The Australian Council for Private Education and Training

The Australian Council for Private Education and Training (ACPET) is the national industry association for independent providers of post-compulsory education and training. ACPET has over 300 Members in NSW. Private providers deliver tertiary education to almost 500,000\(^1\) equivalent full time students in NSW at any one time.

ACPET’s mission is to enhance quality, choice, innovation and diversity in Australian education and training for individual, national and global development. We work pro-actively and co-operatively with governments, education and training providers, industry and community organisations, in order to ensure that vocational and higher education and training services provide choice and diversity, and well-targeted, appropriately delivered courses which are widely accessible and of high quality.

ACPET’s members deliver education to Australian and international students, in the areas of:

- Higher Education;
- Vocational Education and Training;
- English Language Courses;
- Senior Secondary Studies; and
- Foundation Studies.

This submission is prepared in response to the New South Wales Tertiary Education Plan. The submission raises concerns with the plans and puts forward suggestions for in relation to role of private providers and Community Colleges, articulation from VET to Higher Education, Principles that should underpin the NSW Tertiary Education Plan, International Education in NSW and industry engagement.

\(^1\) WHK Horwath Survey 2010, the size and contribution of the private tertiary education industry.
Concerns with the discussion paper

ACPET takes this opportunity to raise concerns with the NSW Tertiary Education Plan discussion paper.

- The discussion paper is almost entirely silent on a role for private education and training providers. The NSW higher education sector comprises of over 50 non self accrediting institutions with approval to issue higher education qualifications as defined by the Australian Qualifications Framework and there are 1,000 VET providers in NSW. Any legitimate discussion on the strategic direction of tertiary education in NSW must recognise the full operation of the sector and should seek to utilise the efficient and effective manner in which private providers deliver choice, quality and diversity to the industry. A strategic policy framework that is seeking to deliver the optimal outcome for students, learners, business and industry must no longer consider the public/private divide in the design of effective policy.

- Policy makers seeking to set the strategic direction for tertiary education in NSW must note that all VET providers are both bound by the AQTF and therefore operate under the same quality regime. Further, policy makers must realise that ACPET Members are committed to delivering quality education above and beyond minimum standards.

- It must also be noted that in many instances non-public tertiary education providers face substantially more complex regulatory regimes. These require considerable interface with departments and regulatory agencies. Universities, for instance, are not affected by the great majority of these regulatory processes, except a five year AUQA audit.

Case Study No. 1

ACPET Member Blue Mountains International Hotel Management School and Australian International Hotel Management School: A snap shot of the commitment to choice, quality and diversity.

Success in 2010 includes:

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2 Delivering Quality Higher Education: Understanding the standards processes and practices used by private providers. Australian Council for Education Research, 2010
Completing the Australian University Quality Agency (AUQA) audit process
Being re-accredited as a vocational education provider for a further five years
Winning 2 major national awards for Tourism Education
Improving on already positive levels of customer satisfaction

2010 a challenging year for International recruitment due to:
• The Global Financial Crisis
• International media reports on violence towards Indian students
• Collapse of several large vocational Hospitality schools
• Changes to graduate visa regulations

Focusing on the development of new market initiatives over 2010 – 2011 whilst continuing to maintain a high quality product that produces impressive benchmark results

Key strategic initiatives for 2011 will focus on the following:
• New product development at undergraduate and postgraduate level for 2012 implementation
• New approaches including
  o developing articulation and recruitment campaigns with LIU (Laureate International University/parent body) and other education networks
  o developing an international complimentary marketing network
  o growing certificate programs with LIU
  o becoming the best Schools in Australia, known for quality and scholarship and student retention
• New campus in Sydney for 2012 to:
  o broaden recruitment appeal
  o Increase product offerings

The Role of Community Colleges and Private Providers

The NSW Tertiary Education Plan discussion paper is silent on the role of Community Colleges that are funded on a contractual basis from the NSW Government. Community Colleges play a major role in reengagement and increasing the participation level in education and training in remote and rural areas and amongst low SES cohorts and therefore have a major role assisting in the achievement of the NSW tertiary education plan.

