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## 4 VOCATIONAL EDUCATION AND TRAINING

### 4.1 Introduction

The focus of this chapter is employment skills formation (up to and including that for para-professional occupations) taking place on or off-the-job. The scope is government funded Vocational Education and Training (VET), whether provided by government or private providers. However, unless otherwise stated, VET reported in this chapter only includes activities (including fee-for-service courses) undertaken by Technical and Further Education (TAFE) and selected Adult and Community Education (ACE) providers.<sup>1</sup> VET activity undertaken by private providers was not generally available for reporting.

The framework of effectiveness and efficiency indicators is based on the common and agreed national goals for VET and the more recent Agreement for the Establishment of a National Training System. Effectiveness indicators centre around the main themes of responsiveness, quality, and accessibility, while efficiency indicators are based on unit costs.

The key additional information reported this year are the results of an employer satisfaction survey (AGB McNair 1996) and a graduate outcomes survey (ABS 1995), both commissioned by the Australian Committee on Vocational Education and Training Statistics (ACVETS). Estimates of the value of TAFE assets in each jurisdiction are also reported for the first time.

The comparability of some key indicators has improved because data have been adjusted to allow for differences in the data collection among jurisdictions. However, some data were drawn from a variety of sources with differing scope, and this has been noted in the text.

As 1994 data cannot be adjusted, 1995 is now the base year for VET reporting in this chapter. Improving the data will take time, so the data will still be adjusted for the 1998 Report (using 1996 data).

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<sup>1</sup> Recreational, leisure and personal enrichment courses (Stream 1000 activity) were excluded.

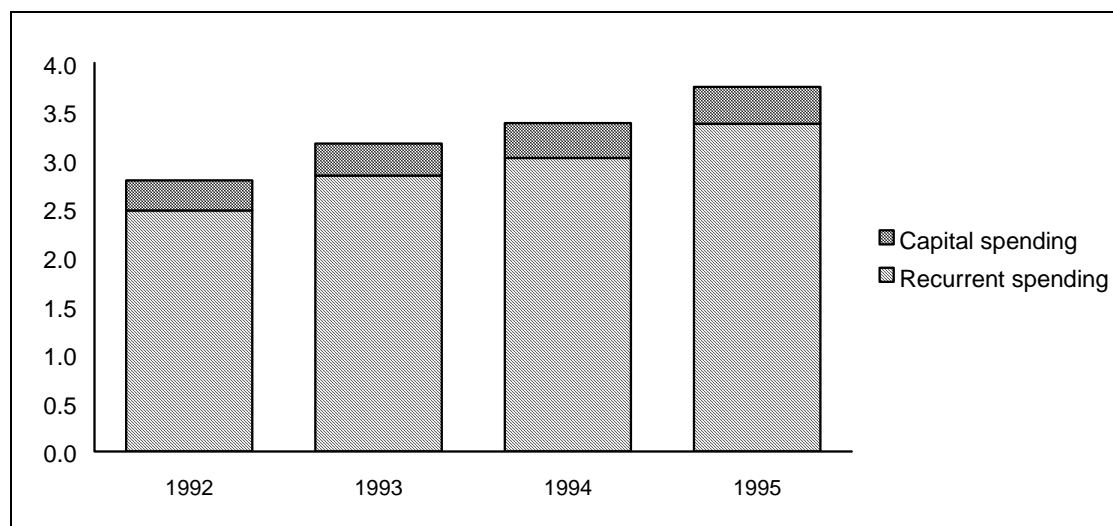
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## 4.2 Profile of the sector

### 4.2.1 Size and growth

Direct recurrent and capital spending on VET in Australia amounted to \$3.68 billion in 1995, with cash flows from operating activities of over \$638 million (ANTA 1996a). Nationally, expenditure increased by 22 per cent in real terms between 1992 and 1995 (Figure 4.1).

Figure 4.1: Australian VET expenditure in 1993–94 prices, 1992 to 1995 (\$ billion)<sup>1</sup>

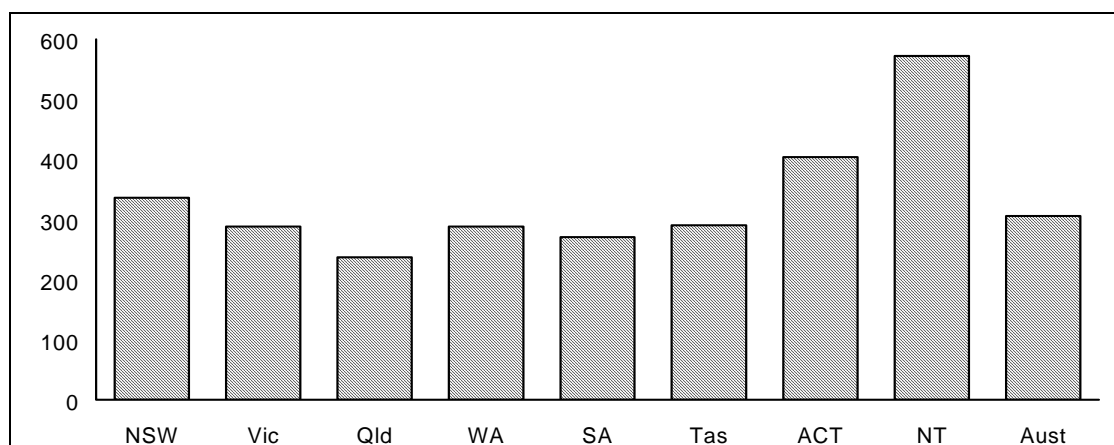


<sup>1</sup> Data were based on the Australian Vocational Education and Training Management Information Statistical Standard (AVETMIS Standard) which included fee-for-service and Adult and Community Education (ACE) activity. Its scope is broader than the Australian National Training Authority (ANTA) Agreement which encompassed only Government funded activity.

Source: Table 4A.36.

In 1995, VET expenditure per person aged 15 to 64 years varied from \$237 in Queensland to \$572 in the NT (Figure 4.2). The differences reflect a variety of factors addressed elsewhere in this chapter, such as relative activity levels and unit costs.

Figure 4.2 VET expenditure per persons aged 15 to 64 years, 1995 (\$)¹



1 Refer Note 1 Figure 4.1.

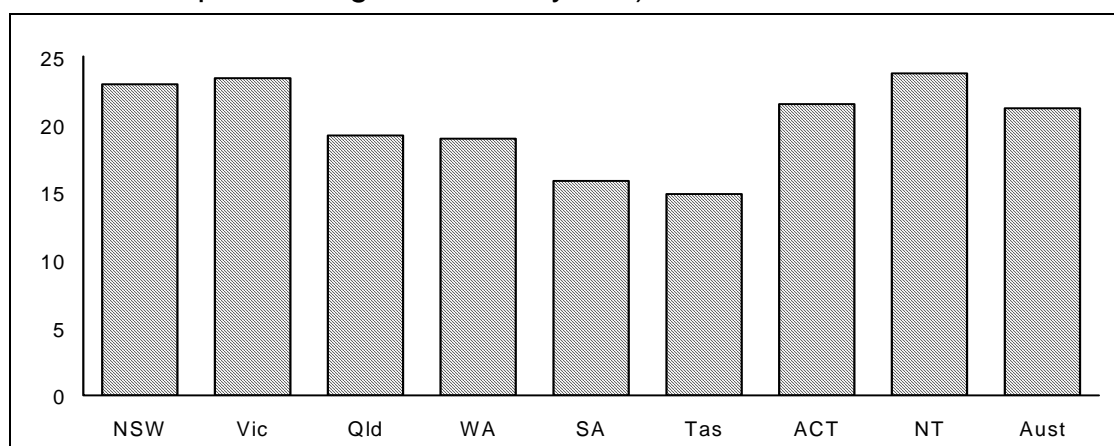
Source: Table 4A.37.

An estimated 1.27 million students participated in some form of VET activity in 1995, and over 270 million annual curriculum hours of activity were provided (ACVETS 1996). There were over 100 major public providers in 1995 with nearly 700 major campuses, about 500 Adult and Community Education (ACE) centres (ACVETS 1996), and over 1900 private providers were registered by State and Territory Government training agencies (ANTA 1996a).

The number of annual curriculum hours grew steadily in the 1990s (SCRCSSP 1995). Hours grew by 3.8 per cent between 1994 and 1995 (ACVETS 1996).

Relative activity levels, measured by the adjusted annual curriculum hours (ACH) per persons aged 15 to 64 years, ranged from 15 hours in Tasmania to 24 hours in the NT (Figure 4.3).

