



*Blue Mountains Community
Sector Submission to the
Legislative Council inquiry into
TAFE and Smart & Skilled
Reforms*

August 2015

Blue Mountains Community Sector Submission to the Legislative Council Inquiry into NSW TAFE and *Smart & Skilled* Reforms

Inquiry Terms of Reference

1. *That General Purpose Standing Committee No 6 inquire into and report on vocational education and training in New South Wales, and in particular:*
 - (a) *the factors influencing student choice about entering the vocational education and training system including:*
 - (i) *motivation to study*
 - (ii) *choice of course, course location and method of study*
 - (iii) *barriers to participation, including students in the non-government education and home schooling sectors*
 - (b) *the role played by public and private vocational education providers and industry in:*
 - (i) *educational linkages with secondary and higher education*
 - (ii) *the development of skills in the New South Wales economy*
 - (iii) *the development of opportunities for unemployed people, particularly migrants and persons in the mature workers' category, to improve themselves and increase their life, education and employment prospects,*
 - (iv) *the delivery of services and programs particularly to regional, rural and remote communities*
 - (c) *factors affecting the cost of delivery of affordable and accessible vocational education and training, including the influence of the co-contribution funding model on student behaviour and completion rates*
 - (d) *the effects of a competitive training market on student access to education, training, skills and pathways to employment, including opportunities and pathways to further education and employment for the most vulnerable in our community including those suffering a disability or severe disadvantage*
 - (e) *the level of industry participation in the vocational education and training sector, including the provision of sustainable employment opportunities for graduates, including Competency Based Training and the application of training packages to workforce requirements, and*
 - (f) *the Smart and Skilled reforms, including:*
 - (i) *alternatives to the Smart and Skilled contestable training market and other funding policies*
 - (ii) *the effects of the Smart and Skilled roll out on school based apprenticeships*
 - (g) *any other related matter.*

Mountains Community Resource Network (MCRN) is the peak body for the Community Sector in the Blue Mountains LGA.

MCRN convenes several interagencies, including the generalist interagency, Blue Mountains Community Interagency (BMCI); this Submission is made at the request of, and on behalf of, BMCI.

We appreciate the opportunity to contribute to the discussion on the valuable role played by our public provider of vocational education and training.

The development of skills in the NSW economy

The Blue Mountains campuses of Western Sydney Institute of TAFE are valued by the local community as:

- ✓ reliable providers of high-quality, affordable, and accessible training in key skills;
- ✓ providers of training which is valued by local employers in key industries within our region - such as hospitality and tourism; environmental sustainability; community development, child care, welfare and counselling;
- ✓ contributors in other ways to local industries and our community (for example, students and teaching sections participate in workplace or community projects as part of their training and assessment activities).

The community sector, education and tourism/hospitality are all significant employers in a region where work can be difficult to find; so such training meets the needs of the various industry/community sectors at the same time as assisting with the development of the local economy.

This year a TAFE teacher ran an outreach course for workers in Childcare to attain their Certificate 3 in Child Studies (this Certificate has become a compulsory qualification for all childcare workers). The teacher travelled from Werrington to Hazelbrook on several occasions to run classes; she ran classes on Saturdays and on some evenings. This saved the participants - who were all Mountains residents - from needing to travel to Penrith; thus providing a much-needed service to our community and sector.

Connect Child and Family Services

Western Sydney Institute of TAFE (WSI) offers courses desired by the community within each local area/region. TAFE staff consult with local stakeholders to determine training needs, and over time TAFE has built trust and a consultative relationship with the Blue Mountains community which ensures delivery of courses which the community and business want.

The Blue Mountains Community Sector, and the broad community we represent, is concerned that recent cuts to TAFE and moves to centralise decision-making (eg decisions on which courses are offered, based on statewide data), cannot provide the skills that the local economy and community require. In addition, moves to outsource these courses to private providers will lose local knowledge and break consultative/collaborative relationships; and are likely to negatively impact on both the perception of the offered training, and its value to the local community. Potentially, with a down-turn tourism in following the 2013 bushfires, the current (and proposed further) cuts to TAFE NSW can threaten local jobs in an already depressed market.

