

Vocational Education and Training Workforce

Response to the Productivity Commission

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1. VET in the education sector and the economy

What is the VET sector?

What are the particular features of the VET sector that need to be taken into account in this study of the VET workforce?

- **primary mission** = to produce skilled and educated graduates for a wide range of industries/employers;
- **secondary mission** = community/social good and lifelong learning focus in terms of gap training and further qualifications, disadvantage, mature age, youth, indigenous, and so on, where people are able to gain entry into the workforce (or higher qualifications) in a way that was previously closed to them, or where they might previously have failed;
- **tertiary mission** = to maintain a viable, sustainable, financially sound TAFE Institute that meets Victorian Government goals/targets for funding and can grow commercial business.

What criteria should the Commission use to define the scope of the VET sector for the purposes of this study?

- TAFE is the largest provider of VET, with Governments as owners and funders. In addition, TAFE comes under considerably more stringent and costly quality regimes than do most private providers. These are both Victorian and Commonwealth imposed, as well as self-imposed (for example, the Gordon is ISO9001 accredited). TAFE provision should, therefore be defined separately from schools, enterprise or private RTO VET providers.
- Value to customers – e.g. industry (creating skilled and qualified workers), community (opportunities and well-being) and Government (best value for funding).

Are there particular issues affecting the VET sector that need to be taken into account in this study of the VET workforce?

- In Victoria, the implementation of Skills Reform over a period of time has focused TAFE Institutes on operating increasingly as businesses competing in a market. This market is made up of Government funding, which is increasingly targeted and subject to tender; students, who have significantly more choice in terms of providers, TAFE and private RTOs (funded by Government); and industry/employer contracts for training, assessment and/or qualification.
- The VET workforce has had to focus increasingly on meeting customer and stakeholder needs, rather than simply delivering on training packages. This is increasing the pressure on staff, general and teaching, to acquire different skills and to see their work in a broader continuum than, say, 10 years ago. We have a particular need to move our TAFE teachers to 21st century thinking, practices and methodology within a global context.
- The ageing TAFE workforce, particularly teaching staff, is another issue which is beginning to impact – the Gordon's average age for teachers is 49. If we expect teachers to be able to work in 21st century modes, this becomes more difficult with an ageing workforce. In addition, given skills shortages and assuming that the economy continues to improve, we will be competing with our own industries, the industries that take our graduates, for the same staff. To address this, some Institutes are already forming partnerships with firms (particularly large firms) to share specialised staff under contract. And there is an increasing number of sessional and casual staff employed in many Institutes to address the issue. Rigorous succession planning is essential, as well as creating flexible conditions that will enable older staff to continue to be employed in ways that meet their needs.
- Research and higher level qualifications – as more TAFE Institutes either offer degrees (as the Gordon does) or form partnerships with other tertiary institutions around degree programs, TAFE teachers need to acquire higher level qualifications and TAFE Institutes need to develop a vocationally-focused research culture to support that activity.

The VET workforce within the labour market

Do you agree with the terminology used in this paper to refer to the three broad groups of employees identified in the VET sector? If not, what alternative would you suggest and why?

- VET Practitioner/VET Professional, etc., are terms that are descriptive of the actual practice of TAFE *teachers* particularly. However, I would hesitate to go down the path, generally, of using this terminology. TAFE teachers have a strong attachment to the term “teacher” for professional reasons. “Teacher” embodies a set of meanings around specific expertise, experience, service and social good – are we willing to find out that “VET Practitioner” has no meaning and will be unattractive in a time when we need to attract TAFE teachers? May be a step too far at this time when we have so many other pressures on our teaching staff – kids don’t grow up thinking “I want to be a VET Practitioner when I grow up” either! And, especially in some specialist areas such as trades, people see being a TAFE teacher as a step up the professional ladder, that being a teacher has value once you’ve put in your time in industry, it is a recognition of that expertise and experience and earns respect. However true the description that VET Practitioner is of the work of TAFE teachers in the 21st century, it simply will not resonate with that respect, recognition and desire to “give something back” (i.e. service).

Do you agree with the possible approach to defining the VET workforce as all employees of VET providers – including managerial and administrative staff, self-employed persons and independent contractors – but excluding government and peak industry group employees? If not, what alternative would you suggest and why?

- The term “VET workforce” implies that there is some general classification of people who work in VET as being the same in their work, their workplaces, their focus, their student/client outcomes, their funding and conditions, whether they work in TAFE, community not-for-profits or private RTOs. The differences between TAFE Institutes throughout Australia and even the largest private or community providers are substantial and this is why I would not use the term “VET workforce” as a generic descriptor for all workers in vocational education and training. Given that TAFE staff operate under at least two awards (and teachers have an award that specifies qualification levels for employment at certain levels), have fixed conditions and hours of employment, and come under a range of quality and audit regimes, and TAFE Institutes are actually owned, not just funded, by Government, to put these workers in the same category generally with those employed in a range of community or private RTO settings fails to recognise significant differences among the VET sectors.
- The TAFE mission and strategic objectives are quite different from the rest of the VET sector, and this is reflected in our workforce and conditions. In addition, because of this fundamental difference, TAFE Institutes are not able to employ their workforce, teachers or other staff, as part of a flexible, 21st century workforce, where the Institute can be as agile and responsive as many private RTOs across the range of its offerings. TAFEs are the investment that Governments make in providing strong, high quality, high cost skills training for the nation, training that includes a heavy investment in plant and staff development, investment in areas that would not be profitable for private RTOs, investment in targeted training (i.e. disadvantaged groups or youth) where this might not be provided consistently in the wider VET sector, as well as a constant level of evaluation and audit to mitigate risk. TAFE Institutes would be the most risk averse VET providers in the country (for example, it is not TAFE Institutes that are falling over in terms of failing to deliver quality training to international students). TAFE Institutes, also, are targeted to provide a wide range and depth of programs to meet industry and community skills needs – they are not able to cherry pick narrow but profitable areas to work in, with reduced costs, nor to quit an unprofitable program area easily.
- Suggest that, until there is a completely level playing field in VET provision Australia, in terms of funding, workforce conditions, ownership, audit regimes, etc., that state-owned TAFE Institutes (whatever they are called – polytechnics, institutes of technology, the Gordon, etc.) are regarded as not being part of a generic VET workforce.

VET, the economy and society

What key objectives are the VET workforce seeking to achieve?

This question has a two-fold answer.

- (i) In terms of the TAFE Institutes, the VET workforce is seeking to achieve:
 - skilling/qualifying the current and future workforce
 - meeting industry needs for specific skilled/qualified workers
 - meeting community needs for a more skilled and qualified population
 - meeting individual needs for skills, qualifications and pathways to lifelong learning
 - meeting Government funding objectives in general and in targeted areas (such as raising the qualification levels of the nation)
- (ii) In terms of the TAFE workforce itself, it is seeking to achieve some or all of the above, plus some of the answers below:
 - to have a job/career that is valued and satisfying and well-regarded by the community
 - to be able to be a teacher as a vocational aspiration – “I love working with students”
 - to have a job/income, especially in a regional area where job opportunities might be limited – support and teaching staff - “I was able to get part-time work at the TAFE while the kids are in school”
 - to have good working conditions – e.g. older highly skilled tradies who no longer want to work outside or do highly physical work
 - “I want to give something back to the industry I work in”
 - all the varied reasons why people take up a particular job

Except for those in very specific positions (such as CEO), I don't think that the TAFE workforce walks around thinking about national or state objectives in terms of their own key objectives, except where these are explicit and embedded in terms of targets to be met. If you asked the bulk of TAFE staff what objectives they are seeking to achieve in working at the TAFE, their answers would primarily fall into category (ii); and, with prompting, they would refer to elements of category (i). This is, of course, a generalisation as we have a diverse, complex workforce.