Figure 4.3: Relative activity levels in VET, 1995 (Adjusted¹ ACH per persons aged 15 to 64 years)



1 AVETMISS AHC — Curriculum hours (Streams 2100-4500). See Section 4A.3 for definitions.

Source: Table 4A.34.

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### **4.2.2 Institutional structure and funding**

The State, Territory and Commonwealth Governments established the National Vocational Education and Training System, known as the Australian National Training Authority (ANTA) Agreement, in 1992. ANTA is the national advisory and funding body for VET and is run by an industry based board. It is responsible to a national Ministerial Council which makes decisions on strategic policy, national objectives and priorities.<sup>2</sup>

The national VET system is made up of public systems in each state and territory and, increasingly, private providers and employers. VET provision is the responsibility of each State and Territory Government and is administered by the relevant training authority.

The Commonwealth, State and Territory Governments share responsibility for funding VET, with the State and Territory Governments providing approximately 80 per cent of VET public recurrent funding in 1995. Between 1992 and 1996, the Commonwealth Government provided an additional \$1.20 billion in growth funds for VET which were allocated to the State and Territory Governments on a population share basis.<sup>3</sup> In 1995, growth funds were about 40 per cent of total Commonwealth Government recurrent VET funding.

Commonwealth Government growth funding is administered by ANTA, which advises the Ministerial Council on state and territory performances against planned targets which are set out in the training profiles.<sup>4</sup> The Council allocates the growth funds each year subject to satisfactory reporting against performance as outlined in the Training Profiles.

### **4.3 Recent developments in the sector**

The VET system in Australia experienced substantial change in the late 1980s and early 1990s. The main elements of these reforms were summarised in the 1995 Report. The following section provides an update.

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<sup>2</sup> The Ministerial Council also liaises with Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) where issues that relate more broadly to school education and employment are concerned.

<sup>3</sup> Growth funds equalled \$100 million in 1992 (the first year). They have been compounded by \$70 million in each subsequent year (ANTA 1994b).

<sup>4</sup> Training profiles are developed each year by the state and territory training authorities in consultation with industry, and include an outline of planned training activity to which funds will be applied.

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### **4.3.1 Reform program**

In 1996, apprenticeship and traineeship reforms were announced which aimed to broaden VET opportunities. The monitoring of the outcomes against objectives of the new reforms is not developed at this stage, and will be an important area for future reporting.

In May 1995, Ministers agreed to greater flexibility and more emphasis on the relationship between training providers and their clients. User choice was a key element of this change, which has the potential to give enterprises much more control over training delivery. Full user choice for off-the-job training of apprentices and trainees will occur from January 1998.

### **4.3.2 Increasing diversity in training delivery**

A growing proportion of VET is provided outside the traditional classroom (for example, in the workplace) and by other means (for example, open learning).

Key features of these delivery methods are:

- the increased importance of non TAFE providers — the number of other providers delivering accredited courses almost doubled to nearly 1900 between 1994 and 1995;<sup>5</sup> and
- the increasing delivery of VET to students in schools. It is intended that \$20 million will be allocated to schools for this purpose in 1997.

The increased emphasis on VET in schools raises issues related to the roles and relationships of all parties involved in the VET and schools sectors. There is a need to develop a data collection on VET activity and outcomes in the school sector.

### **4.3.3 Allocating resources through competitive processes**

Promoting competition in the delivery of VET services could generate efficiency gains and improved outcomes for clients. Most jurisdictions are attempting to promote such competition through the promotion of user choice and competitive tendering.

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<sup>5</sup> Private providers were defined as providers registered by state training authorities to deliver training. They included industry, equipment manufacturers, registered schools and commercial training providers. ANTA underestimated the number of private providers in 1994 because some State Governments classified their school systems as one private provider, despite a number of schools being contracted to provide VET.

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The first approach, user choice, involves giving clients greater choice in the purchase and delivery of training to best meet their needs.

The second approach, public tendering was used to allocate about \$70 million of government funds in 1995, which included \$21 million of Commonwealth growth funds.

The proportion of VET recurrent expenditure which was competitively tendered ranged from 1 per cent in Queensland to 4 per cent in Victoria (Figure 4.4). Caution should be exercised in making comparisons between individual states and territories, as there may be inconsistencies in the data collected individually from each jurisdiction. Consistency in definitions will be improved in future years.

Figure 4.4: VET recurrent expenditure allocated for public tender, 1995 (per cent)

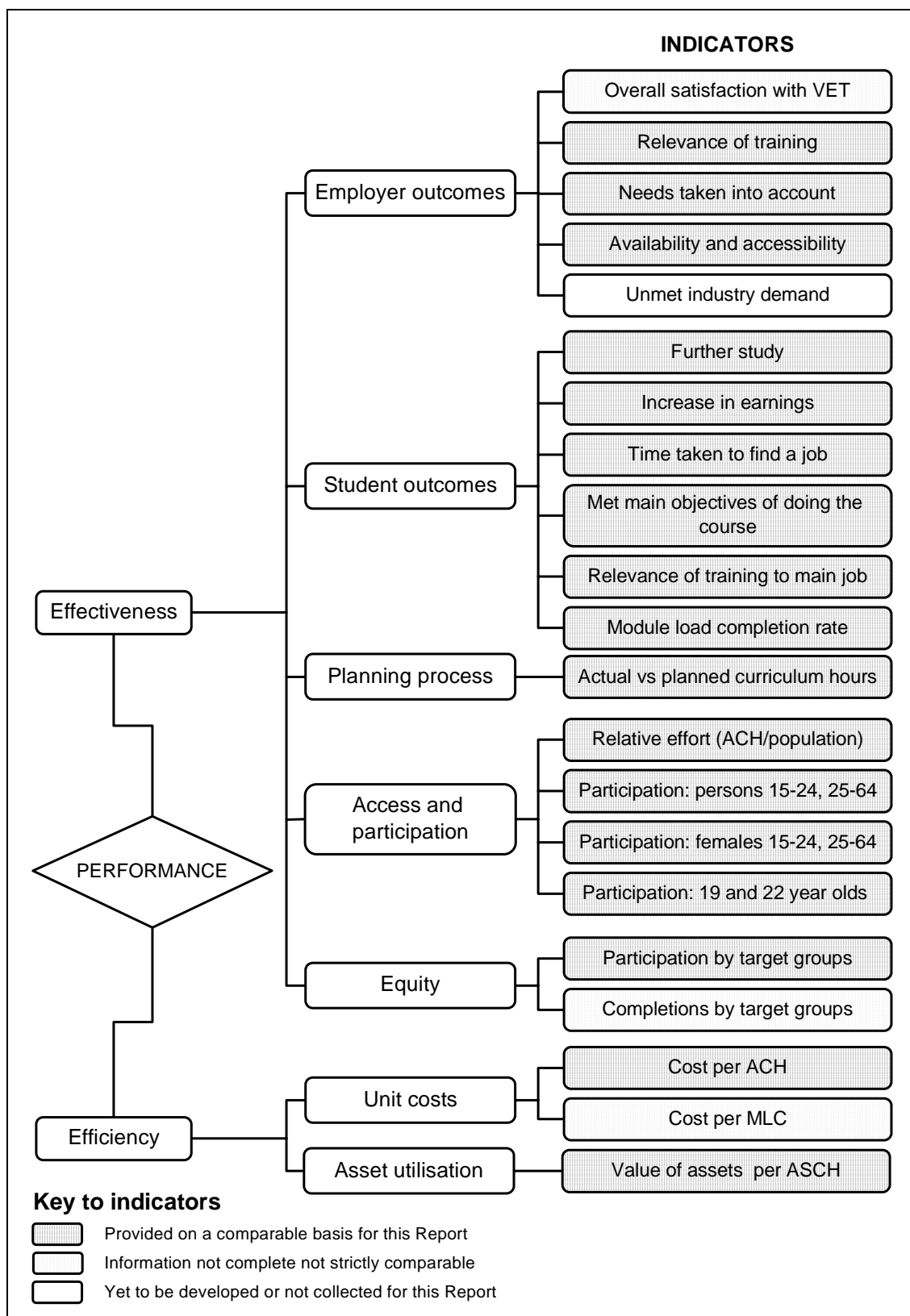


Source: Table 4A.30.

#### 4.4 Framework of performance indicators

The framework in this Report is substantially the same as that in the 1995 Report, but has been expanded to include indicators of asset utilisation (Figure 4.5). One indicator, unmet student demand, has been deleted.

