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The VET workforce: ACTU submission in response to the draft research report of the Productivity Commission

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ACTU
Level 6, 365 Queen Street
Melbourne VIC 3000
www.actu.org.au

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Introduction

The ACTU welcomes the opportunity to respond further to the draft Productivity Commission report and recommendations released in November 2010.

In doing so, the ACTU continues to rely on the written submission it made on 31 July 2010 in response to the initial Productivity Commission issues paper that started this review.

That submission focused on the key issues which in our view needed to be addressed to improve the capacity and capability of the VET workforce. These include:

- the level and quality of teaching qualifications (including ongoing professional development);
- the extent of casual employment in the sector; and
- the wages and employment conditions and other arrangements that cover the VET workforce.

This further submission in response to the draft report will focus again on these key issues.

While the draft report contains some useful findings and recommendations, in our view the Productivity Commission report in some cases has either not fully recognised the significance of these issues or its responses have not gone far enough in addressing them. The pre-occupation with TAFE employment arrangements and the failure to adequately address the quality issues around teaching qualifications are of particular concern.

The submission below will deal first with each of these key issues in turn, responding to the general analysis provided in the report as well as some of the specific findings and recommendations. The submission will then deal with several additional matters that emerge through the report and its findings and recommendations.

In making this submission, the ACTU supports and endorses the submission of its affiliate, the Australian Education Union.

The level and quality of teaching qualifications, including ongoing professional development

As we emphasised in our original submission, it is essential that the VET workforce is equipped with an appropriate grounding in the pedagogical skills required to deal with the diverse learning environment of the VET sector, and the opportunity to develop these skills on an ongoing basis. Only then can teachers expect to get the most out of the industry knowledge and experience they often bring to the role. Of particular importance are not only the general pedagogical skills and knowledge of how to teach a variety of learners in a variety of settings, but also pedagogical content knowledge; the ability to teach specific content by linking teaching theories and industry knowledge.

The report has made a number of findings and recommendations in this area that have merit and would be supported. However, a concern remains that the report still seems to understate the nature and extent of concerns about the certificate IV in terms of its content. There is also a tendency in the report - when faced with what the reports presents as a balancing act between not wanting to create barriers to entry and lifting standards for teaching qualifications - to err on the side of concern about barriers to entry, rather than focusing on lifting standards. In some ways this is a false choice, as raising standards and reprofessionalising the VET workforce could also attract new entrants.

We note also that since the release of the draft Productivity Commission report, the Quality of Teaching in VET project by the LH Martin Institute and RMIT has released a final report which deals with many of these same issues. We commend this report to the Productivity Commission for further consideration in developing its own final recommendations.

In terms of the draft findings and recommendations, the ACTU supports the following propositions:

- many people actively engaged in the VET sector as trainers and assessors do not have the necessary minimum educational qualification of the Certificate IV in Training and Education (TAE) or an equivalent qualification.

- The Certificate IV in TAE should maintain its status as a high risk qualification. Existing audit activity has not been sufficient and there needs to be more frequent and intensive auditing processes governing the delivery of this qualification, and of those RTOs who offer it. We note that this requires improved funding.
- Audit results should be made public to ensure greater transparency, encourage quality, as well as assisting students.
- There is a need for more supervised training delivery and evaluation by external assessors.
- A range of measures are required to attract and retain more Indigenous VET workers and improve delivery to Indigenous VET students.

Outlined below are further matters where we have some ongoing concerns and questions over the draft findings and recommendations in the report.

The adequacy of the certificate IV as a minimum standard

Variations in the quality of delivery of the Certificate IV in TAE have been a major issue and some of the proposals referred to above, in terms of auditing, should help address this. However, there do also appear to be ongoing questions about the appropriateness and adequacy of the content of the Certificate IV in TAE. In that respect, we do question the finding that the Certificate IV in TAE, when well taught, is an appropriate qualification for the development of essential foundation competencies for VET practitioners.

