td>
<td>63,800</td>
<td>64,600</td>
<td>80,200</td>
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<tr>
<td>Private</td>
<td>54,000</td>
<td>57,400</td>
<td>99,800</td>
<td>220,700</td>
<td>308,800</td>
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<tr>
<td>TAFE</td>
<td>253,500</td>
<td>251,100</td>
<td>263,300</td>
<td>263,500</td>
<td>281,400</td>
</tr>
</tbody>
</table>

Source: Victorian Training Report Full Year 2012
## Completions – Indigenous learners

Indigenous students: completions by qualification level in government subsidised and TAFE fee-for-service training

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cert I-II</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Private</td>
<td>32</td>
<td>62</td>
<td>112</td>
<td>207</td>
<td>303</td>
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<tr>
<td>TAFE</td>
<td>292</td>
<td>308</td>
<td>286</td>
<td>437</td>
<td>453</td>
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<tr>
<td><strong>Cert III-IV</strong></td>
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<tr>
<td>Private</td>
<td>71</td>
<td>114</td>
<td>126</td>
<td>344</td>
<td>590</td>
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<tr>
<td>TAFE</td>
<td>367</td>
<td>320</td>
<td>343</td>
<td>372</td>
<td>442</td>
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<tr>
<td><strong>Diploma and above</strong></td>
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<tr>
<td>Private</td>
<td>0</td>
<td>0</td>
<td>13</td>
<td>32</td>
<td>53</td>
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<tr>
<td>TAFE</td>
<td>84</td>
<td>56</td>
<td>66</td>
<td>101</td>
<td>136</td>
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</table>

Source: Victorian Government upon request
Completions – Unemployed learners

Unemployed students: completions by qualification level in government subsidised and TAFE fee-for-service training

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cert I-II</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Private</td>
<td>1.250</td>
<td>1,352</td>
<td>2,865</td>
<td>5,832</td>
<td>9,551</td>
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<td>3,393</td>
<td>3,616</td>
<td>4,240</td>
<td>4,531</td>
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<td>Cert III-IV</td>
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<td></td>
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<td>Private</td>
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<td>3,521</td>
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<td>7,189</td>
<td>6,827</td>
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<td>7,597</td>
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<td>Diploma and above</td>
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<tr>
<td>Private</td>
<td>14</td>
<td>43</td>
<td>331</td>
<td>970</td>
<td>1,220</td>
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<td>3,348</td>
<td>3,673</td>
<td>3,704</td>
<td>4,359</td>
</tr>
</tbody>
</table>

Source: Victorian Government upon request
# Completions – Learners with disability

## Students with disability: completions by qualification level in government subsidised and TAFE fee-for-service training

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
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<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cert I-II</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Private</td>
<td>262</td>
<td>323</td>
<td>660</td>
<td>1,350</td>
<td>2,009</td>
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<tr>
<td>TAFE</td>
<td>1,231</td>
<td>1,268</td>
<td>1,169</td>
<td>1,477</td>
<td>1,637</td>
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<tr>
<td><strong>Cert III-IV</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private</td>
<td>303</td>
<td>417</td>
<td>860</td>
<td>2,102</td>
<td>4,061</td>
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<tr>
<td>TAFE</td>
<td>1,696</td>
<td>1,835</td>
<td>1,974</td>
<td>2,124</td>
<td>2,386</td>
</tr>
<tr>
<td><strong>Diploma and above</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private</td>
<td>16</td>
<td>30</td>
<td>100</td>
<td>215</td>
<td>437</td>
</tr>
<tr>
<td>TAFE</td>
<td>603</td>
<td>353</td>
<td>528</td>
<td>779</td>
<td>960</td>
</tr>
</tbody>
</table>

Source: Victorian Government upon request
Students in gov’t funded VET – NSW

2011 gov’t funded enrolments 464,900

NCVER Students & courses 2011

www.acpet.edu.au

Creating futures
Students in gov’t funded VET - Vic

2012 gov’t funded enrolments 670,400

Victorian Training Market 2012

www.acpet.edu.au

Creating futures
Meeting Victorian employer needs

• 53% of training delivered in the five highest employing industries, which account for 50% of Victorian jobs.

• Health Care and Social Assistance forecast to remain Victoria’s largest employer through to 2017 saw the highest employment growth for industry specific training

• Between 2008 – 2012:
  – 41% increase in occupations identified as specialised
  – 81% increase in shortage occupational areas
  – 40% increase in apprenticeships and traineeships

Source: Victorian Training Report Full Year 2012
**Skills Reform – South Australia**

- 43% increase in enrolments, 69% increase at Cert III & above

### Enrolments by qualification level

<table>
<thead>
<tr>
<th>Year</th>
<th>Private</th>
<th>Semester 2, 2011</th>
<th>Semester 2, 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cert I-II</td>
<td>TAFE</td>
<td>2,648</td>
<td>6,213</td>
</tr>
<tr>
<td>Cert III-IV</td>
<td>Private</td>
<td>9,983</td>
<td>19,886</td>
</tr>
<tr>
<td>Diploma and above</td>
<td>TAFE</td>
<td>1,306</td>
<td>2,936</td>
</tr>
</tbody>
</table>

Source: SA Government Skills for All Summary Report - April 2013
“More than 90 per cent of students accessing free or subsidised training through Skills for All with private training providers have said they are satisfied with the quality of training provided.

“Students said they were satisfied with the relevance of the training, the support given to them by the training provider to be successful learners and the flexibility of their training provider.

“They were very happy with their trainers’ subject knowledge, real world experience and ability to engage and support them through their training.”

Source: News Release SA Government Quality training for students
Smart & Skilled – the same or different?

Mostly the same:

• Student entitlement up to and including Cert III
• Increased student contribution at diploma level and above though VET FEE-HELP loans
• Approved providers
• Student choice of provider
• Additional subsidies/support for higher needs learners
• Prices expected to be weighted based on industry need - ‘skills list’ consultations
• External assessment validation
• Data collection & reporting
Some differences:
- Student contribution set by government not provider (initially)
- Same prices paid to all providers (no additional weighting for TAFE’s higher IR costs)

To be determined
- Pricing mechanism – IPART
- Payment mechanism – DEC
- Criteria for selecting approved providers - DEC
- NSW only providers?
ACPET

- Leading commentator: regulation, funding, policy in VET, HE & international education
- Significant focus on quality: Code of Ethics ACPET members must meet, plus annual membership checks
- National Professional Development seminars & workshops
National PD framework

• Four streams – linked to NVR Standards:
  – business development
  – business management and administration
  – teaching and learning, and
  – student engagement and support

• New in 2013 - 4 sub-streams to help participants choose the right level activity for them:
  – introduction
  – essential: the must dos!
  – master classes, and
  – rapid refreshers.

• Close to 45 new workshops on offer in 2013, in addition to all the most popular 2012 offerings
What’s on offer & is it any good?

• Feb 2012 – Feb 2013: more than 3,500 people participated in ACPET’s PD activities
• Extremely high levels of client satisfaction, 99% rating of satisfactory or very satisfactory

• For 2013-14 year – all workshops and seminars run in our Sydney office will also be offered in our Canberra office
• Additional state-specific offerings for both NSW and ACT

Keeping in contact

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