Figure 4.5: Framework of indicators for VET services



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In addition to changes to the framework, new indicators are reported, including:

- student outcomes;
- employer outcomes;
- target group completions; and
- asset utilisation.

A description of all indicators is provided in Attachment 4A.

## **4.5 Future directions**

### **4.5.1 Surveys and reporting on new initiatives**

Comparable information is now available at the jurisdictional level on a range of important indicators. The priorities are now to improve data collections in the areas of employer satisfaction, the experiences of smaller businesses, the activities of private providers, student satisfaction and graduate destinations. Surveys are planned to monitor these important performance areas.

A component of increasing competition in VET delivery is giving enterprises greater choice in purchasing their training needs. Competitive tendering is another way of introducing competition. It is anticipated that the extent of these activities will be reported in the 1998 Report.

### **4.5.2 Data quality and comparability**

The data reported in this chapter is drawn from the *ANTA Annual National Report 1995* (ANTA 1996b), and from additional data supplied by ANTA and the jurisdictions.

The National Australian Committee on Vocational Education and Training Statistics (NACVETS), reporting to ANTA, has been set up to progress improvements in the data collection for VET.

In addition, a short term Performance Review Committee<sup>6</sup>, reporting to the ANTA Board, is responsible for:

- recommending a set of key performance measures (KPMs) and their uses;

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<sup>6</sup> It has a limited life of 1996 and 1997.

- 
- advising on using data underpinning the development of KPMs or Benchmarking reports; and
  - overseeing preparation of the 1996 VET Benchmarking Report.

It is anticipated that improvements in indicators and the quality of data collected will be noted in the 1998 Report.

## **4.6 Key performance results**

No single indicator can summarise the outcomes of government funded VET. VET has a number of objectives, is undertaken in a variety of settings, is delivered by government and private providers, and provides different levels of instruction and training (from basic literacy and numeracy, to para-professional level). The different objectives within each setting are reflected in the framework of indicators, which covers both effectiveness and efficiency. The range of indicators includes employer outcomes, student outcomes, planning processes, access and participation, equity, unit costs and asset utilisation.

Note that the results for Tasmania need to be treated with caution because they are significantly affected by the location of the Australian Maritime College, a specialist national facility, in Launceston.

### **4.6.1 Effectiveness**

#### *Employer satisfaction survey*

Employer satisfaction is an important indication of the quality and relevance of training. This is particularly the case for competency based training, where employers are likely to be reasonably well informed about what graduates should be able to do. A 1995 survey of employers, while not designed specifically for jurisdictional reporting of performance, sampled in each jurisdiction and reported on some results. Since there is doubt about the representative nature of the sample, caution should be exercised in interpreting the results.

At the national level:

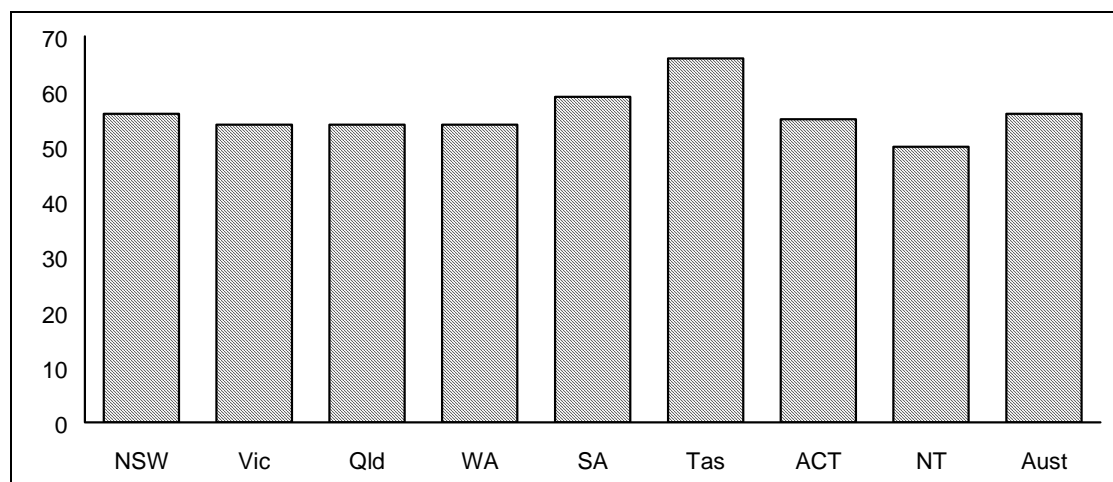
- employer satisfaction with TAFE service provision was similar to satisfaction with private providers; and
- large employers (greater than 100 employees) were more satisfied than smaller employees.

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### Appropriateness and relevance of training to employers

On average, 56 per cent of employers agreed that the VET system provided graduates with skills appropriate to employer needs. The level of agreement was fairly uniform across the states and territories, ranging from 50 per cent in the NT to 66 per cent in Tasmania (Figure 4.6).

Figure 4.6: Employers who agreed that VET skills were appropriate to their needs, 1995 (per cent)

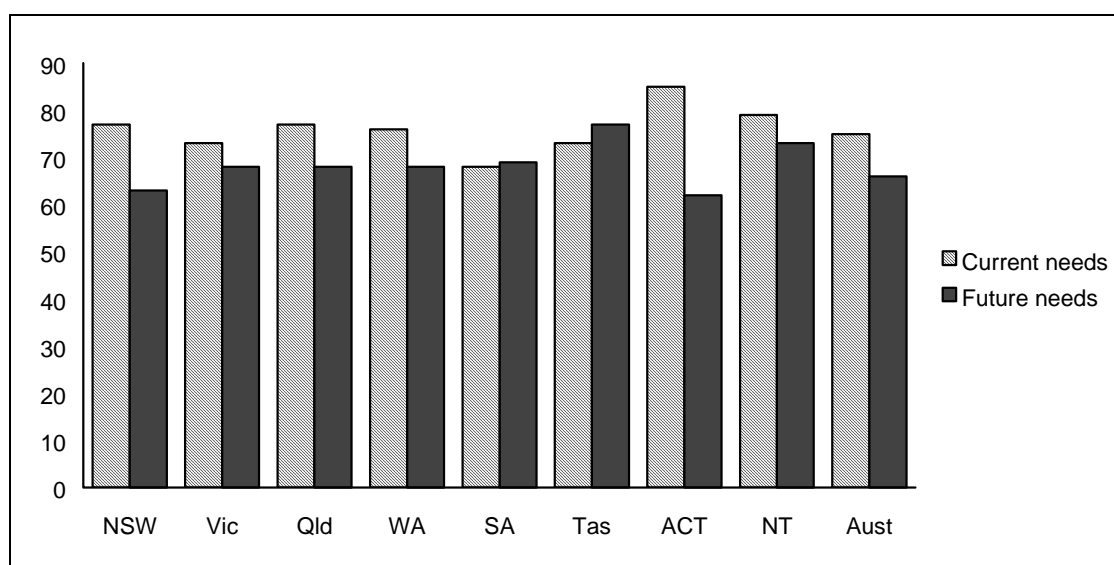


Source: Table 4A.2.

Based on the weaker criteria of relevance (compared with appropriateness of skills acquired), a higher proportion of employers reported a favourable response. Nationally, 75 per cent of employers responded that they agreed that VET acquired skills are relevant to their *current* needs. Among the jurisdictions, the proportions ranged from 68 per cent in SA to 85 per cent in the ACT (Figure 4.7).

The proportion of employers who agreed that VET acquired skills were relevant to their *future* needs averaged 66 per cent, and among jurisdictions ranged from 62 per cent in the ACT to 77 per cent in Tasmania (Figure 4.7).

Figure 4.7: Employers who agreed that VET skills acquired are relevant to their needs, 1995 (per cent)



Source: Table 4A.2.

#### *Availability and accessibility of training*

The employer survey reported satisfaction with a range of aspects of VET relating to availability and accessibility:

- flexibility of course timetables;
- incorporation of on-the-job-training;
- flexibility of course contents; and
- course location.

Nationally, satisfaction was highest for course location (74 per cent) but much lower (50 per cent) for timetable flexibility and on-the-job-training (Table 4.1).

Table 4.1: Employers satisfied with the availability and accessibility of VET training, 1995 (per cent)

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust
Flexibility of timetables	44	59	53	45	46	70	58	57	49
On-the-job-training	53	46	51	65	39	56	68	54	51
Flexibility of content	47	59	68	68	55	71	45	61	55
Course location	73	78	76	60	66	82	73	79	74

Source: Table 4A.3.