This finding suggests the problem is primarily an issue of delivery, but as set out in our original submission, there have been concerns expressed over a number of years which also go to the adequacy of the Certificate IV in TAE as a minimum standard in terms of its content. These included concerns about significant competency gaps in the qualification, especially in terms of different pedagogical skills, and that it doesn't meet skill and knowledge needs of either teachers or trainers and has lowered teaching standards. A more recent critique is contained in the Quality of Teaching final report, which questioned whether the revised certificate IV in TAE provides all that is needed of a foundation, entry level training program¹.

¹ Wheelahan L & Moodie G., The quality of teaching in VET: final report and recommendations, p.35.

Ultimately, these are matters best left to those with professional knowledge in this area to advise on, but we note that, at the least, one practical suggestion would be to make the current LLN elective a mandatory core unit. This would help respond to the finding that there will be an anticipated increase in VET delivery to disadvantaged students who may not have these foundation skills.

The ACTU notes that there has also been and continues to be a great deal of work done on the latest iteration of the training and assessment training package to address some of these issues, but there is still scope for the process of continuous improvement to be applied to the certificate IV qualification and the training package as a whole. As recommended by the Quality of Teaching report, this should result in a greater focus on teaching, pedagogy, how people learn, diversity and inclusiveness².

There is also merit in the idea put forward from a number of quarters that teachers who train and assess in TAE should have higher level qualifications than the entry level Certificate IV in TAE and demonstrated teaching experience.

Minimum teaching qualification requirements for the existing VET workforce and new entrants

Draft recommendation 8.4 provides that:

“... Within two years of commencing employment, VET practitioners should have completed the Certificate IV from TAE10. Industry experts, working under supervision, should be encouraged but not required to obtain a Certificate IV in TAE. Within two years of commencing delivery of training or assessment, enterprise trainers and assessors working under the supervision of someone with the Certificate IV, should have completed the Skill Set relevant to their role.”

The report also flags a proposal to increase to five years the time required for existing VET practitioners to undertake the certificate IV qualification.

² *ibid*

The ACTU views these proposals as insufficient. There should be a clear message given regarding the importance of all current and new VET practitioners undertaking, as a minimum, a foundation-level training qualification. Students, and for that matter governments and industry who invest in the training system, should be entitled to know that training is being provided by qualified teachers, and in that respect the current certificate IV is the bare minimum that should be required. This qualification should be completed within the first year for new entrants, and they should be given necessary mentoring and support from their employer and their training provider to help them do this successfully.

Any transition period for existing VET practitioners to gain the certificate IV should not be extended beyond two years. Again, extending this period fails to send a message of the importance of having properly trained VET teachers and it short-changes thousands and thousands of students, and the teachers themselves.

The exception being made for industry experts needs to be tightened up in our view to make clear what is meant by the term. Clearly, many VET teachers come to the profession with industry experience and qualifications, without necessarily having any formal teaching qualifications. This will always be the case as VET providers look to attract new staff with industry links, and this is to be encouraged. Many of these staff would be considered to be industry experts, but there is no reason such staff should not be required to undertake teaching qualifications. Again, this is in the interests of the students and the industry expert themselves, who, whatever their industry expertise, still require the ability to transfer their knowledge and skills to their students.

We note the concerns about barriers to entry and ensuring that industry experts can make a contribution to the VET workforce, but emphasise again that it is not acceptable to have a declining importance placed on the level and quality of qualifications required to teach in the VET sector. It should become an accepted part of their initial training and professional development that all new staff undertake appropriate qualifications. This requirement should be seen, not as a barrier to entry but a vital ingredient in improving and promoting the quality, status and professionalism of the VET workforce.

The only exception to this requirement would be a genuine, visiting industry expert who joins a class irregularly and is under the direction of the VET teacher (although an induction program of the type referred to below would still be beneficial). Once it becomes a more formal engagement on at least a semi-regular basis, the industry expert should be required to have at least an entry-level certificate IV qualification.

We emphasise again that the certificate IV must be seen as an entry-level qualification - the foundation for future professional development and qualifications – and not the end point for a fully qualified VET teacher. Capability development needs to be seen as an ongoing process, from commencement of employment and at important threshold points during professional careers. There is a need to look at more advanced qualifications at Graduate Certificate or Diploma level and the ACTU endorses the earlier submissions made by the AEU for a three phase approach to VET teaching qualifications that incorporates ongoing professional development.