Private providers and Community Colleges have a superior record in ensuring learners and students are employed after training. NCVER data reveals that 77.8 per cent of students
surveyed were employed after training; however when TAFE numbers are examined in isolation only 74.7 per cent of graduates were employed after training.\(^3\)

While in the past, TAFE has played a major role in this area, ACPET asserts that this is no longer the case. This is reflected in publicly available statistics.

10 NSW TAFE’s reported in 2009
525,000 student enrolments

49 NSW Community Colleges reported in 2009
281,945 student enrolments

If the NSW Government is truly committed to increasing participation and completion rates amongst students from low SES backgrounds, Indigenous students and students from remote and regional areas, which will lead to employment then it must recognise the pivotal role that Community Colleges and private providers will play and include them in the NSW Tertiary Education Plan.

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**Case Study No. 2**

**ACPET Member MEGT: Regional Engagement**

Riverina retailers serious about attracting good quality staff to their business have been turning more and more towards providing traineeships according to Chris Greentree, one of the Consultants for Riverina’s MEGT Australian Apprenticeships Centre.

With its 13 stores, the Wright Group KFC franchise is a major employer in the region and has been using traineeships in their strategy to assure staff of a career pathway. This means Petrea Pollock, Operations Manager for the franchise has to keep track of their 80 trainees, the weekly status of their on-the-job and offsite training, the forms they have to fill out for the Australian government, their entitlements and the financial incentives they are eligible for.

'It can be complex,' explains Ms Pollock, 'but MEGT’s online tracking system is a fantastic help, particularly at tax time and when we have trainees completing their qualification at different times and at different store sites.'

The online system is part of the infrastructure behind Chris Greentree's personal service to KFC, who works one-on-one with Ms Pollock and monitors the progress of each of her trainees.

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\(^3\) NCVER, 2009 Student Outcomes
KFC likes to 'grow their own managers' according to Ms Pollock. It’s not unusual for them to start with their Certificate II Retail, then for prospective management staff to progress on to Certificate III Retail, with the possibility of progressing to Certificate IV Retail Management whereupon completion they could potentially end up managing their own restaurant and have 60+ employees reporting to them.

The traineeships are not just for young people. The combination of providing a strong career path with flexible work hours has been particularly attractive to working mums according to Ms Pollock. It is not just a part time job at KFC, she says. It is a really good career if you like customer service and working with people.

Case Study No. 3

ACPET Member MEGT: Indigenous Engagement Project

Twenty-three Aboriginal and Torres Strait Islander students have started the first-ever, 12-month traineeship in Horticulture that will give them experience training, employment and mentoring.

The project has attracted employers keen to take trainees from many regional areas and started on 5 July as the group began their 12-month traineeship with their new host employers, undergoing induction and meeting their new workmates.

Over the course of the year, they will learn skills such as paving, building courtyards, weeds and chemicals, planting and plant propagation, pruning and turf establishment, maintenance and renovation.

The Group Training Organisation which employs each of the trainees is MEGT, a national company with a division dedicated to Indigenous training.

MEGT Indigenous Apprenticeship and Traineeship Network’s National Manager of Indigenous Programs, Debra Nooyen, said the company was excited about this initiative.

The students will not only be trained in horticulture, but also be given business and study skills that will encourage them to continue learning or go further along their career path.

MEGT is skilled in Indigenous training, with very successful retention and risk management strategies tailored to seeing our students graduate and succeed in their career pathway.
**Principles that should underpin the NSW Tertiary Education Plan**

ACPET advocates that the following fundamental principles should underpin the NSW Tertiary Education Plan:

**Equity**
The regulatory structure must treat all VET institutions equally regardless of whether they are a public or private Institutions.

**Proportionality**
The regulatory requirements imposed on institutions must be in proportion to the public benefit. Over burdensome regulation will, in the end, be detrimental to the consumer.

**Efficiency**
The regulatory framework must be administered in an efficient manner. Administrative and compliance costs must be kept to a minimum in order to produce quality outcomes for consumers.

**Enterprise**
The regulatory structure must encourage enterprise and investment in order to expand provision and meet industry and individual demand for quality education and training in line with government goals and targets.