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Some consistent patterns were evident within jurisdictions. Queensland, Tasmania, the NT and Victoria were above average in at least three of the four areas, whereas NSW and SA were below the national average in three of the four areas (Table 4.1).

The levels of satisfaction reported for delivery processes (except for location of the course) were similar to those reported for appropriateness and relevance of training to employers. These responses seem low, given that the purpose of VET is to provide workforce skills.

### *Student outcomes*

In 1995 the ABS released the results of the first nationally conducted survey of graduates from TAFE courses at certificate level and above (ABS 1995). The survey provided data on a range of graduate characteristics including:

- their employment status;
- the relevance of the course to their job;
- whether their earnings increased as a result of the course;
- the main reason for doing the course; and
- the time taken to find a job.

Many outcomes reported for VET students were beyond the control of the VET sector, and were related to general economic conditions, including labour market conditions. Moreover, outcomes for graduates depended on the economic conditions prevailing in each state and territory, and caution should be exercised in comparing data by jurisdictions. Nevertheless, graduate surveys do provide valuable information on client satisfaction.

### *Main reason for undertaking the course*

About 80 per cent of graduates enrolled in courses for work related reasons. The proportions ranged from 76 per cent in NSW to 89 per cent in the ACT (Table 4. 2).

Table 4.2: Graduates — main reason for doing course, 31 May 1995  
(per cent)

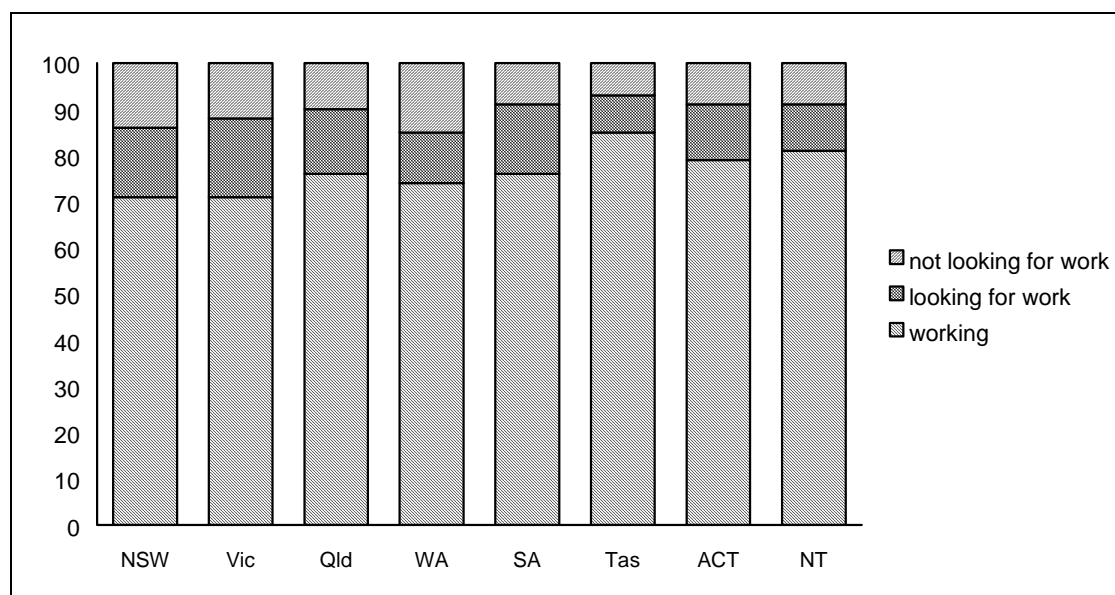
	<i>NSW</i>	<i>Vic.</i>	<i>Qld</i>	<i>WA</i>	<i>SA</i>	<i>Tas.</i>	<i>ACT</i>	<i>NT</i>	<i>Aust</i>
To get a job (or own business)	30.1	36.0	38.4	35.5	32.5	27.5	30.1	24.7	32.7
To try for a different career	10.9	10.6	10.4	11.0	11.5	7.5	10.7	13.8	10.8
To get a better job or promotion	12.9	12.3	9.8	10.7	18.5	13.2	14.6	16.2	12.8
Requirement of the job	10.9	10.8	16.9	8.3	9.8	28.0	13.1	9.1	11.6
To get extra skills for the job	11.1	11.7	8.8	7.6	11.6	11.8	10.3	15.1	10.8
To get into another course	6.0	6.0	5.4	9.9	6.3	0.6	6.3	2.2	6.1
Interest or personal development	15.6	10.3	7.9	14.5	8.0	9.7	12.2	16.9	12.8
Other	2.2	2.0	2.1	2.2	1.6	1.6	2.5	2.0	2.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Table 4A.4.

### Employment status of students

Employment of 1994 graduates ranged from 70 per cent in Victoria to 86 per cent in Tasmania. Those looking for work ranged from 8 per cent in Tasmania to 17 per cent in Victoria, and those not looking for work ranged from 7 per cent in Tasmania to 15 per cent in WA (Figure 4.8). It is important to note that employment rates of graduates depend on the economic conditions prevailing in each state and territory. Thus, caution should be exercised in comparing the relevance/quality of training courses among jurisdictions.

Figure 4.8: Graduate employment status, 31 May 1995 (per cent)



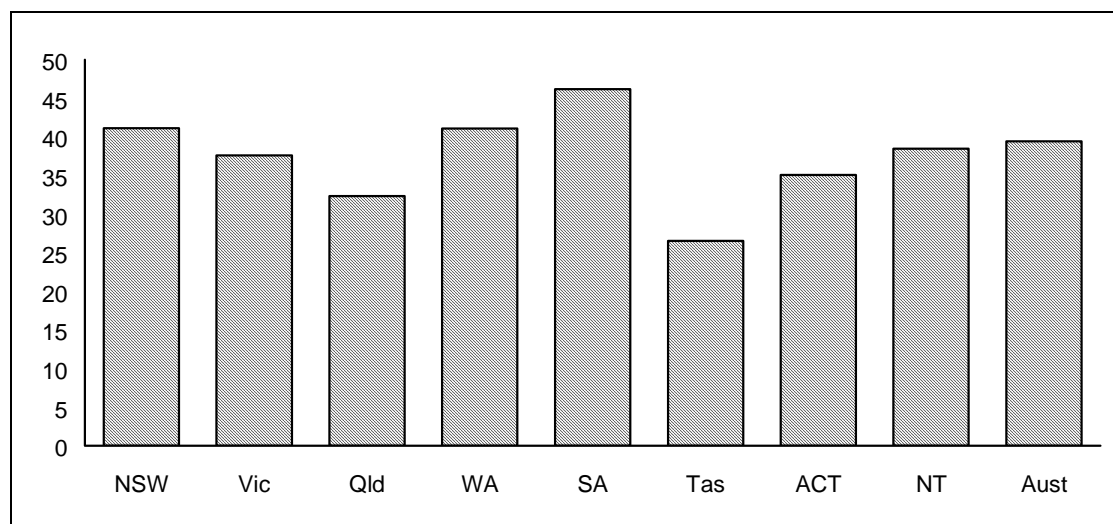
Source: Table 4A.8.

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### *Further study*

Graduates in 1994 who reported that they were enrolled in further study in May 1995 ranged from 27 per cent in Tasmania to 46 per cent in SA (Figure 4.9).

Figure 4.9: Graduates enrolled in further study, 1995 (per cent)



Source: Table 4A.9.

### *Main graduate outcomes*

Nationally, around 73 per cent of graduates in work reported their course was highly relevant or of some relevance to their main job, and about 30 per cent of those in paid employment received an increase in pay as a result of their course. Around 66 per cent of graduates who were unemployed immediately after graduation found work within three months.

VET graduates in 1994 were surveyed in 1995 in relation to:

- the relevance of the course to their main jobs;
- receiving a pay increase as a result of doing the course; and
- finding a job quickly if not in employment.

The results for NSW, WA and the NT may have been influenced by the above average enrolments in courses that were undertaken for personal interest (Table 4.2). The results are summarised by jurisdiction in Table 4.3.