We are also attracted to the idea of an induction program, proposed in the Quality of Teaching in VET report. The introduction of a pre-employment induction program would be an appropriate recognition of the way that new staff generally enter the profession, as described above. It is important the content of such a program is properly accredited and can count as credit towards the completion of subsequent qualification (s). The induction program should also cover the policies and practices of the VET sector as a whole, as well as the employing institution.

Professional development

The ACTU supports the focus on professional development in draft recommendation 8.8. As the report acknowledges, engagement in professional development at present is uneven and non-existent for many employees, particularly casual and sessional employees. The point we wish to reinforce is that professional development programs need to be focused on teaching in the specialist industry area and they should not occur in isolation from teaching qualifications.

In this respect, the teaching qualifications framework proposed by the AEU makes important provision for ongoing professional development. This recognises that while there will always be many in the sector with an intrinsic motivation to improve their skills and capabilities and seek out opportunities for professional development and maintaining their industry currency, this also needs to be provided for and encouraged in a formal, structured way.

To this end, the ACTU supports the position of the AEU that professional development should be based on accredited modules which contribute to the completion of the initial qualification and higher qualifications. This recognises again that teaching qualifications have to be acquired on the job and linking professional development to a qualification can make the activity more purposeful.

Providers should also be encouraged and/or required to develop specific plans to ensure casual employees have access to professional development.

Casual employment in the VET workforce

The ACTU submits that the report fails to adequately address the negative impacts of casual employment in the VET sector, a form of employment the report confirms is used extensively in the VET workforce, particularly in TAFE.

Without any real evidence in support, the report focuses on the supposedly positive features of casual employment, with little attention given to the negative implications that research strongly suggests are attached to casual employment, both across the workforce and specifically in relation to employment in the VET sector. As noted in our original submission, these include less access to training and professional development, and greater costs borne by casual employees when they do receive training. This is confirmed by the provisions for professional development in relevant industrial agreements, which as the report says are “almost non-existent for casual and sessional staff”.

The report explains away most of this casual employment as a case of industry experts who work on a casual basis in their second job as a TAFE teacher. Some of this may indeed be genuinely casual employment, and, as in most industry sectors, there is room for this type of arrangement to be accommodated through casual engagements. However, this type of arrangement alone does not explain the extent of casual employment in the sector.

The report itself at page 8.28 estimates that 17% of VET practitioners have a second job outside the education industry, and 25% of trainers and assessors are multiple job holders. However, casual employment in the sector is much higher than this. The report contains an estimate that 60% of TAFE trainers and assessors are employed on a non-permanent basis. Outside TAFE, it estimates a maximum of two-thirds are permanent and ongoing. As an ‘upper bound estimate’, this suggests up to 40% are non-permanent. The fact that casual employment in the VET sector is at these levels suggests it is not confined to the ‘industry expert’, but covers a number of long-term ongoing VET practitioners. This is reflected in the lengthy job tenure of many casual employees in the sector, as referred to in our original submission.

The extent of casualisation in the sector would also suggest that the Report's concerns about restrictions on the use of casual employment are unfounded. The report advocates 'more contemporary HR management practices', including the ability to engage staff on the most appropriate employment basis, including casual employment. However, with the already high level of casual employment it can be hardly be claimed that there are undue restrictions on the ability of providers to use this form of employment.

The report makes much of the restrictions on casual employment, but it is not clear how they have restricted it when casual employment is so high. Most of the so-called 'restrictions' cited in the report are simply statements of what casual employment is meant to be, and are designed to ensure that if employment is regular, systematic and ongoing this is a strong indication that permanent employment should be used. It should also be noted that these provisions governing the use of casual employment have been agreed to between the parties to these agreements.