Should the workforce be assessed against its capacity to achieve those objectives?

- Yes, in category (i) above – these objectives should be translated *in some way* into position descriptions and key performance indicators in terms of the work TAFE staff are engaged in. There would then be at least a six-monthly personal review of whether or not these objectives are being achieved, relative to the person's job.
- Staff at all levels should be encouraged through their PDs to consider how their job contributes to skills development and qualifying the workforce – for example, the caretakers who make the Gordon environment clean, friendly, sustainable, well-maintained and attractive, so that clients want to enrol or work with the TAFE in terms of its overall objectives. This would ensure that staff at all levels in the organisation see how their work contributes to the whole and will feel encouraged to use their initiative to make the customer experience of the Gordon a great one.

What metrics should be used to measure achievement of those objectives?

- The metrics for category (i) above would be achievement of Government targets and the mission/strategic objectives of the Gordon. This achievement would be assessed using a range of surveys, focus groups, achievement of industry contracts, numbers of skilled/qualified people in specific areas, data relating to community health and well-being, pathways developed, clients returning for more, etc.
- The metrics for category (ii) above would be staff satisfaction surveys, exit interviews, successful recruitment and retention of staff, pre-work interviews, and so on.

Is information available, relating to those metrics?

- Information would be available for most of them. TAFE Institutes are becoming processors of data in significant ways: through Government targets and evaluations of funding processes, through many audit processes, through many national and local surveys, through marketing surveys, staff and student surveys, through individual assessments of industry/business needs, enrolment data, exit interviews, demographic and economic data, benchmarking, and so on.

2. An overview of the VET workforce

Characteristics of the VET workforce

What are the key reasons for the apparent older age of VET practitioners relative to the total labour force?

- The TAFE teacher workforce is generally required to have 5-10 years industry or professional experience before being employed as a teacher.
- In addition, it is generally expected that TAFE teachers will arrive in their first year of teaching with the Cert IV/TAA basic TAFE teaching qualification – until they have this, they must be supervised in teaching situations which is costly for the organisation. Most TAFE Institutes now expect teachers to have Cert IV before commencing employment; some are demanding a Diploma level qualification as entry into TAFE teaching.
- In order to progress up the career/salary ladder to Senior Educator, they must have completed a Diploma related to TAFE teaching such as the Dip VET Practice.
- As referred to above, in some cases in the heavy trades, there is a desire to get off the tools in mid-40's to 50's when the physical demands of a trades job can become onerous – at this point, these (primarily) men often look to become a TAFE teacher in their industry field – carpentry, bricklaying, electrical, engineering, plumbing, etc.
- Support staff tend to have a different age profile, depending on levels and nature of job – however, even where young people are employed, they tend not to be straight out of school or university, but mid-20's and up, with some experience and general maturity.
- People usually enter the VET sector after gaining vocational qualifications and experience.

Do you agree with this assessment (i.e. that private providers have considerably younger staff than TAFE)? If so, why do you think this is the case?

- I don't know if this assessment is correct or not. However, if it is
- See above – reasons for older age of TAFE practitioners.
- Possibly private providers do not demand the same skill, experience and qualification levels?
- Possibly younger recruits are less risk-averse and are not concerned by the comparative job insecurity of working for some private providers? (TAFE is still a comparatively secure place to work, despite restructurings every so often.)

Is this profile representative of the sector overall? Are there significant differences in various sub-groups?

- Not sure about the whole VET sector or even the whole TAFE sector – for example, Box Hill Institute of TAFE will have a different profile around teacher qualifications, given the number of degrees it offers, compared with Gordon TAFE which has only one degree.
- However, in the main, TAFE workforce characteristics will be similar to each other, and probably differentiated from private RTO and community training organisations' workforces (which are probably, again, differentiated from each other)

- Obvious subgroups in TAFE would be the male/female split around heavy trades and nursing staff, whether or not the TAFE Institute offers degree programs, and, I suspect, whether it is a small regional or a large metropolitan TAFE or a dual-sector university containing a TAFE.
- Gordon profile is:
 - 4% difference b/w male and female staff
 - 79% of staff work full time
 - Less than a third of the workforce is casual
 - At least 60% of our workforce have a degree or higher qualification

3. Demand influences on the VET sector

Demographic and economic change

What impact might demographic trends have on future demand for VET, and the VET workforce?

- The most obvious demographic trend is the ageing population and the drop in school leavers over the next twelve years. The average student age at the Gordon is 29 – however, a sizeable cohort is school leavers and those under 24 (e.g. apprentices); in addition, Government targets would suggest that we need to increase our share of the “youth” market just at a time when demand will drop off and when we are in serious competition with universities and industries for that same target group.
- The ageing population is reflected in the average age of our teaching staff and in increasing competition for all staff due to, increasingly, fewer skilled workers being available because of demographics and TAFE salaries not being competitive in some areas. Being a regional TAFE in a physically attractive region with good amenities, as well as being a large employer an hour from Melbourne, can be an attractive plus for potential staff; however, we are still likely to find it increasingly difficult over the next 10 years to attract all staff and, particularly, skilled teachers with strong industry backgrounds and senior managers in specialist areas (e.g. Finance).
- A big impact in the Geelong region where we have a transitioning economy moving from traditional to advanced manufacturing and a service economy.
- At the other end of the scale we have two of the lowest social disadvantaged areas in the state (this impacts on our need to provide foundation skills building in the region).
- Demographics regarding the ageing population in the Geelong region present significant challenges to provide Health Care and Health care workers in the region (scanning team research).

What is the impact of economic activity, in the broad and over the economic cycle, on demand for training and the VET workforce?

- The three most obvious impacts of economic activity on the Gordon are (i) global financial trends that impact on the Australian dollar to the extent that firms do not want to make investments (whether time or money) in training until there is an upturn and they feel they have “spare” capacity; (ii) the cyclical rise and fall of the building industry which impacts on construction training, including plumbing, electrical, etc.; and (iii) the significant local transitioning economy in the Geelong region.
- Geelong is going through the destabilising phase of moving from a traditional manufacturing economy to a primarily service economy (including transport and logistics, health, water, hospitality, hairdressing, sport, retail, education, asset management, tourism, etc.), as traditional manufacturing declines and the demand for services rises as Geelong becomes, increasingly, a burgeoning dormitory city for Melbourne and the surrounding regions, including the Great Ocean Road, Otways.