Table 4.3: Graduate outcomes, 31 May 1995 (per cent)

	NSW	Vic.	Qld	WA	SA	Tas.	ACT	NT	Aust
<i>Relevance of the course to main job</i>									
Highly relevant	46.7	50.7	55.7	54.5	52.3	70.3	48.3	49.4	50.0
Some relevant	23.6	23.9	20.2	17.3	25.3	15.1	24.3	25.7	22.9
<i>Received an increase in pay as a result of doing the course</i>									
	28.6	29.9	38.1	30.4	31.7	42.5	34.5	25.7	30.8
<i>If unemployed, time taken to find a job after completing the course</i>									
Already had a job	72.9	67.1	58.8	67.0	71.9	85.1	77.2	75.8	70.0
Less than a month to find a job	9.5	11.8	17.5	13.9	10.8	6.5	9.1	8.9	11.2
One to 3 months to find a job	9.5	11.5	13.6	11.7	8.5	5.1	7.2	7.5	10.2
More than 3 months	8.2	9.7	10.1	7.4	8.8	3.3	6.5	7.8	8.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

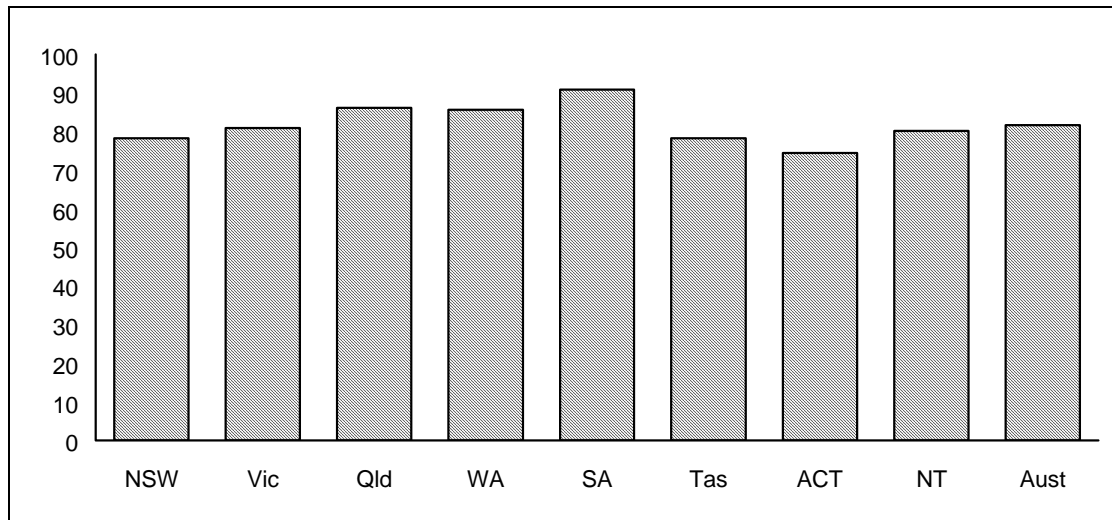
Sources: Tables 4A.5, 4A.6, and 4A.7.

### Module load completion rates

The module load completion rate broadly measures the extent to which students successfully completed the modules they started. These rates are a primary indicator for VET providers, but they can be affected by factors outside the control of the VET sector. For example, students may withdraw to take up a job, to transfer to another module, to take a leave of absence, or for personal reasons.

A range of alternative module load completion rates were available based on different definitions of students and activities. The one that was based on the broadest definition of completions — that is adjusted for continuing students — indicated that completions ranged from 75 per cent in the ACT to 91 per cent in SA (Figure 4. 10).

Figure 4.10: Module load completion rates<sup>1</sup>, 1995 (per cent)



1 Based on Formula 4. See Table A4.10 for an explanation of module load completion rate formulas.

Source: Table 4A.10.

### *Planning process*

The state and territory training authorities, under the ANTA agreement, prepare a training profile each year that outlines the training activity to which funds will be applied in the following year. These profiles have a number of different objectives within each setting (Box 4.1).

#### **Box 4.1: Training profiles**

Reflecting the projected demand expected to be placed on each training system, the ANTA training activity targets:

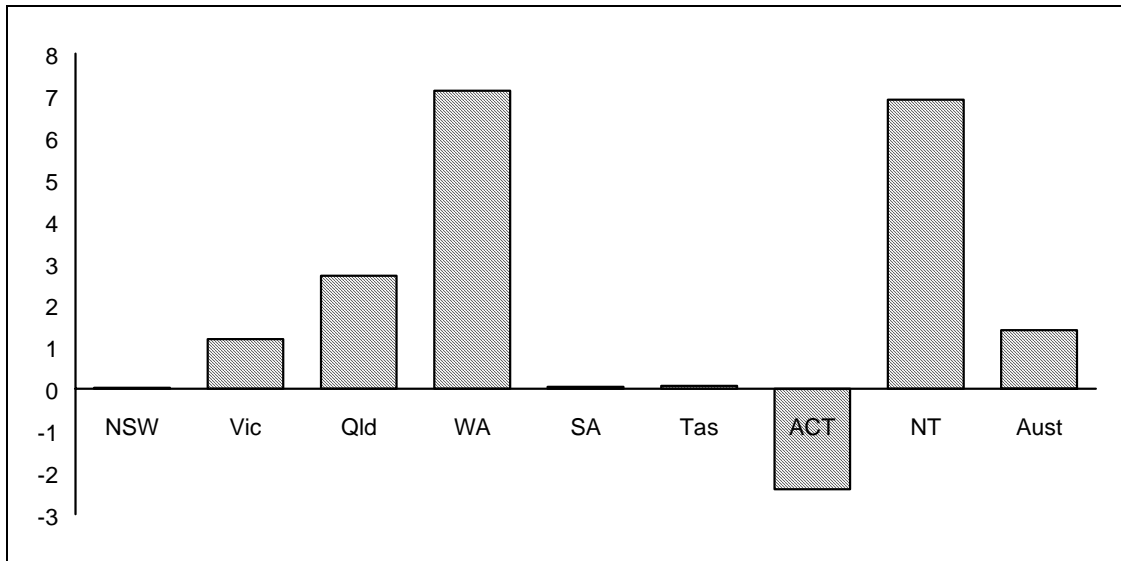
- provide the basis on which training authorities contract with both public and private contractors to provide planned levels of activity; and
- provide a benchmark level of training against which the meeting of industry requirements can be assessed. Targets may not be achieved if demand for training is overestimated or underestimated in various industries.

The aggregate level of planned training triggers the release of Commonwealth growth funds. Thus, the degree to which these projections are met, broadly indicates the effectiveness of the planning process and the accountability of the VET systems. However, it should be noted that these projections are based on quantity of services rather than quality.

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Actual training hours provided exceeded planned hours in all jurisdictions except the ACT. The scope of this indicator included all government funded activity, as defined under the ANTA agreement. The difference between actual and planned hours ranged from minus 2.4 per cent in the ACT, to around 7 per cent in WA and the NT (Figure 4.11).

Figure 4.11: Actual training hours over planned hours, 1995 (per cent)<sup>1</sup>



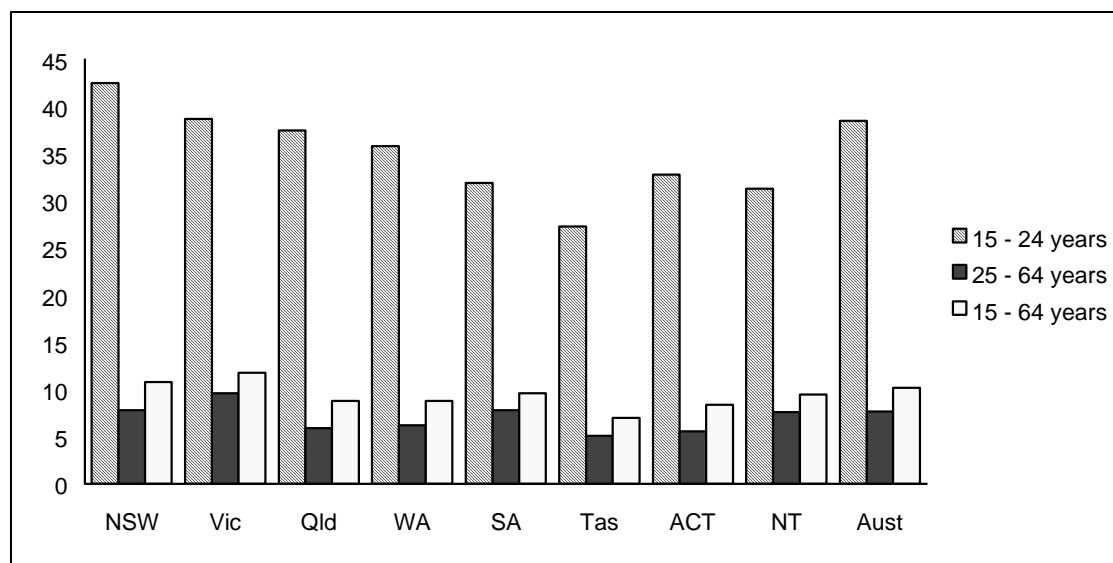
<sup>1</sup> These data were based on interim audited information and will be revised in the 1996 Benchmarking Report.  
Source: Table 4A.11.