**Innovation**
The strategic framework should maximise the operating flexibility of those who are regulated. As industry evolves the VET sector will need to adapt to industry needs and at times be the leader in providing students with the skills that industry requires.

**Consistency**
The regulatory framework must be applied in a consistent manner across all jurisdictions.

**Accountability**
Regulation and regulatory practice itself should be subject to continual improvement in the same way that successful institutions and industries are encouraged to operate.

**Choice**
The regulatory framework should ensure that artificial barriers are not put in place that limit the capacity of consumers to choose the institution that will best deliver education and training in line with their needs and circumstances.
Sustainability
The regulatory framework should provide a VET system that is sustainable. This will be achieved by ensuring providers are operating in a system that is both reactive and proactive and can adapt to changes in the market or in policy.

Case Study No. 4

ACPET Member Western College: Training for employment

Just a quick note to say thank you for the recent Certificate IV in Training and Assessment I completed. At all times the Western College staff acted in a courteous and professional manner. Nothing appeared to be too much trouble and I am aware that additional services were offered to fellow students to overcome some difficulties they had.

A special mention needs to be made in relation to our facilitator. How fortunate we were as a class to have such a fine role model teaching us the intricacies of training and assessment. If you are to study a subject it is certainly very helpful to have someone that has currency in the subject and acts with the utmost professionalism in every way. As part of the professionalism shown by our facilitator, she was able to be informative but not at the cost of fun. Our group spent many hours in class with our facilitator and we looked forward in anticipation to every new night we attended. I have no hesitation in recommending Western College to my friends and colleagues and in fact have also recommended this course to two of my colleagues – one of whom has since enrolled with you. The reason for my attendance in this course was to further my career options and this has already paid off with a job offer in training and assessment from a leading teaching institution.

Thank you once again Western College.
Patsy Saul
Student from Certificate IV in Training and Assessment

Articulation and Credit Transfer - VET to Higher Education

The discussion paper examines the issue of articulation from VET to Higher Education. The policy environment for this issue has already been set by the Australian Qualifications Framework (AQF) Council’s guide on credit arrangements.\(^4\)

The principles set out by the AQF Council are:

\(^4\) AQF COUNCIL AQF National Policy and Guidelines on Credit Arrangements May 2009
be offered by all education and training providers that offer AQF qualifications using a systematic institutional approach with clear, accessible and transparent policies and procedures;

be evidence-based, equitable, transparent, consistent, inclusive, fair, valid and reliable with decisions subject to appeal and review;

recognise learning regardless of how, when and where it was acquired, provided that the learning is relevant and current to the learning outcomes or competencies in a subject, unit, module, course or qualification;

be available for all students and will not unfairly advantage or disadvantage any students who enter courses and programs of study with credit;

be decided in a timely way so that students’ access to courses is not unnecessarily inhibited;

result in the same value and standing as educational outcomes achieved through formal learning and assessment;

allow for credit outcomes to be used to meet specified prerequisites for entry into a qualification or for the partial or complete fulfilment of a qualification;

be subject to the same rigour of quality assurance as other educational policies, procedures and processes of the education and training provider including external quality requirements;

be widely promoted and easily accessible to all prospective and existing students to enable them to make well-informed choices about study options, pathways and alternatives by taking into account the credit they can expect;

be continually reviewed by education and training providers to maximise the applicability to new and updated qualifications and to student and industry needs.

ACPET supports these principles and asserts they should remain the guiding credit transfer and articulation principles in NSW.

ACPET has long advocated for a single tertiary system that encourages quality institutions to tailor and deliver innovative courses, utilising both academic and vocational education strengths.

A new higher education model should remove artificial barriers to entry that favour one type of institution over another or one type of student over another, and adopt a single regulatory framework that does the same.

The key tests for education providers in Australia should be based on student outcomes, not delineated by public or private business models.
It is critical that government policy does not stifle the innovation, industry focus and flexible delivery that students want and which has clearly been the area in which quality private institutions have taken the lead.

**International Education in NSW**

Private providers deliver tertiary education to 86,000 equivalent full time international students in NSW. The landmark report commissioned by ACPET in 2009 *The Australian Education Sector and the Economic Contribution of International Students* revealed that international education is one of NSW’s biggest and most important industries.