- Residential building construction and civil infrastructure construction activity remains high due to Geelong regional growth pressures. Building trades such as carpentry, plumbing and electrical are expected to remain strong with a corresponding need for training.
- The impact on the demand for training and the VET workforce means that either we look at new and creative ways to offer traditional trades that maintain the programs' viability (perhaps through a focus on sustainability or in different combinations with other programs or with new qualification streams); or we expand our viability through "new" programs that meet new industry needs in Geelong and use these to subsidise unviable programs through economic cycles – e.g. flagship programs; or we cut programs in some areas where we would never again invest in the level of plant required to provide the training – e.g. some trades areas – once they are gone, they will not be delivered again, at least in the same way.
- Obviously, in an economic downturn we are more likely to attract both school leavers as students, and staff, as both cohorts find it more difficult to get the jobs they would like in industry – this is the traditional cycle for TAFE. It is a cycle that we manage to a greater or lesser extent.
- The most significant impact on us at present is not the economic activity in the region, but the Government changes in funding and targets – while, at present, we are more than meeting our targets and preparing well for further funding changes in January 2011, we have been put into an increasingly competitive situation in the VET market which may be difficult to manage in the long term.
- The singular most important impact on us in the immediate future is that private RTOs will be funded by Government to offer programs that compete with TAFE, where, because of factors referred to above such as cherry picking programs and having more flexible conditions of work, they can offer training at a much lower price. If private RTOs can offer a program at a Government-subsidised \$200 (even if this is initially a loss for them, but an entry into the market), which the Gordon currently offers for \$2,000 as a breakeven, then there is little contest.

What structural trends within the economy should be taken into account when considering future demand for VET?

- Whether the commonwealth and state governments can create a sufficiently robust economic base, in light of global trends in Europe and the US, so that they can continue to afford to support the VET system and continue to support industry to maintain itself.
- Political changes of direction that then impact on the economy and funding for TAFE. There are both Commonwealth and Victorian Government elections in 2010.
- Housing trends, based on bank interest rates and availability of housing stock, which then impact on the construction cycle.
- Higher level skills required for knowledge economy workers.
- Leadership- need people who can build the regional infrastructure.

How well-placed is the system to respond to these trends?

- The Victorian system is probably best-placed to respond to trends, and this has been demonstrated often over the past 10 years. However, there are unanticipated consequences, lag times and burdensome constraints that can impact on how quickly and effectively TAFE can respond. Private RTOs can often respond more quickly, but usually with a much narrower range and depth of programs.

How will these trends influence the VET workforce?

- The TAFE workforce is becoming older and that will inevitably have an impact on how able and willing staff are to embrace change – in general, that is simply the nature of things and, in some ways, we are likely to have a more conservative workforce.
- However, at a broader level, staff are becoming more attuned to ongoing change; the Gordon is managing change in ways that grow workforce capability and leadership; there have been changes in modes of delivery and in growing strong relationships with industry partners that have become part of the norm; new support staff roles are enabling different approaches to the market; staff are now recruited for capabilities that extend beyond the old teaching modes and

administrative/support roles; and teachers are beginning to engage in the broader “VET Practitioner” type of activities.

- Impacts the type of staff required to train in new and emerging skills.
- Need to work closely with Industry partners to at least maintain currency and ideally be ahead of trends.
- Significant challenges to build the right mix in terms of workforce capability.
- Challenges to attract staff to the VET sector.

What emerging technological developments could significantly alter industry skill needs?

- The ongoing march of global information and economic networks, mediated by the internet, social media and the exponential development of digital and bio-technology will all significantly alter industry skill needs.
- One way we are seeing this right now is industry's increasing demand for graduates with “social skills” – i.e. team work, transferability of knowledge and skills, communication skills, ability to learn and apply knowledge in different ways, computing skills taken as a given, etc.
- Eventually this will translate into more and more specific industry skills (biotech, robotics, sustainable plumbing, etc.) that TAFE Institutes will need to be on top of and lead, where possible – we will need to offer the “T-shaped skills”, i.e. both broad and very specific and specialised.

How do providers go about planning for, and responding to, demands for new skills arising from technological developments?

- To a greater or less extent, through ongoing strategic planning and development, discussions with industry, research and innovation (where we might lead industry in terms of their future needs), bringing in experts/consultants in specific areas (for example, the use of digital and social media for teaching purposes).
- Sometimes hampered by the fact that training packages are behind the game, that qualifications are based on training packages in TAFE and often do not offer the way forward to new content quickly enough.
- Build close relationships with Industry.
- Seek out opportunities nationally and overseas to see and use the latest technology.
- Consistently undertake environmental scans to determine how developments will impact future delivery (and the business).
- Need to be good at strategic planning, change management and also build in flexibility to organisational structures and processes.

Are there particular difficulties related to the recruitment or development of practitioners who are able to deliver training in new technologies?

- Yes – access to staff who have sufficient knowledge and qualifications to deliver this training and who also want to work in TAFE.
- Comparatively low wages for TAFE teachers compared with what people with scarce/new skills can get in industry.
- Often dependent in new areas on a single person who has the skills/knowledge/qualifications to deliver, which presents a risk to the TAFE and the program.
- Dependent, also, on having the IT infrastructure to underpin many programs that are based on delivering training in new technologies – for example, the Gordon does not offer training in robotics and, to do so, would require significant investment. In other words, apart from the general broad TAFE offerings, different Institutes specialise because of the investment costs in this area of new technologies. Yet, perversely, all of our students will need access within a very short period to a broad level of competence with new technologies – we manage this process as

well as we can within funding and staffing resource constraints, and with significant new investment from Skills Victoria into large scale IT-based implementation.

- Attracting people at the cutting edge into a teaching role.
- Need to highlight the benefits of working at The Gordon
 - Values based organisation
 - Professional development opportunities
 - Health and Wellbeing
 - Stable yet dynamic environment

Sector-specific influences

Government policy

Do you anticipate that demand for VET from learners from disadvantaged backgrounds will increase in the next five to ten years? If so, what implications do you think this will have for the VET workforce?

- TAFE is being encouraged by the State and Commonwealth Governments, through targets and targeted funding, to attract students from disadvantaged and low SES backgrounds – therefore, automatically, there will be an increase in these clients in the next 5-10 years.
- The obvious implication is that our teaching staff, who do already have skills in teaching students with disadvantaged backgrounds, will need to enhance those skills and accept that this is a “normal” part of their teaching across a broader range of programs and levels (which can be compared with having international students in class – teachers need to adapt and tailor their methodologies and pedagogy).
- We may find it harder to find or keep teaching staff who want to do this; at the same time, we may attract other staff who enjoy working with different cohorts of students. It is an issue that will need to be addressed in terms of TAFE teacher recruitment and professional development.
- At the same time, we will need to consider this as an issue for support staff as well, especially those in areas that deal directly, face-to-face, with students. These students often have specific support needs in terms of building confidence, wayfinding (both through policies and buildings), enrolling, transport, access to technology, personal presentation, and so on – and our staff need to be encouraged to provide for their needs in the interface with the Institute.
- Increased emphasis on ‘second chance’ learning for people from disadvantaged backgrounds or immigrants.
- Impacts on the depth of programs being offered by a regional provider e.g. specialised vs general (all things to everyone).

What do stronger commercial pressures in the VET sector imply for the future size, skills and knowledge requirement, of the workforce?

- Immediate issue for TAFE sector in Victoria is referred to above – if we are in an increasingly competitive market, where our direct competitors are also funded through public money but are not owned by the State with all the concomitant regulations/restrictions on business and investment in capital infrastructure and staff that come with that ownership, then it is possible that the TAFE system will fail to thrive.
- If we fail to thrive because we are unable to compete within a commercial business model where, at present, we can be undercut in the market significantly through private RTOs receiving State funding, then the obvious implication is that we will shrink and that we will be unable to employ the workforce we need to meet the broad mission of the TAFE sector.
- A second immediate issue for TAFE is that our workforce needs to get up to speed rapidly with skills and knowledge about the commercial market for vocational education and training – some respond positively to this challenge, others feel that this is not what they signed up for when they decided to become a TAFE teacher. We may end up reducing our attractiveness for recruiting teaching staff who have specific industry skills backgrounds.