In terms of the use of caps on casual employment which are used in some jurisdictions, the report states that caps are likely to be detrimental to the achievement of VET objectives. It is not clear precisely what these VET objectives are or how the use of permanent employment would present a problem in achieving them. The ACTU view, which has support in a number of other submissions to the review which are cited in the report, is that permanent employment has a number of advantages in providing employment security, attracting and retaining staff, improving morale, and in ensuring VET staff are equally accessible to students. Evidence is also available from the US to suggest that having a higher percentage of full-time staff with permanent tenure leads to better student outcomes³.

In any event, 'caps' are not the only mechanism which can be used to address the extent of casualisation. For example, the ACTU submission raises the option of casual conversion clauses which can be negotiated in agreements. Casual conversion clauses do not create a cap on casual employment, but simply give casual employees who are employed on an ongoing basis the option to convert to casual employment. If, as the draft report suggests, casual employees are happy to be employed in that way then the mechanism may not be used that often, but the option should be there in order to address the growth of the 'permanent casual'.

³ Op cit, p.19

The ACTU will have more to say on the issue of casual and precarious employment through 2011, including potential policy responses, and will be happy to share these proposals with the Productivity Commission as a way to address the high levels of casual employment in the VET workforce.

Finally, we raise our objection to one particular section of the draft report that takes an excerpt of our submission out of context and misrepresents the ACTU position.

The section of the ACTU submission quoted in the report at 7.22 is as follows:

“... the use of casual employment can be interpreted as a positive sign in some respects. It can be that VET practitioners work on a casual basis as a VET teacher or trainer, while their main employment is in industry...”

This excerpt is used to support a view that discounts the impact of casualisation by suggesting it is primarily used for those doing some occasional work in the VET sector. We acknowledge there is obviously some employment of this type in the sector but as noted above this does not explain the full extent of casual employment.

Moreover, a more complete excerpt from the ACTU submission shows clearly that our position is diametrically opposed to that suggested in the draft report, as set out below:

“... As is pointed out by some analysts, the use of casual employment can be interpreted as a positive sign in some respects. It can be that VET practitioners work on a casual basis as a VET teacher or trainer, while their main employment is in industry, however as noted earlier there is a paucity of data to confirm the nature and extent of these types of working arrangements. This points again to the need for more robust data on patterns of employment in the sector.

Overwhelmingly, the evidence is that continuing casualisation of the VET workforce is a matter of concern, not a trend to be welcomed. Across the workforce generally, there is a large body of research which points to the precariousness of most casual employment, characterised in terms of low pay, lack of standard employment rights and entitlements and high levels of insecurity⁴.

⁴ see for example Campbell I. Whitehouse G; and Baxter J (2009) 'Australia: Casual employment, part-time employment and the resilience of the male breadwinner model in L. Vosko, M' McDonald and I. Campbell eds., Gender and the Contours of Precarious Employment, London, Routledge, 60-75.

A particular concern in the context of this review is that casual employees in the VET workforce are disadvantaged in terms of the training and professional development they receive... ”

To be clear, the ACTU is not suggesting that casual employment could never respond to a genuine preference of employees. It is widely accepted that there is an appropriate place for short-term relief or irregular work, and many casual employees work in these types of jobs. The difficulty is that casual employment is not restricted to this type of engagement, and more often than not this is driven by employer, not employee, preferences. There are many casual employees in the VET workforce who have long-term, ongoing and regular employment but, by virtue of being labelled and engaged as a casual, do not have the basic entitlements associated with ongoing, permanent employment.

Wages, conditions and other employment arrangements

A feature of the report is its criticism of state-wide industrial agreements covering TAFE Institutes. The suggestion is that these create undue restrictions on management's ability to offer competitive salaries, and introduce more flexible employment arrangements.

The recommendation around this is not supported by any evidence that the existence of state-wide agreements are the cause of these perceived problems. The experience of our key affiliate in this sector, the AEU, is that state-wide agreements have proved to be an efficient and effective form of bargaining for the sector. They have provided a framework of fair wages and working conditions for TAFE teachers, encouraging mobility across the sector, with enterprise level discussions and arrangements providing employers and teachers with the capacity to negotiate working arrangements which suit both parties.

Bargaining in the TAFE sector should continue to be conducted at the level that suits the needs of parties in the sector. In the end, it is the content of those agreements rather than the scope or number of employers or workplaces to whom they apply which is critical.