ACPET asserts that the following principles must be used as a guide to the development of a strategic framework for a NSW Tertiary Education Plan.

- Changes to migration policy setting and practices by Government must be managed through effective arrangements to allow the international education industry to make adjustments
- ACPET supports raising standards of education and training and the contribution this can make to skilled migration that is both cost and outcome effective
- ACPET supports the linking of training with employment outcomes to ensure international student graduates are ‘work ready’
- Shifts in Government policy should introduce mechanisms to provide assurance to the industry’s consumer protection arrangements.
- Policy development and review should ensure that the substantial investment by private business(es) in international education is not threatened.
- Sound longer term relationships with established and developing international education markets will be essential to achieving the migration objectives of the Government beyond the immediate economic downturn. Government should recognize this in its implementation of the changes announced last year and quarantine students in the pipeline from the impact of those changes. This will serve to foster goodwill with source countries in the mid to longer term.

**Industry Engagement**

The ability of Registered Training Organisations to provide policy makers with advice and identify industry needs is under utilised by Government and the NSW Tertiary Education Plan does recognise the unique position that private providers hold within the training system.

Private providers have strong industry connections and the executive management of many RTOs have often come from industry and in fact said individuals established RTOs because
they identified that skill level of graduates coming from publicly funded institutions did not meet industry expectations. NCVER data reveals that 77.5 per cent of students surveyed as part of the total VET effort reported that training was relevant to their current job, however when TAFE respondents are considered in isolation only 74.8 per cent of respondents reported that training was relevant to their current job.\(^5\) Clearly satisfaction is higher amongst the private providers and is evidence that private providers understand the needs of industry and provide training and education that meets its needs.

Furthermore the flexible business practices of private providers mean that they are able to attract high skilled practitioners from industry and business and provide them with terms of employment that allows them to undertake employment as Trainers and Assessors as well as stay active in their profession. These types of arrangements means that private RTOs often have an in-depth knowledge of the needs of industry and business and ensure that their service offering meets their needs.

### Case Study No. 5

**ACPET Member Australian Institute of Fitness: Industry Leader**

**Matt Shirvington, Olympian**

“I'd always had the idea of opening my own professional fitness business but it wasn't until I retired from competition last year that I've had the time to pursue it. Throughout my career I've accrued a lot of practical knowledge of the human body but I knew that if I wanted to be a personal trainer I had to learn how to consolidate and transfer this information on. I wanted an internationally recognised qualification and I got that from the Institute. I also wanted to bypass years of university study, so getting qualified as a personal trainer in just eight weeks was an attractive option. I did a lot of research - trawling through the internet and speaking to family and friends who have had a connection with a personal trainer - and I came up with the Institute as being the best in the industry. With my career I always aimed to be the best at what I did, so it made sense that I wanted to go to the best people for my own qualification. I'd recommend the Institute to anyone who is serious about a career in fitness”.

In regional and remote areas the business operating environment requires that private RTOs must stay ‘tuned’ to the needs of the local workforce. RTOs would not be able to stay in business if they offered qualifications that were not being taken up by students and learners. It is important for policy makers to engage RTOs and regional business boards at a local level

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\(^5\) NCVER, 2009 Student Outcomes
when allocating funding for training in regional and remote areas. Businesses that are ingrained in the community are well placed to advise Government on what are the skills needs of local areas and private RTOs have the capacity for flexibility, to quickly scale up or scale down depending on these needs.

Conclusion

ACPET believes that all students, domestic or overseas, deserve the highest quality education that can be offered. It is well established that good teaching and learning practice pivots on student oriented teaching and industry engagement. ACPET is concerned that the NSW Tertiary Education Plan does not identify the opportunities for learners, students, industry and business and therefore the current and future needs of the state.

The NSW Tertiary Education Plan must be a strategic framework that recognises all providers. Failure to do so is a failure of public policy. A strategic policy framework that is seeking to deliver the optimal outcome for students, learners, business and industry must move beyond the public/private divide in the design of effective policy

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