TAFE's role in the development of opportunities for Australians to improve themselves and increase their life and employment prospects

The Blue Mountains campuses of Western Sydney Institute of TAFE (WSI) are highly valued partners of the BM community sector. TAFE NSW has a long and distinguished history of opening pathways for people to engage in education and training, and complete qualifications that may have otherwise seemed unattainable. This has been achieved, to a very large extent, by the provision of equity and support programs and measures.

TAFE makes a major contribution to our local community by:

- ✓ providing pathways to higher qualifications such as TAFE Diplomas or University degrees, for many people who would not otherwise have opportunities to gain these;
- ✓ offering many services and facilities for students, many of which are not offered by private providers (such as careers and course counselling, excellent library services, support for students with disabilities, programs for Aboriginal and Torres Strait Islander (ATSI) and culturally and linguistically diverse (CALD) students);
- ✓ providing 'second chance' education opportunities for those who may not have enjoyed successful educational experiences previously;
- ✓ contributing to local community development and social inclusion goals through equity programs and courses embedded within local communities.

We are very concerned about the cuts and changes implemented in TAFE NSW over the past 2-3 years; and the significant impact already being seen from the *Smart & Skilled* reforms. The combination of these changes is demonstrably negatively affecting BM TAFE's ability to meet the needs of our local community. For example, the Mountains Multicultural Interagency (MMI) has noted with concern the recent significant reductions in language and literacy programs (particularly for those from Culturally & Linguistically Diverse (CALD) backgrounds). The sector also notes with concern the removal of specific supports and targets (eg for those with disabilities, or indigenous students) and their replacement with (fewer) resources for a broad, non-specific, 'equity' group.

While these measures are extremely concerning, there is currently even more worrying talk of potential further cuts to courses and programs across Western Sydney Institute, teaching sections being amalgamated, and teaching and administrative jobs lost. If these trends continue, there is the potential for closure of smaller campuses such as some of those in the Blue Mountains, with negative consequences for our community, industry and employers.

The Neighbourhood Centre has partnered with the TAFE over the last few years to offer outreach courses to people of the Lower Mountains at the neighbourhood centre's base in Blaxland.

'Live locally, learn locally' is the motto offered by one of our course participants, and this shows what a great opportunity for learning at any age that TAFE offers through its outreach programs. Many people feel nervous about adult learning and hesitate to take the big step of enrolling in a course that will develop their skills, whether that course is in computers, financial management, or community services.

These courses enrich the local community by enhancing the lives of the individual students. Students demonstrate new skills, confidence and knowledge, and that is fed back into the community through gaining paid work or offering volunteering and mentoring skills.

Some comments from participants of our courses include:

'Brighten up your day and take the first step to learn some new skills.'

'You never know if you never try.'

'Nature, plus learning, help the mind and spirit to soar.'

'Learning never ends. It is a journey – not a destination – so keep on taking trips.'

'TAFE and LMNC – working together with the community.'

'Learning, Sharing, Caring.'

'Learning doesn't stop when you retire.'
'LMNC, TAFE and the community: a three-way co-operative interaction.'
'A miniature university for the mature-aged.'

We strongly support the work of TAFE in our community. We can see first-hand the benefits of TAFE's outreach program, and we are deeply concerned at the potential impact the cuts to TAFE are going to have on the opportunities for adult learning in our community and, by extension, the impact on people's capacity to develop skills for both paid work and giving back to our community.

Lower Mountains Neighbourhood Centre

The delivery of services and programs to support regions, communities and disadvantaged individuals to access training and skills and through them a pathway to employment.