### *General participation*

VET participation rates are best monitored over several years because they are influenced in individual years by economic cycles and labour market conditions. In addition, VET participation is affected by school retention rates and the number of places available in higher education.

The participation by the 15 to 64 age group in VET ranged from 7 per cent in Tasmania to 12 per cent in Victoria. The participation rate by the 15 to 24 age group ranged from 27 per cent in Tasmania to 43 per cent in NSW, and for the 25 to 64 age group, from 5 per cent for Tasmania to 10 per cent for Victoria (Figure 4.12).

Figure 4.12: Age cohort participation in VET, 1995 (per cent)

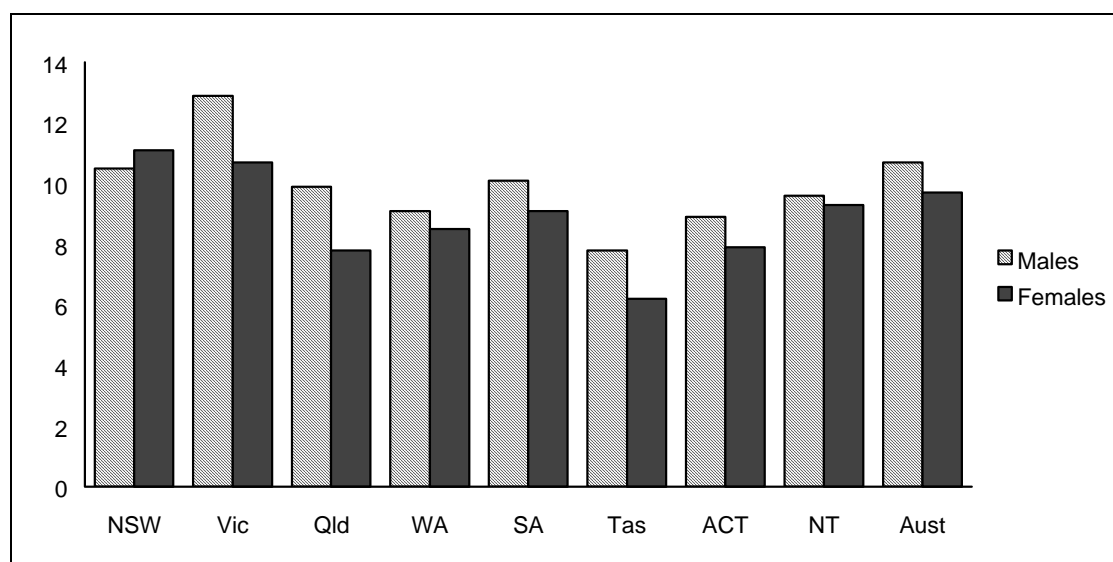


Source: Table 4A.12.

#### Participation by males and females

Participation by males in the 15 to 64 age group ranged from 8 per cent in Tasmania to 13 per cent in Victoria. Participation by females in the 15 to 64 age group ranged from 6 per cent in Tasmania to 11 per cent in NSW (Figure 4.13).

Figure 4.13: Male and female participation in VET, 1995 (per cent)

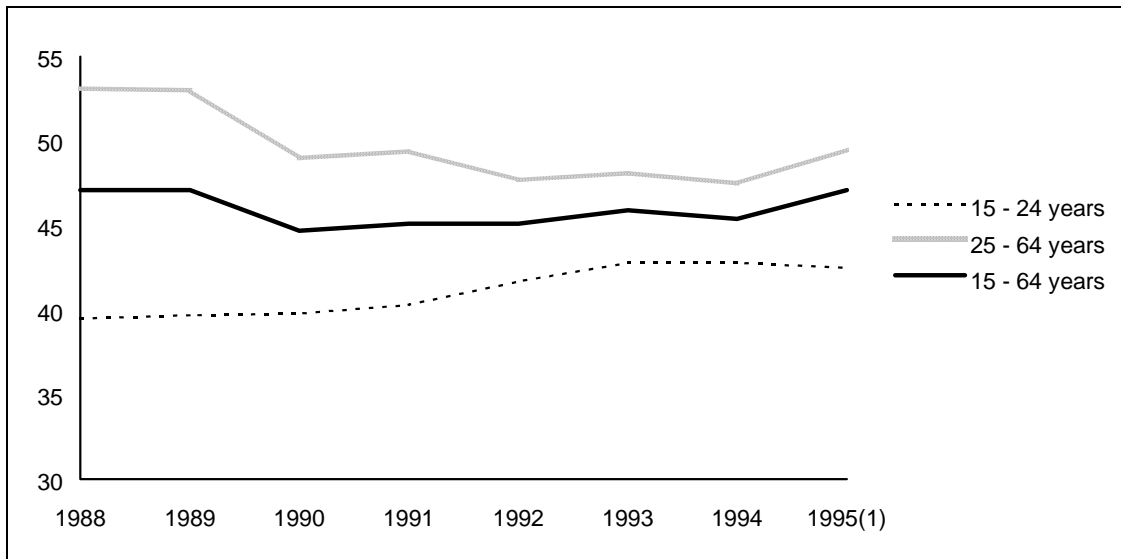


Source: Table 4A.13.

Nationally, the proportion of females in the VET sector decreased from a high of 47.1 per cent in 1989 to 45.4 per cent in 1994. Over the same period, the number of females in VET increased by 10 per cent, but this was a slower rate

than for males which increased by 18 per cent over this period (ACVETS 1996). An increase in the proportion of 15 to 24 year old females between 1989 and 1994 was more than offset by a fall in the proportion of those aged 25 to 64 (Figure 4.14).

Figure 4.14: Females as a proportion of TAFE students, 1988 to 1995 (per cent)



1 The sharp rise in 1995 may be due to a number of ACE providers reporting for the first time in 1995. ACE providers have a large proportion of females.

Source: Table 4A.22.

Changes in the mix of TAFE courses being undertaken by females underpinned the national decrease in TAFE participation. Female enrolments at the preparatory and trades/skilled levels declined significantly, whereas participation was relatively stable in operative/clerical level courses and even increased strongly in para-professional courses. It should be noted, however, that the decline in participation by females at TAFE has been accompanied by an increased participation at university (ANTA 1996c).

### *Participation by young people*

All jurisdictions agreed on targets for the participation and attainment of young people in education and training — “Finn targets” (Box 4.2).<sup>7</sup> However, these targets were not reported separately for each jurisdiction.

<sup>7</sup> Ministers set these targets in 1991. They became known as the “Finn targets”, after Brian Finn AO, chair of the Australian Education Council Review Committee which produced the report, “Young People’s Participation in Post-Compulsory Education and Training” (AECRC 1991).

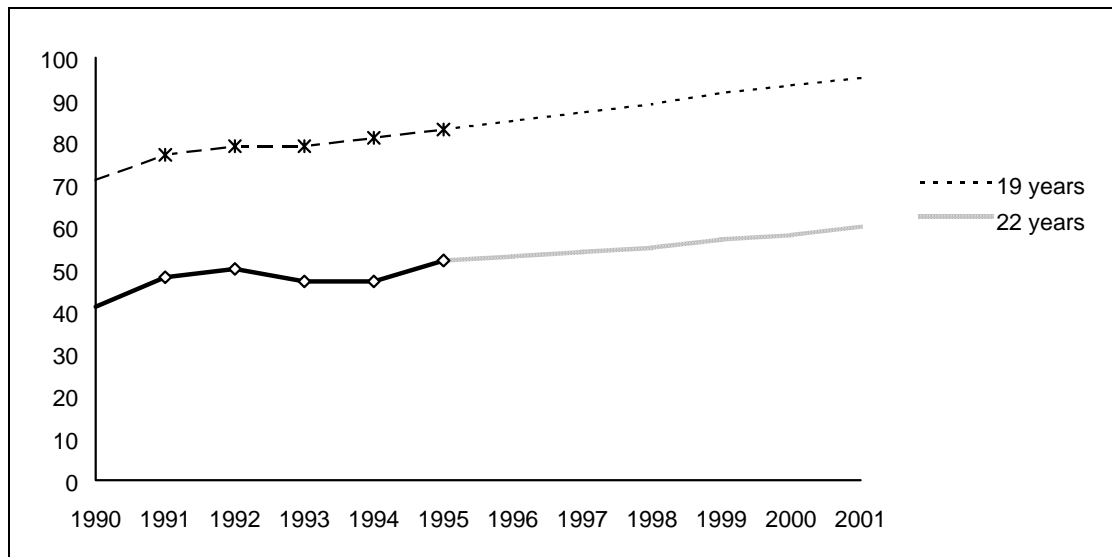
### Box 4.2: Finn targets

- By 2001, 95 per cent of 19 year olds:
  - will be participating in, or have completed, year 12; or
  - will have completed years 10 or 11 and be participating in, or have completed, some formally recognised education and training.
- By 2001, 60 per cent of 22 year olds:
  - will be participating in education and training programs which lead to level 3 awards; or
  - will have attained level 3 or above qualifications; or
  - will be participating in, or have completed, higher education studies such as diplomas and degrees.