- Need to ensure flexibility in make up of the workforce.
- Require a workforce that is:
 - Business savvy
 - Professional
 - Consultant/advisor-like

What implications might a trend towards higher level qualifications have for demand for VET, and the VET workforce?

- The immediate implication is that TAFE must recruit new staff, and retain and professionally develop existing staff, to have their own higher level qualifications, at least one qualification in advance of those they are teaching. While some TAFE Institutes might resolve this issue in part through partnerships with Higher Education institutions that will provide “cover” for the lack of higher level qualifications, in the end, we need to have the quality embedded in our own Institutes. This will provide credibility and the capacity to respond effectively to industries’ own needs for higher level qualifications that are vocationally based and very specific.
- A further immediate implication is that there is likely to be an increasing dependence on casual or consulting staff who have specialist skills but remain employed primarily in their industry or university.
- Underpinning these implications is then the IR issue of flexibility around conditions and salaries that can meet the market – we do not have this at present.
- The trend towards higher qualification is not equal across all disciplines, or demanded by industry clients. Certificate II growth in heavy engineering with lower numbers of higher skilled worker demand as the manufacturing area restructures is an example. Another is civil construction areas moving from using undergraduate engineers to paraprofessional TAFE graduates to better match job requirements. These differences need to be included in any planning based on higher level qualification trends.

What implications might other shifts in delivery, in particular towards more RPL and RCC, have for the VET workforce?

- The Gordon is moving to have a significant component of its delivery in industry and its initial delivery to the community underpinned by RPL and RCC. Rather than this mode being a marginal, optional assessment/qualification mode for teaching staff, this will become the norm as the basis for entry into many programs.
- The immediate implications are: (i) our teaching staff will need to see that RPL/RCC is the norm and not an outlier in terms of their usual teaching practice; (ii) some qualifications may be delivered completely in terms of a sophisticated process of RPL/RCC – again teaching staff will need to come to terms with the fact that recognition of prior learning is part of “real” teaching; (iii) the Gordon needs to streamline its processes for RPL/RCC, including professional development for all teaching staff that “sticks”, and a clear understanding of the pedagogical, programmatic and funding issues if RPL/RCC becomes mainstream.
- Different skills sets than those required to teach higher level qualifications.

What other key effects do you anticipate that government policy will have on the VET sector, and the workforce in particular, over the next five to ten years?

- We are in a period, in terms of policy, where TAFE as we know it could disappear over the next 5-10 years. It is important that Government policy-makers understand the complexities of TAFE Institutes and the impacts of policy on these very complex organisations that provide real skills training for industry that meets business needs, and where there are significant Government investments in infrastructure and resources.
- TAFE is positioned, right at this moment, to either play primarily an intermediary role in the transition of students from school to university; or to become even more focused on its current primary role of providing the skilled workers of the future – whether these are school or university students coming to TAFE for work ready skills in specific areas, or existing workers in industry needing to upgrade and redefine their qualifications and skills sets.

- It is likely that the Victorian Government will make the decision that favours TAFE as the pre-eminent provider of skills training that meets industry needs, rather than simply a training and transition adjunct for those students who failed to get into university. Obviously, there will be an increased focus on “pathways” from school to TAFE and to university; however, this will not be at the expense of providing skilled graduates and skilled workers for industry.
- As part of this over the next 5-10 years, TAFE will need to really focus on those “T-shaped” workers – the deep underpinning specific skills and the broad “soft” skills that are becoming more important to industry, the skills that enable transfer of knowledge and global connectivity, as well as innovation within a knowledge-based economy.
- In addition, TAFE workers (as indicated above) will need to come to terms with much more flexibility in delivery to a wider range of student/worker cohorts – they will need to have a better and wider grasp of their discipline of “teacher”.
- A new skill set required for those entering TAFE later in life to deliver in these emerging methods (depending on industry background).
- This will depend on policy direction with regard to population growth in regional areas.
- Systems will need to be in place to support emerging delivery methods and be very well established.
- This also requires specialist support staff to have the right mix of skill and specialist knowledge of emerging trends (e.g. particularly in Information Communication and Technology).

Business of VET

What impacts do you anticipate that the use of technology in the VET sector will have on:

- *teaching delivery and methods over the next five to ten years?*
- *demand for training, particularly from regional/remote areas and overseas?*
- *demand for the VET workforce, both in terms of numbers, and of knowledge and skills requirements?*
- As mentioned above, the use of technology will impact heavily on current delivery and methods over the next 5 years – it will be one of the largest impacts on how teachers teach and how assessors assess. Our customer cohorts, whether in work or at a distance or in the classroom, will have expectations about the use of technology in teaching delivery and methods that will probably outstrip our capacity to cater for them. They will have an expectation of multiple modes of delivery all within the same program – face-to-face, online, social media, group/individual, video, etc; they will expect delivery to be interesting, self-directed/facilitated, more visual, more immediate, interactive and teamed, all of which will need to be underpinned by excellent IT and Ed T infrastructure.
- The Gordon is already considering how it can leverage technology to reach both regional and international customers more effectively.
- The demand for the TAFE workforce is unlikely to decrease simply because we are using more technology – if anything, it is likely to increase, not only teachers but also technical support and, possibly, parateachers (i.e. technical support in the classroom or for liaising with the worksite or international site). For example, and assuming we have an IR structure that could support this, we could have (as a hypothetical example), an advanced teacher who provides the underpinning knowledge, skills requirements, direction of program, assessment processes, etc. plus several teachers at a lower level in terms of their experience and skills, plus a couple of parateachers – people who might take the administrative or assessment or technical load out of teaching, or who might even take on some of the teaching at the level of administering and responding to student blogs, for example.

Are training packages still appropriate as a basis for designing vocational training arrangements? Is a shift away from competency based training at higher qualification levels desirable? Might it happen in the next five to ten years? If so, what implications, if any, might this have for demand for the VET workforce?

- This is a complex question – whether training packages are appropriate or not, they are what has been in place now for a long time. Many of our TAFE teachers have come into the system using the training packages and their pedagogical skills are linked to assessing and delivering against the training packages; they do not necessarily have the “old” skills of delivering to a curriculum.
- TAFE teachers who have these “old” skills, who were in the system before training packages, are readily able to do what should be done with training packages – i.e. deliver on the outcomes of the units by using a wide range of methods/pedagogy to achieve those outcomes.
- We need a system that contains units of competency, such as training packages, because this allows us to package qualifications (or skills sets) that meet employer and customer needs. However, at all levels – not just higher qualification levels – we need to be able to offer a continuum of vocational education and training that runs from purely curriculum-based to purely units of competency, where TAFE Institutes can choose the educational and skills mix that best meets customer needs. For example, a TAFE might offer a Cert IV in IT that is completely curriculum based and has currency with students wanting to enter a degree program in Queensland; or they might offer an Advanced Diploma in Horticulture that is a mixture of units from training packages and curriculum; or a Diploma in Building Design that is purely training package based – and so on, in a “pick and mix” way that enables the Institute and its teachers to become truly sophisticated deliverers of VET and self-accrediting in terms of qualifications.
- TAFE Institutes are complex VET organisations and, for the most part, operate at a committed, professional and high level of quality – we care about what we are doing. If we had such a system, we would thrive – we already have significant audit requirements placed on us by multiple agencies and it is not such a step that we couldn’t be self-accredited to develop and deliver our programs in multiple ways that meet quality processes.
- The implications, in terms of the demand for the TAFE workforce, is targeted professional development and, as mentioned earlier, a higher level of VET teaching qualification that focuses on a multi-mode development and delivery of skills training.