The BM campuses of WST of TAFE play an important role in regional communities such as the Blue Mountains, where transport options are limited, and a high proportion of people are on income support or low incomes; providing affordable, accessible training for our communities.

The BM Community Sector is extremely concerned that implementation of *Smart & Skilled* reforms have led to significant increases in fees, restrictions to eligibility for disadvantaged groups (creating barriers to further education and employment), and doubling of the concession fee for people on income support – these have already resulted in falling enrolment numbers, as many of the community we serve cannot afford higher fees.

Beyond the provision of training, TAFE colleges also contribute enormously in other ways to the development and the life of the local community, particularly in rural and regional areas. TAFE colleges provide opportunities for local industry, business and community organisations to participate in training - by hosting students on work experience placements, or participating in student learning projects involving real work settings, or employing work-ready TAFE graduates.

TAFE Outreach is a particularly valued partner of the Community Sector. It's work in delivering tailored programs assists us to meet the needs of our community – both in 'second-chance' programs, and in pathways to vocational education and training which can lead directly to further training and/or employment.

Mountains Outreach Community Service has run a number of TAFE Outreach courses that are always well attended and appreciated. Women's Futures, Women's Lives, a very successful TAFE Outreach Course, was presented in partnership with MOCS as part of the Mid-Mountain's Community Hub programme. It was a 10 week course that took place in Hazelbrook in 2012.

The course was very well-attended with 12 women completing the 10 weeks. The Hazelbrook course attracted a wide range of women - from mums who had been out of the work force for some time while child rearing, to older women who wanted renewed employment or study opportunities.

The group of women became a close, supportive network for each other over the 10 weeks and all said they had got a lot out of the course.



"This course gave me an invaluable stepping-stone back into preparation for working life, after 7 years of parenting full time. Not only did this wonderful course give me the practical looking-for-work tools and career building skills, it gave me a caring and confidence-building environment to help me engage more with my local community. I only wish I had done this course earlier, as I (and many other women) had felt isolated from work and study for so long and with this isolation our confidence had also reached a very low point - and unnecessarily so. Meeting other women in similar positions as myself became a huge support for me."

"I am a self-employed woman in my 50's and the *Women's Futures, Women's Lives* course helped me to update my business plan, working towards retirement and how did I want my working life to look like over the next twenty years or so. It helped me look at what I wanted to add to what I already do, and in what direction I might want to take that. In my case, I am still practicing as an acupuncturist but have now expanded into community development, training and mentoring. My thanks go out to my teacher and all my class mates, as we all learned from each other."

"I could not have taken part in these courses if they were not free, local and offered by TAFE Outreach programme. These courses are meeting the genuine and vital needs of the local community. Please keep them going. They contribute to the foundation of a healthy and resilient community."

Many of the women went on to complete another TAFE Outreach course (First Aid) to further enhance their employment opportunities. Several, inspired by the leadership skills they developed, also joined our Management Committee!

Mountains Outreach Community Services

The operation of a competitive training market

While the BM Community Sector supports the concept of competition in an open market situation, the situation with TAFE is a little more complex than the normal “market”.

Firstly, TAFE has community service obligations (access and equity measures). Other RTOs are not required to demonstrate the same level of commitment to ensuring that the most vulnerable in our community get the support and encouragement they need to engage in, and persevere with, study. To this point, TAFE fees have also been proportional to the ability to pay, and taken account of the fact that many of those commencing vocational training pathways are not in a position to pay high fees. We are concerned that recent NSW government decisions do not sufficiently consider the affordability of courses for isolated and vulnerable members of the community. If the aim is to skill the work force and increase the skills and qualifications of the working population, then the high support needs of many in these groups need to be addressed.

Secondly, the majority of RTOs tend to ‘cherry-pick’ their course offerings. They are more likely to offer courses which have low input/infrastructure costs (and thus relatively higher profits). TAFE has obligations to serve the needs of their local industry and community (quadruple bottom line), not just focus on the financial/income line. It is no accident that it is predominantly TAFE which offers vocational training in agriculture, hospitality, IT, design, environmental sustainability, and so on.