Source: ANTA 1996b.

Participation and attainment for young people increased in line with the Finn targets (Figure 4.15): participation and qualifications increased for 19 year olds from 71 per cent in 1990 to 83 per cent in 1995. Participation and qualifications in education and training at level 3 and above increased for 22 year olds from 42 per cent in 1990 to 53 per cent in 1995. These targets relate to participation and attainment in the school, higher education and VET sectors.

Figure 4.15: Actual and projected participation and attainment by young people in post-compulsory education, 1990 to 2001 (per cent)<sup>1</sup>

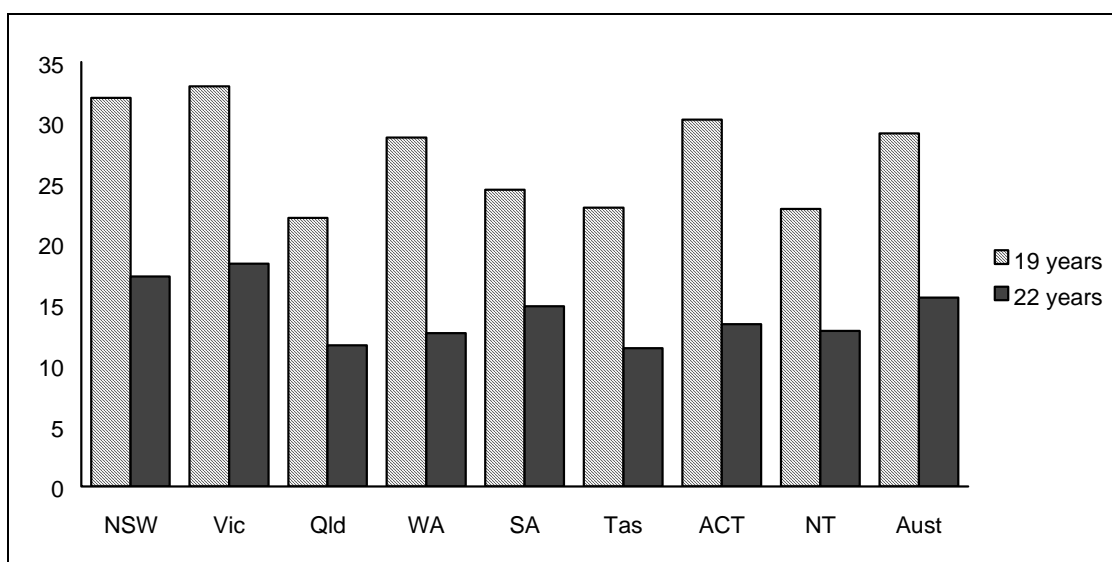


<sup>1</sup> The projections for 1995 and 2001 were based on actual data for 1990 to 1995 extrapolated to the target year of 2001.

Source: Table 4A.23.

Finn targets are not monitored on a state-by-state basis, although there is some indication in the VET participation rates of 19 and 22 year olds. Participation ranged from 22 per cent in Queensland to 33 per cent in Victoria for 19 year olds, and from 11 per cent in Tasmania to 18 per cent in Victoria for 22 year olds (Figure 4.16).

Figure 4.16: Participation in VET by 19 and 22 year olds, 1995 (per cent)



Source: Table 4A.24.

### *Target groups participation in and graduation from VET courses*

A key national goal of VET systems, and one reiterated under the ANTA agreement, is to increase the opportunities and improve the outcomes for disadvantaged groups. Indicative participation and completions for a number of these groups compared with their representation in the general population are reported in Table 4.4.

Note that the target group data reported for participants and graduates should be used with care as the populations on which they are based differ. Both data series were subject to variable levels of response. Non response for participation was generally highest in Queensland, WA and SA (typically in the range of 20 – 50 per cent) and lowest in Tasmania (typically 5 per cent or less) (Attachment 4A2.1). Given the high non response rate in most target groups in some jurisdictions, comparisons among jurisdictions and among categories should be made with caution.

Table 4.4: Proportions of participants and graduates from disadvantaged groups, 1995 (per cent)<sup>1</sup>

	<i>NSW</i>	<i>Vic</i>	<i>Qld</i>	<i>WA</i>	<i>SA</i>	<i>Tas</i>	<i>ACT</i>	<i>NT</i>	<i>Aust</i>
<i>Indigenous Peoples</i>									
Participation in VET	2.3	0.7	2.6	3.1	2.6	2.3	1.1	22.0	2.1
Graduates from TAFE	1.2	0.5	2.7	1.0	0.7	3.0	0.5	11.1	1.3
Population share	1.2	0.4	2.2	2.4	1.1	1.9	0.6	23.1	1.5
<i>People from a non English Speaking Background (country)<sup>2</sup></i>									
Participation in VET	15.4	12.4	8.6	10.7	8.0	6.4	16.8	8.3	12.2
Graduates from TAFE	18.1	17.5	8.4	12.3	8.7	3.6	19.6	17.4	15.6
Population share	18.5	20.4	8.2	14.0	12.5	4.7	16.4	11.5	15.8
<i>People with a disability</i>									
Participation in VET	3.9	2.6	3.4	1.4	2.7	4.0	4.3	2.1	3.1
Graduates from TAFE	5.7	6.4	5.5	5.1	5.5	4.6	6.2	6.1	5.8
Population share	13.4	15.0	16.9	16.2	16.2	15.6	14.6	13.5	15.0

1 Due to a high level of non response, VET participation rates should be regarded as minimum estimates only. Response rates are provided in Tables 4A.15 to 4A.19.

2 The proportions of VET students, TAFE graduates and persons respectively who reported being born in a mainly non English speaking country. The data for participants and graduates are from different sources and should be treated with caution.

Sources: Tables 4A.16 to 4A.20.

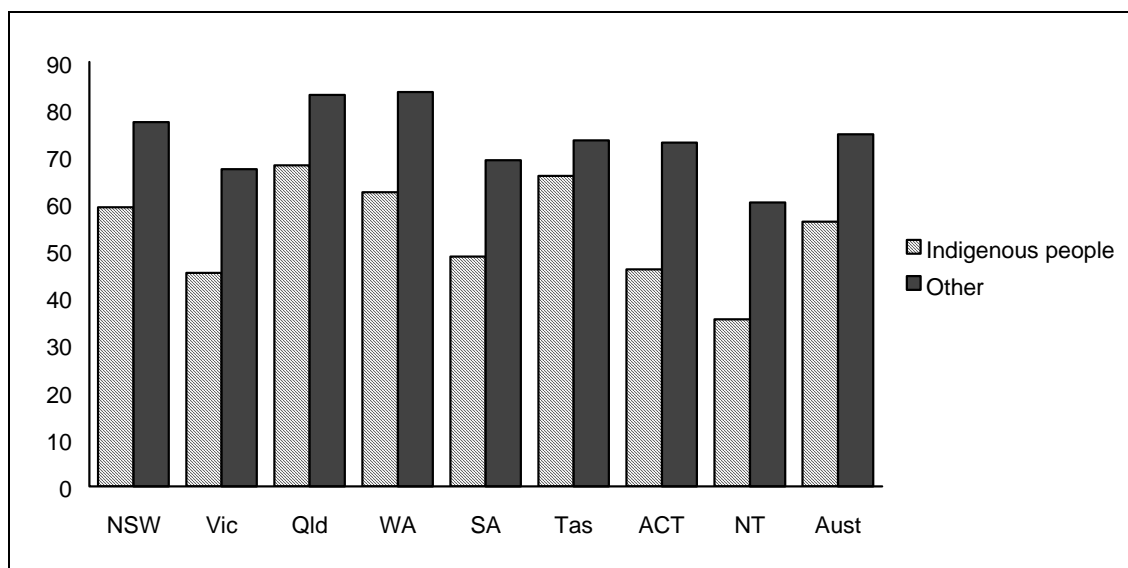
### *Aboriginal and Torres Strait Islander people*

Aboriginal and Torres Strait Islander people were generally well represented within TAFE institutions. They were, however, under represented as graduates (1.3 per cent of graduates compared to 2.1 per cent of all VET students). The proportion of TAFE graduates who were Aboriginal and Torres Strait people exceeded the proportion of the population who were indigenous in Victoria, Queensland and Tasmania (Table 4.4). The training undertaken by this group was largely at the preparatory and operative levels (SCRCSSP 1995).