The international dimension

What have been the impacts on the VET sector and its workforce of the demand from international students?

- First of all, even though there has been a ‘natural’ demand that has grown over the years from international students, the large demand has primarily been created by Australia seeking to tap into a major export industry. Without that economic thrust at both Commonwealth and State levels, it is unlikely that we would have seen the exponential growth of international onshore students that we have had.
- Second, in Victoria, TAFE Institutes for at least a decade have been obliged to increase their commercial income as a proportion of state funding – this has driven the Institutes to seek out fee for service international students as a ready source of commercial income. It is not a “demand” that arrives at our doorstep at the beginning of the year; it is a “demand” that is sold to, nurtured, invested in and so on, until a financial benefit is realised.
- Third, while demand for VET training for international students continues to grow globally, it is easy to see how fragile that demand for a specifically Australian qualification is when (i) our programs become more expensive because of the rise of the Australian dollar; (ii) when private VET institutes providing those programs fall over and fail to deliver on the (implicit) promise of a viable visa for entry into the Australian workforce; (iii) when changes to the skilled occupations list create massive shifts of students from one level of qualifications to another as they seek visas; and (iv) when racist attacks on particular groups of international students are reported globally and rock the whole industry creating a reduced student market from particular countries.
- The impact on TAFE Institutes of an increase in the demand from international students is still being worked through. Most TAFE teachers would acknowledge that international students are an important financial as well as cultural asset to their programs. However, they sometimes

struggle with how to address the different pedagogical, language and social needs of these students, particularly when they are part of a larger class rather than a discrete group.

- The International Centre at the Gordon, as in many other TAFE Institutes, plays an important role in ensuring that the international students feel supported, cared for, have their needs met and that teachers are also supported in their role.
- Cultural implications of teaching students from diverse backgrounds.
- Level of pastoral care required to support international students.

Do you anticipate that demand for VET from international students will continue to grow? If so, with what further impacts on the VET sector and its workforce?

- Yes – but we will need to work harder and smarter for each international student. In addition, we may need to do more delivery offshore as countries decide to invest in their own capability for skills training and want us to train the trainers.
- Two immediate impacts:
 - (i) TAFE teachers may end up with less exposure to international students in their classrooms, which may exacerbate any difficulties with dealing effectively with the teaching and learning process; and
 - (ii) teachers will need to develop exceptional skills to deliver overseas in unfamiliar environments or online – this is a challenge.
- Risk management implications of setting up projects overseas.
- Attraction of staff to work in international locations.
- International law and business understanding will become increasingly important.

4. Supply of the VET workforce

Maintaining workforce capacity

Demographic factors

What are the demographic challenges emerging around the supply of VET workers over the next five to ten years? How might these challenges affect the VET sector's capacity to attract the right number and mix of suitably qualified workers?

- This has been answered in sections 1. and 3. Basically, we are aware of demographic, skills and technology challenges over the next 1-5 years, and will do what we always do – seek opportunities and try to deflect risk while being as nimble in the market as possible. We know that we have challenges, particularly in terms of an ageing TAFE teacher workforce, but we are already working on processes of recruitment, partnering, succession planning, building internal capability, flexibility, etc., to try to address these challenges.

What do you think are the key factors influencing an individual's decision to work in the VET sector? Do these vary for different types of potential VET workers? Does VET have difficulty attracting and retaining suitable staff in key training areas?

- Again, I think a lot of this was covered off in section 1. The key factors influencing an individual's decision to work in the TAFE sector are varied – for example, I did my doctoral research on a cohort of polytechnic students and from that developed a passion and respect for vocational education and training and a desire to work in VET, which I have done as a teacher and as a senior manager/CEO. There are men that work in heavy trades who see TAFE teaching as a natural progress of, first, getting off the tools and, second, getting into a respected profession and giving something back to their industry. There are some teachers who see that the hours and semester breaks are more amenable to caring for school age children and first come into TAFE just for that reason, even though they usually develop a passion for the work itself. There

are some for whom TAFE work is just one product within a portfolio of employment, where they may work for 5 different employers including, for example, two TAFEs, industry, private RTOs and their own business.

- Attracting and retaining staff in key training areas will become more difficult, depending on the area – highly specialised skills that are in demand in industry, for example. This is an area where we will need to look at salary premiums, part-time work, partnering with industry and other TAFE Institutes, and using consultants.
- Succession planning will go a long way towards addressing this issue by building internal capability.

What are the key pathways into and out of the VET workforce? Do these vary for different groups in the workforce, for example by provider type, job role or area of discipline?

- Again, as above in section 1. Most TAFE providers expect teaching staff to have 1-5 years industry experience plus at least Cert IV/TAA on arrival at the front door – in this regard, industry would be the key pathway into the TAFE workforce. Virtually no TAFE teacher, except in very specific and specialised (and probably part-time) areas, would be employed straight out of school or university (an example might be English Language teachers). Industry or professional experience is at the heart of TAFE teaching.
- While some TAFE teachers develop a portfolio of employment products (see question above), and some will leave to establish their own business or go back into industry, many will leave due to retirement or because they are moving to another area (and are likely to take up VET teaching in that area).
- TAFE support staff will have a myriad of pathways into and out of TAFE, and some will stay for all their working life in the same job, some will embark on a career in the TAFE Institute, and some will leave – just like an ordinary (large) commercial business. (An example, in my own office, is a middle-aged woman who was a student at the Gordon, took up part-time work in the Student Office, then was asked to take up a job in the Executive Office, and says that one of the things she loves about the TAFE is that she can job share or work reduced hours when she needed this, especially as a woman.)

How do remuneration and hours of work in VET compare with those of relevant industry or occupation benchmarks? How important are these factors to the decision to enter or remain in the VET workforce? Does the importance of pay and conditions vary for different groups within the workforce?

- Some TAFE Institutes, typically metropolitan, find competition for staff leads to new staff being offered the top salary range. Smaller regional Institutes lose staff to the metropolitan organisations in areas such as the Gordon carpentry program when they are unable to match salaries.

What are the implications of the falling rate of completion by apprentices for the future supply of VET workforce?

- While the NCVET 2009 Australian vocational education and training statistics – Apprentices and Trainees data shows commencements fell 17% for trades, overall completions increased 3.5% and cancellations and withdrawals reduced by 8.7% nationally, Geelong Building and Construction apprentice program area commencements have trended up by 9% average annually over the last five years. Staff recruitment from this cohort is expected to be sufficient. Areas of regional decline such as manufacturing may experience staff recruitment difficulties in five to ten years. In the short term these teaching programs tend to employ skilled workers displaced from the regional declining area.

Enhancing workforce capability

Are there tradeoffs between technical skills and teaching skills and, if so, which skills are more important?