Thirdly, TAFE is obliged to provide the full range of student services (counselling, equity and support programs, career advice, and library services) - not all RTOs can or will offer this range of services. There will be a cost to the community if such services are not mandatory offerings, or withdrawn/cut.

We are also concerned that increasing contestability of training funds may impact negatively on the Blue Mountains. In an environment of reducing resources (time, expertise, people and access/partnerships), due to a growing need to constantly source funds to maintain educational programs from year to year, this will inevitably impact on quality vocational education.

In 2012 the NSW Government announced funding cuts to education which have already resulted in significant job losses across TAFE NSW, including teaching positions. The impacts have had effect in the Blue Mountains (in uncertainty, job losses, reductions in services to the most vulnerable in our community, and stretched resources). We are concerned that falling enrolment numbers (in both Certificate/Diploma courses and Outreach/community partnership programs) as a result of *Smart & Skilled* may form the basis of yet further future cuts, and potential closure of some TAFE campuses.

TAFE Institutes have conducted “Products and Services reviews” to meet these identified targets. In some Institutes this has resulted in the complete or partial elimination of Access and Equity measures described above. Of particular concern to the BM Community Sector, Adult Literacy Officer positions, Multicultural Education, and Outreach Coordinators and their programs have been deleted in some areas; and others are currently under review. Funding for Art courses in TAFE – a significant contribution to our vibrant cultural, economic and community life – have been cut, and fees increased to a level which is not accessible to any but the wealthy (a term which hardly describes accurately the majority of TAFE students in the Mountains).

In addition, courses have been deleted from some Institute colleges, resulting in reduced choice for students and local employers, greater travel time and associated costs for students who can no longer study in their local area (and may need to travel to the Nepean, Bathurst, or further afield), job losses, and a potential reduction of community and industry confidence in TAFE as the public provider.

The Blue Mountains community benefits enormously from important and effective community development programs in partnership with BM TAFE Outreach, such as:

- the Aboriginal Artists in Blue Mountains Program (MOCS 2011-2013);
- *Paint the Blue REaD*, the early learning (0-3 brain development) population program, an initiative of the Blue Mountains Stronger Families Alliance;
- residents' IT familiarisation training in the wake of the 2013 bushfires (eg iPad/smartphone apps for bushfires and other emergencies; backing-up of precious photos and important documents);
- *Life After Paid Work* (Lower Mountains Neighbourhood Centre, Wesley Counselling Services);
- *Ageing and Sageing* (Lower Mountains Neighbourhood Centre);
- *Women's Futures, Women's Lives* – a First Aid and TAFE Outreach course, a 'soft entry' point, which resulted in full time employment, progressing to further study at higher level (Mountains Outreach Community Services);
- Cana Farm – connectivity + mentoring + coaching (TAFE, Cana community).

Operating as it does on minimal funding, the BM Community Sector relies on community partnerships in developing and delivering these projects. For example, the sector has developed a strong symbiotic relationship with the TAFE Community Services education program, and it is no exaggeration to say that without the participation of regular placement teams of TAFE Students (Community Services Certificate 4 and Diploma level) in community services, many of these projects would not be possible. The projects are part of the important experiential learning for TAFE students, and expose them to invaluable cultural contacts and early learning engagement. This, in turn, benefits the wider community, as they make their way into positions throughout the region.

"TAFE is an intrinsic part of the fabric of community development in the Mountains, and is an important part of our exceptional efficacy. To erode this model is false economy. The community sector does so much with so little because of this positive working relationship with TAFE".

Key Issues with *Smart & Skilled*

In summary, we outline here some of the key concerns already apparent from implementation of the *Smart & Skilled* reforms:

Eligibility Criteria – new, more restrictive criteria mean that people with existing qualifications are now significantly disadvantaged (without significant extra cost) in:

- adding to their skills
- changing careers
- starting again ('second chance' training).