Compared with the general population, Aboriginal and Torres Strait Islander people had significantly poorer success in VET. In 1995 their module success rates ranged from 36 per cent in the NT to 68 per cent in Queensland, however, these were at lower levels of training.<sup>8</sup> After allowing for the higher per cent of indigenous students who were classified as result pending/withdrew, the differences in module success rates ranged from 15.5 per cent below that of non indigenous groups in the ACT to 3.9 per cent below in Tasmania (Figure 4.17).

<sup>8</sup> Excluded from the analysis were all unstated module outcomes and persons who did not state their Indigenous people status. The term 'module success' is used to distinguish these results from 'module load completion rates' reported elsewhere in this Chapter. The data were provided by ANTA (ANTA 1996c; ANTA unpublished).

Figure 4.17: Successful module enrolment outcomes, 1995 (per cent)



Source: Table 4A.21.

### *People from a non English speaking background*

The proportion of VET students from a non English speaking background based on country of birth<sup>9</sup>, ranged from 6.4 per cent in Tasmania to 16.8 per cent in the NT (Table 4.4). As a proportion of graduates, they ranged from 3.6 per cent in Tasmania to 19.6 per cent in the NT.

### *People with disabilities*

Students with a disability ranged from 1.4 per cent (WA) to 4 per cent (Tasmania) of VET students and from 5.1 per cent (WA) to 6.4 per cent (Victoria) of TAFE graduates (Table 4.4). People with disabilities comprised 15 per cent of the national population aged 15 to 64 years old (ABS 1993). This implies that people with a disability have low participation rates but high graduation rates. Note that the target group data reported for graduates and participants should be used with care as they are based on different populations.

## **4.6.2 Efficiency**

The efficiency information available for VET providers mainly related to recurrent costs per curriculum hour. The use of unit costs as a measure of

<sup>9</sup> An alternative measure of non English speaking background status is based on speaking a language other than English at home or if either parent speaks a language other than English at home. See Table 4A.20.

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efficiency is discussed in more detail in Chapter 2. The Steering Committee is also exploring other ways of measuring efficiency (Box 4.3).

**Box 4.3: DEA case study — NSW TAFE colleges**

The Steering Committee is undertaking a case study using Data Envelopment Analysis (DEA) to assess the technical efficiency of a sample of TAFE colleges in NSW. The technique is discussed in Chapter 2.

The efficiency of the TAFE colleges in the sample is being assessed in terms of their potential to increase their outputs while maintaining the same level of inputs. The inputs and outputs used in the case studies are:

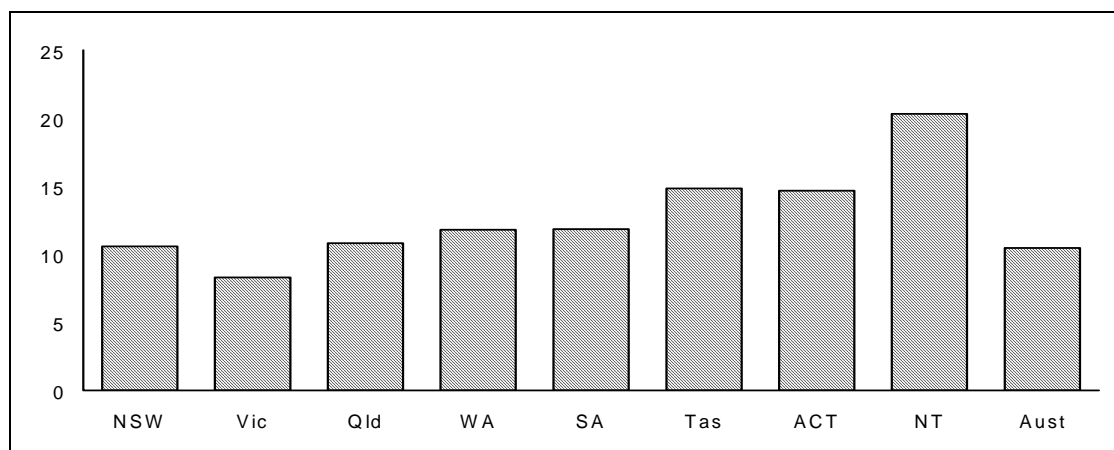
<b>Inputs</b>	<b>Outputs</b>
Teacher salaries	Number of student contact hours in courses considered to be relatively resource intensive
Non-teacher salaries	
Non-salary recurrent expenditure	Number of student contact hours in less resource intensive courses
Floor space (as a proxy indicator for the capital input of TAFE colleges)	

A full discussion of the DEA methodology, the case studies and results will be contained in a paper being prepared by the Steering Committee.

*Unit costs*

To improve comparability, unit VET course costs were adjusted to allow for differences in definitions and methods of measuring and reporting costs, incomplete matching of inclusions and exclusions in expenditure and activity and differences in course mix. However, factors such as population densities, provision of VET for disadvantaged groups, remote locations and distances have affected the cost of provision but have not been adjusted for in the reporting. Unit costs were measured in terms of adjusted cost per annual curriculum hour. The cost per curriculum hour was \$10.50 nationally, and ranged from \$8.30 in Victoria to \$20.30 in the NT (Figure 4.18).

Figure 4.18: VET unit cost, 1995 (\$ per adjusted ACH)

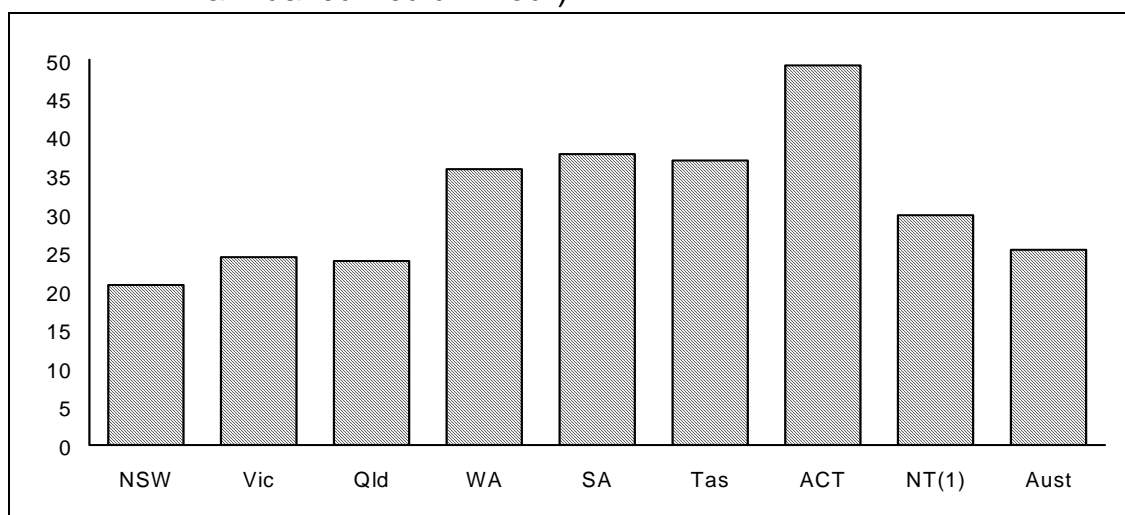


Source: Table 4A.25.

### Asset utilisation

ANTA commissioned a review of TAFE capital assets in 1994 (ANTA 1995a). The data were indicative only, and jurisdictions should be compared with caution. The values of buildings per ACH are broad proxy measures for the use of capital inputs in delivering VET. In relation to the estimated value of buildings per ACH, NSW and Queensland were below the national average (Figure 4.19). Estimated values per ACH ranged from \$21 in NSW to \$49 in the ACT.

Figure 4.19: Estimated value of buildings and equipment, 1994 (\$ per annual curriculum hour)<sup>1</sup>



<sup>1</sup> Indicative estimate only.

Source: Table 4A.29.

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