- Yes – it will depend on the area (for example, teaching Foundation level students may require greater expertise in teaching than in the technical skills being imparted). In the main, I would consider that teaching skills remain an ongoing professional development activity for TAFE teachers, whereas they are required to have a specific level of technical skills before they start teaching – so the emphasis, initially, would be on values and technical skills.

Would increasing qualification standards make entry into the VET workforce more appealing and/or more difficult? Would these changes produce better student outcomes?

- It is likely that, in a period where TAFE will be struggling to find teachers to replace those retiring, increasing qualification standards for entry into TAFE teaching would be detrimental for recruitment. There should, however, be strong expectations and support for TAFE teachers to participate in a qualification program beyond Cert IV/TAA (which is in place in the MBA at present – teachers can only progress on the career ladder if they have a relevant Diploma); there should also be strong expectations, even requirements, that TAFE teachers participate in formal professional development every year.
- This combination of enhanced qualification (but not required for entry) and formal, designated professional development should produce better student outcomes.
- Re TAFE support staff, we are already expecting most applicants for most positions to have higher level qualifications, demonstrated skills and previous work experience – we would rarely hire straight out of school.

What workforce development options exist for VET workers seeking to develop their VET knowledge and skills? Industry currency? Trainer/assessor competence?

- For TAFE teachers, there is an expectation that they will become competent trainers/assessors in industry and that they will maintain industry currency. Meeting that expectation will be variable across the organisation.
- There are programs in Victoria through the TAFE Development Centre that will fund TAFE Institutes to go out into industry to maintain their currency – this can be done in a myriad of ways and is a great program. However, the funding is not sufficient to enable all teaching staff to do this.
- Many TAFE teachers do maintain industry currency through the assessment and apprenticeship training work that they do out in industry. Some also have their own businesses that they work on outside of TAFE hours. And some are consultants who maintain their currency because it is vital they do so if they want to be employed on projects.
- Sometimes industry is invited into the Gordon to meet with relevant staff and talk about their training needs, and sometimes our staff are invited to meet with an industry forum.
- It's not perfect – it is in development, and there will be some teaching staff who are threatened by the notion of going out into industry to test their currency.

Are these options adequate? For public and private providers? If not, what other workforce development activities are desirable? How should these be funded? How should they be delivered?

- These options are flexible and adequate for TAFE Institutes – they just need to be professionally systematised to a greater degree so that teachers are aware of the need to maintain industry currency, to be able to demonstrate this currency and to seek opportunities to gain further currency and report on this.
- We need to develop some processes around this so that it is not ad hoc and so that it can meet the varied needs of each teaching area.

Is a workforce development plan needed? How might a plan be developed? What would be its key elements?

- See above – yes there needs to be a workforce development plan for both teaching and support staff that would require industry currency to be considered as part of that plan.
- HR/OD are working with Enterprise Directors at the Gordon.
- Part of a whole workforce development plan for the Institute, not just singular instances.

What are the key knowledge, skills and abilities required of effective VET professionals? Are the avenues through which practitioners can acquire the skills, knowledge and abilities needed to move into professional roles adequate?

- Key knowledge, skills and abilities for TAFE teachers are: excellent industry/technical skills and knowledge on entry into teaching, plus Cert IV/TAA teaching qualification.
- The CertIV/TAA at present is not adequate for a staff member to go directly into unsupervised teaching. Preferably the review of this qualification will make the classroom practice component compulsory in order to get the “ticket” into TAFE teaching – at present, it is an elective.
- In addition, the Gordon is exploring a significant period of induction into TAFE teaching for new teachers before they are put into a classroom situation – this would include sessional staff. What we would like to do might be unrealistic, but the exploration is important in terms of best teacher and student outcomes.
- In terms of support staff, the Gordon would generally expect that they would arrive in the Institute with key knowledge, skills, qualification and abilities for the nature and level of the job they are employed to do. Probation is in place for new staff and this can be extended if it becomes clear that the staff member needs further development and review. Engagement with ongoing professional development is expected as part of the performance review process.

Are administrative and technical support roles in VET changing? If so, is the workforce readily available to fulfil these changing roles?

- Not all, but many of these roles are changing in the TAFE sector. We have much higher expectations of candidates for jobs at all levels and we find that we are getting a higher level of applicant for many positions. However, some specialist areas – IT, Finance, Facilities, and senior management in those areas – present issues re relativities with the private sector for salaries and conditions.
- While, in a regional city, the workforce may not be readily available, we are finding increasingly that there is a regional move from Melbourne as housing becomes more difficult to find and expensive, and as people realise that they really want to have ready access to a work/life balance in a regional area with many attractions. Part of this is the ageing workforce in Melbourne wanting to make that shift pre-retirement. In many areas for support staff, we are getting superb applicants for positions. Salary levels can then sometimes become a barrier to employing the successful candidate, given the competition.
- Executive salaries are pegged for public service relativity which can be a barrier to employing the right person for the job.
- In terms of changing skills required, working at the Gordon at the moment is an attractor for support staff. The TAFE is in full change management mode and is exciting place to work; it is also a place where, currently, people are asked to extend themselves, learn new jobs/new skills and are given opportunities to flourish and move into new positions.

5. Institutional arrangements

Influences on human resource management

Do performance management systems within the VET sector adequately support improvements in workforce efficiency and effectiveness? If not, how might they be improved?

- Performance management systems vary across Victorian TAFE institutes, and occasionally within, to contextualise the process to staff cohort requirements. There would be other approaches taken in private RTOs as well. Effectiveness of performance management could be inferred from organisation performance, based on system wide government measures.
- Improved performance management generally results from a supportive area performance culture, high manager capability, sufficient staff preparation and sufficient staff training related to this. Improvements generally accrue from effective change management and staff training.

To what extent are industrial instruments aligned to contemporary work practices in the VET sector?

- VET sector contemporary work practices are shaped by contemporary industrial instruments. Private RTOs that do not work within teacher awards are able to offer staff and clients a broader range of opportunities. Simplifying the Victorian teacher award as noted in the questions on productivity below would help TAFEs.

Can you foresee a greater role for performance pay in promoting workforce efficiency and effectiveness?

- Performance incentive payments for direct sales staff would be helpful. Careful incentive scheme construction would be needed to ensure sales staff support each other.
- Incentive payment system design based more on team success than individual success would help teaching team performance. The individual assessment component in this should include agreed behaviours supporting team success.

Can you identify any other changes to industrial instruments that might contribute to higher workforce efficiency and effectiveness?

- See questions on productivity below.

What role should individual providers have in the development and form of industrial agreements they are required to use?

- See questions on productivity below.

Employment and work practices

What factors drive the types of employment arrangement adopted by VET providers? Are there systematic differences between public and private providers? If so, why?

- Systemic differences exist between public and private providers. TAFE providers are required to employ staff under state based teacher awards, while private VET providers face no such restriction. Private VET providers may choose any employment mode. Additional restrictions are placed on public providers such as a prohibition on the use of labour hire companies.

What effects do each of these forms of employment have on the efficiency and effectiveness of the VET workforce?

- TAFE staff recruitment is made more difficult due the smaller range of staff employment mode options offered.

Are team approaches becoming more common in the VET sector? In public or private providers? Do they hold potential to enhance the performance of the workforce? Are there any impediments to their implementation?