Increased Fees (Outreach & general fees) – will exclude already disadvantaged members of the community, with consequent loss of social connectedness and capital. This is impacting disproportionately on people:

- with mental health issues
- released from gaol
- who are partnered, but are on low income (or the children of low income earners)
- who are injured at work and forced to change careers
- who are returning to the workforce
- who are on Centrelink payments (eg Newstart).

Indirect impact on availability of courses

- less people enrolling = less choices of courses; for example, prior to 1 Jan 2015 *Women's Futures, Women's Lives* ran 3 courses a year and had waiting lists; now there are not sufficient numbers for a single course
- loss of volunteers from the retirement cohort; for example, community sector organisations (such as Neighbourhood Centres) will face reducing numbers of retirees offering themselves as volunteers.

Economic Impact, including:

- impact on existing employers to support workers, and their capacity to provide professional development to staff
- potential withdrawal of courses and programs, due to dwindling numbers, vital for the local economy (eg environmental, creative arts/cultural, health and community services)
- perpetuation of the cycle of disadvantage, increasing social and economic costs to society, as well as the affected individuals/families
- hidden job losses of casual workforce at TAFE.

Eligibility Criteria unfairly narrowed; for example:

- only humanitarian visa holders are eligible for subsidised training, no longer migrants or refugees, which increases costs to the public purse and reduces taxation income
- those with previous qualifications at Certificate IV or higher are no longer eligible to enrol at a subsidised fee (the non-subsidised fee is now out of reach of the vast majority of our clients (\$2,000+)
- retirees (updating their skills to volunteer back to the community) are no longer eligible for subsidised training (eg through TAFE Outreach)
- Outreach was previously an extremely effective 'soft entry' point – giving confidence to people who had previously abandoned education/training to go on to further training.

“Sara” came to Australia several years ago as a skilled migrant (a qualified chef in her country of origin), but with limited English. She suffered in an environment of family violence with her new Australian husband. Because she lacked family and friends here and had low confidence as a result of her domestic situation, she was socially isolated and had no connection with, or knowledge of, local services which could assist her.

Luckily for Sara, prior to the introduction of Smart & Skilled, she attended a playgroup provided by a local neighbourhood centre. There she met other parents, and gained confidence in her own parenting. The playgroup mothers decided together to undertake Women’s Futures, Women’s Lives program (a partnership between the neighbourhood centre and local TAFE Outreach). The neighbourhood centre also provided childcare for the mothers attending the program. Without the support and encouragement from the others in the group, and from the community development workers, Sara would not have had the confidence to enrol in such a program.

The group completed a First Aid course, and Sara then began to blossom. She successfully completed a Diploma in Community Services. She found the support and confidence to make changes in her personal life – her English improved, she left her abusive husband, found housing, and found work in the local community sector (coming full circle, she undertook a placement at the neighbourhood centre where the transformation started).

Under the existing eligibility criteria for Smart & Skilled, Sara would not be eligible to undertake TAFE training to gain RPL or a qualification recognised in Australia, and none of this would ever have happened

‘Julie’ was a qualified massage therapist with her own business. She suffered a major car accident and because she could not work for several years, she lost her business. When her husband was retrenched soon after, they lost their home as well. She came to do a TAFE Outreach course at her local neighbourhood centre as a way to connect with others during her recovery, and to keep her mind active. She enjoyed it so much that she subsequently did three additional short courses with Outreach, in the community setting. After 2 years the family moved, as her husband had found a new job. Julie had the confidence to apply for, and win, a new job herself. She credits the confidence and the skills and knowledge gained from her courses with this success.

If Julie were to apply today to do an Outreach course, it would not be possible, as she holds a higher qualification from her previous career and her family could not have afforded the non-subsidised fee.