- Team approaches are fundamental to improving the performance of the workforce. Some impediments to implementation are unsupportive organisation culture, work team culture based on individual performance, low manager capability, and low staff capability and preparedness.
- One important impediment to effective team implementation results from the way older TAFE staff were employed. Staff employed before the rise of team based program area cultures were employed because they could work effectively by themselves. They were required to be largely self sufficient, producing their own teaching materials and looking after their own groups of students. Now we ask these staff to work in teams when they were employed with strong individualistic attributes.

Are teaching and non-teaching roles in VET blurring? If so, what does this imply for the efficiency and effectiveness of the workforce?

- The teacher role is changing to one with more of a business focus as opposed to blurring teaching and non-teaching roles. The client interaction resulting has generally been part of any good teaching practice, and as such is not making the role more administrative.
- Teachers have always had an administrative load to support their direct teaching. This has increased in recent years as AQTF, WorkSafe and ISO9001 quality and compliance systems have been implemented. This is not blurring teaching and non-teaching roles, rather increasing the administrative load on teachers while systems are implemented with a view to improving efficiency and effectiveness.

Could changes to funding models act to improve the productivity of the VET workforce?

- The Victorian TAFE Institute competitiveness has increased and training costs have reduced compared with other states over the last decade. Two major contributors to this are TAFE Institute autonomy in Victoria and the state funding model that supports this. Any change in funding model that reduces TAFE Institute autonomy would reduce productivity.

Do you have any other suggestions on ways in which the productivity of the VET workforce might be improved?

- While Victorian TAFE Institutes work in an industrial relations framework that is occasionally restrictive, there are many avenues for providing mutually flexible work arrangements. TAFE Institutes need to work with clients, managers and staff to use available arrangements creatively. Or, to put it another way, managers need to be mindful that often *people* are inflexible rather than awards. Management professional development, plus institutional will to change, would help address this issue.
- Individual teacher employment contracts based within a simplified teacher industrial agreement could provide benefits for staff and improved organisation productivity. For example, teachers could choose to do significantly more teaching and less development of teaching material.

Do you have suggestions on ways in which the productivity of the VET workforce might be measured?

- Both quantitative and qualitative measures are needed to ensure a balance approach.
- Quantitative productivity measures could include current government measures such as those in the Victorian TAFE Selected Measures. Benchmarking across states would be useful. Consideration would need to be given to how this information is disseminated in a competitive training environment.
- Qualitative productivity measures should include client and stakeholder satisfaction to focus quality improvement on customer need.

Regulation of the VET sector

Should publicly-funded and privately-funded RTOs face the same minimum standards?

- Yes—at the very least, publicly-funded private RTOs should face the same minimum standards in all areas as TAFE Institutes.

What are the likely implications for the VET workforce in different jurisdictions and provider types of a national VET regulator?

- The immediate implication for Victorian TAFE Institutes is that Victoria will not be part of that national regulation at present—which is a positive outcome in terms of competition, innovation, strength and independence of the Victorian TAFE Sector, and its ability to meet local needs.

Might registration of VET practitioners and/or other professionals have benefits for their professional standing and practice? Would these benefits outweigh potential costs from higher barriers to entry into the VET workforce?

- If Victoria were to become part of the national regulatory system, it is likely that TAFE would be less flexible, more bureaucratically driven, more over-burdened with compliance rather than continuing to move towards self-accreditation.

6. VET Workforce planning

What are the implications, for VET workforce planning, of the growing role of internal VET competition and contestability and student choice in the VET sector?

- Workforce planning (including recruitment and retention) becomes imperative.
- Increasing internal workforce capability by investing in a range of professional development also becomes imperative.
- Inevitably, TAFE Institutes in Victoria will gain a more flexible IR instrument within a more competitive market.

How does workforce planning, in this environment, continue to take account of industry requirements for skilled workers?

- More targeted, more employment mix, more contracting and partnership with industry, different modes of delivery.

7. Lessons from other sectors and other countries

What are some of the caveats that need to be taken into account when making comparisons across countries or across sectors?

- Internationally: Australia has a different culture and, in general, a different attitude to further education and higher level qualifications, than, say, the Nordic countries.
- TAFE “fits” the very pragmatic Australian approach to education that produces people who can do; however, there is then a gap when doing is not enough to create economic wealth, when thinking becomes a skills currency. TAFE teachers are having to make this bridge between an FE culture that was based in trades and secretarial training, to one that has to support a knowledge economy in the 21st with a broad and deep range of skills and knowledge—this is not easy and it is still an issue.

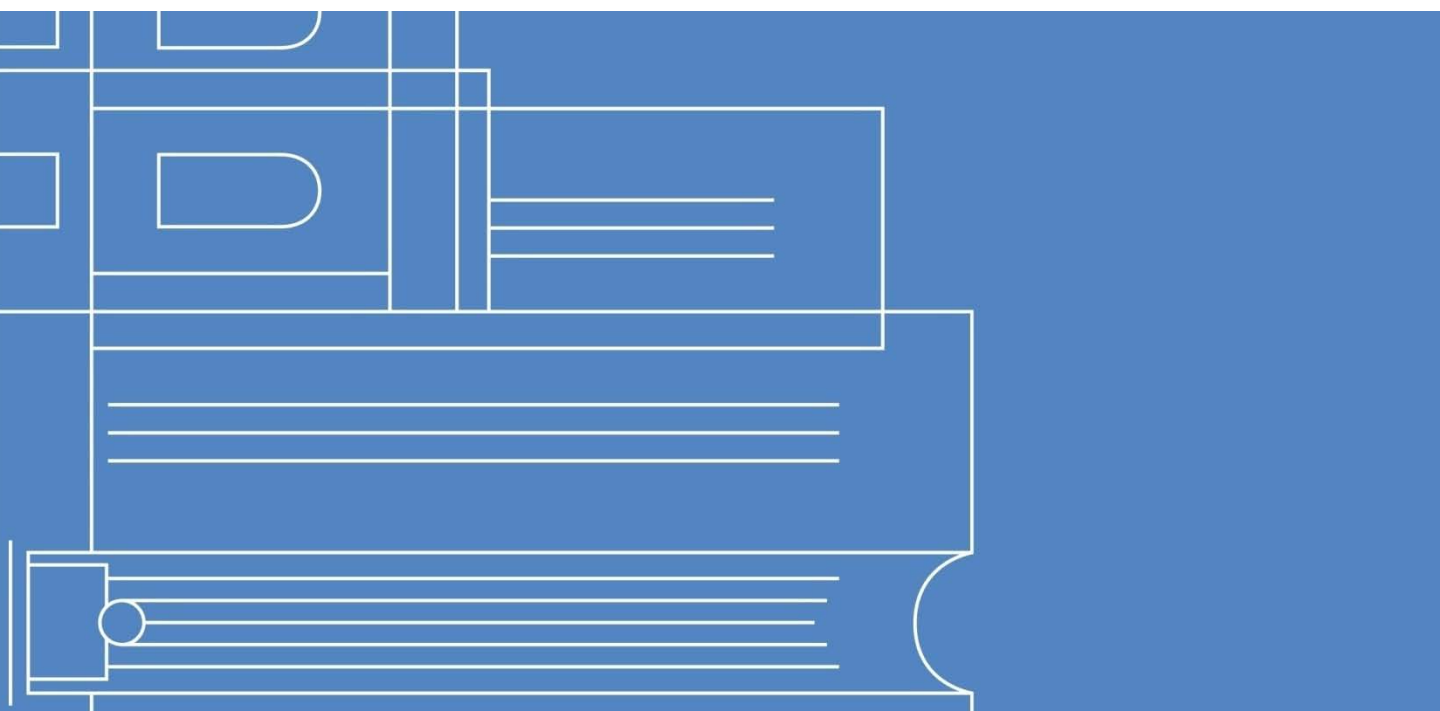
Appendix 1

Powerpoint presentation

Vocational Education and Training Workforce

Response to the Productivity Commission

Presented by:
Dr Wanda Korndörffer
Director, Innovation
15 July 2010



Overview

- TAFE as part of VET
- Focus on Industry
- Becoming a Business
- Pathways

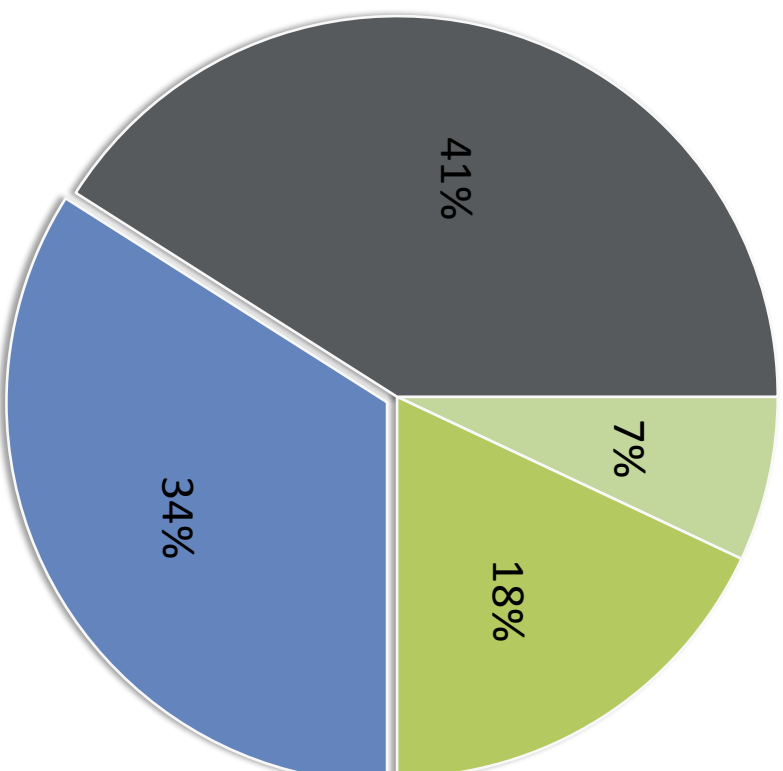
Changing

- Changing landscape of TAFE
 - Policy
 - Cohorts
 - Technology

TAFE staff

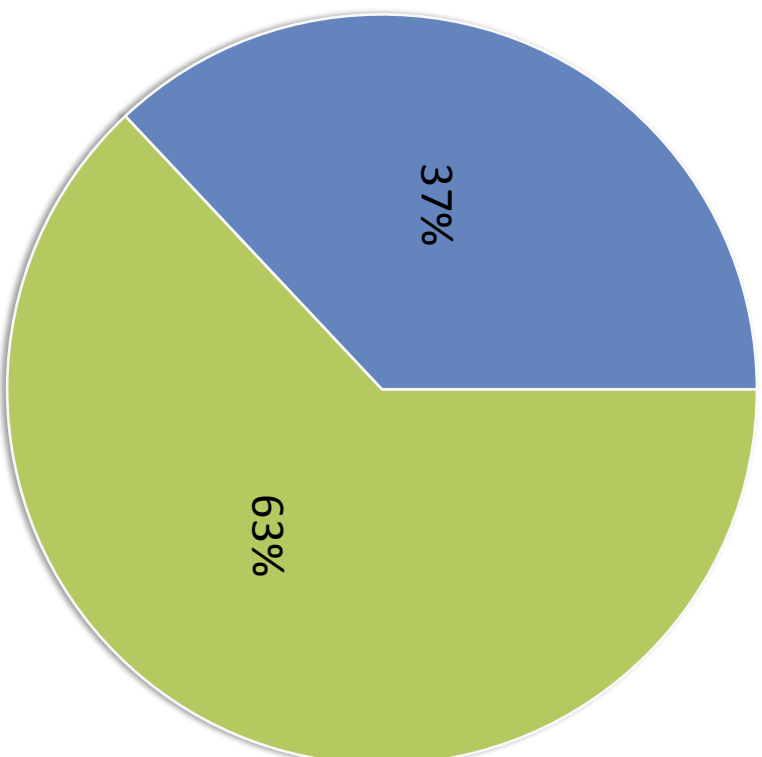
- Attracting and Recruitment
- Workforce Demographics
- Coping with Change

Age Profile



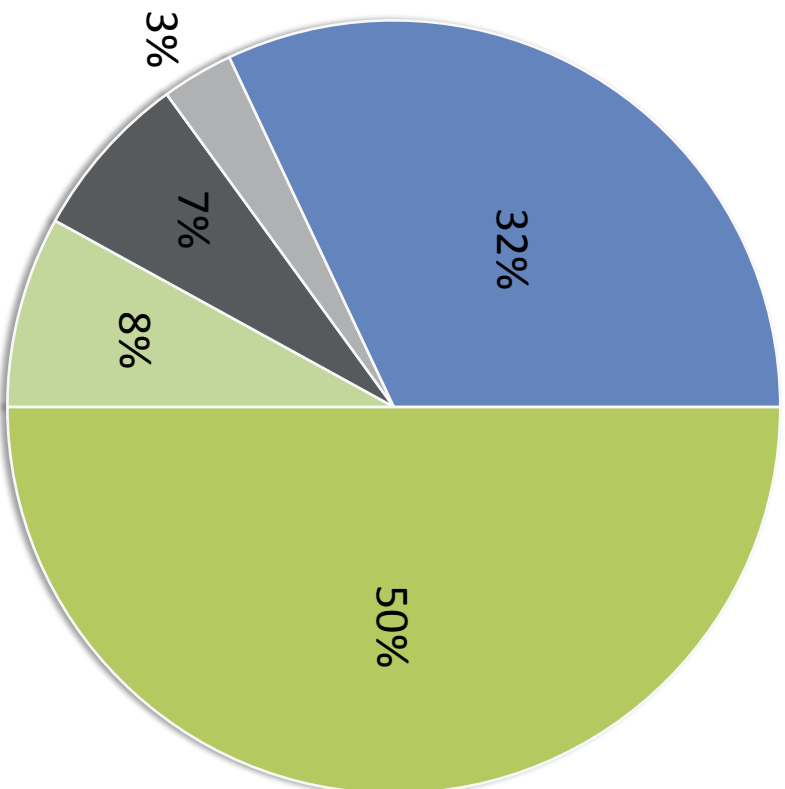
- 0-29
- 30-39
- 40-49
- 50-55+

Overall FTE



- Teaching
- Non Teaching

Workforce breakdown FTE



- Ongoing Full-time
- Fixed term Full-time
- Ongoing Part-time
- Fixed term Part-time
- Casual (teachers & support)