Where difficulties do exist in extending more favourable wages and conditions to TAFE employees, this must surely be attributed more to the funding constraints that TAFE sector continues to operate under rather than the level at which agreements are being bargained.

Improved wages are always welcomed, but the report does not address how TAFE would suddenly be more able to direct more money at certain employees simply by the fact that jurisdiction-wide agreements were no longer used. If Institutes are in a position to offer more than award and agreement rates this needs to be done in a fair and transparent way.

The real concern is with suggestions in the report that some VET practitioners are paid 'more than is necessary'. The final report needs to be clear on what basis this assertion has been made and what is being proposed as a result. As it stands, the finding and recommendations in the report can read like a formula for reducing wages and conditions in certain sectors of the TAFE workforce either for existing or new workers. This of course would be unacceptable and would be firmly rejected.

The report is also unclear where it is going with its proposal at 7.36 for individual teacher employment contracts. The use of statutory individual agreements, or AWAs, has been rejected resoundingly by the Australian electorate at the past two federal elections. Neither are they a feature of the state industrial relations jurisdictions where bargaining in the TAFE sector takes place. The Australian Government policy is reflected in the objects of the Fair Work Act, which, inter alia, are designed to ensure *“that the guaranteed safety net of fair, relevant and enforceable minimum wages and conditions can no longer be undermined by the making of statutory individual employment agreements of any kind given that such agreements can never be part of a fair workplace relations system”*.

The report is also critical of wage structures that are linked to qualifications, but these provide a critical element in encouraging ongoing skills development and improving the professional status of the workforce through a renewed focus on the quality and level of teaching qualifications. VET practitioners should expect to be paid well commensurate with their qualifications and experience and in keeping with their professional status. This is crucial to the future attraction, recruitment and retention of VET teachers alongside employment security, career progression, opportunities for professional development, and supportive work environments.

Additional matters

The role of unions in the VET sector

The overview of the VET sector in the draft report overlooks the integral role played by unions in an industry-led training system on behalf of their members and VET students and workers more generally. Just as – as the report says – ‘employer peak bodies play a key role in shaping Training Packages, and contribute to other major VET advisory arrangements, including Industry Training Advisory Boards and the National Quality Council’, so too does the ACTU and affiliated unions. This should be reflected in the section on the role of industry at p.XXXIX. The term ‘industry’, at least in the VET context, has traditionally been taken to encompass the perspectives of both employers and employees, and their representatives. This is confirmed later in the report at p. 5.10 which states ‘Industry is taken to include individual employers, as well as employer and employee peak bodies’.

Data

The ACTU supports the draft findings and recommendations around the need for more and better data on the VET workforce. The NCVET, Skills Australia and others have highlighted the difficulty of getting accurate information for the VET workforce at present, on topics such as movement in and out of the sector, the career paths of VET staff and their qualifications, salaries and working conditions. Problems identified include numbers not being reported consistently or comprehensively and discrepancies across different studies. Even in the TAFE sector there is no regular consistent national collection of workforce data.⁵

The fact there is no targeted and consistent collection of data on the VET workforce is a limiting factor in being able to conduct any meaningful workforce planning at a sectoral level and needs to be addressed. The ACTU supports the needs for better quality data on the VET workforce as a key component of a national workforce development strategy. A combination of an administrative collection using information already collected by providers, and a direct survey of employees is one option to explore.⁶

⁵ Guthrie, H., Mlotkowski, P., and Nechvoglod, L., National TAFE Workforce study 2008, NCVET, p. 30, in Guthrie, H., (ed) (2010), Vocational education and training workforce data 2008: A compendium, NCVET.

⁶ Guthrie, H., (ed.) (2008) VET workforce data 2008: a compendium, p. 12, NCVET.

Conclusion

There are major challenges ahead for the VET sector, and until recently there has been insufficient attention on how the VET workforce itself is placed to respond and meet these challenges.

The work of this review could be directed in a positive way to identify the issues which are central to improving the skills and capabilities of the VET workforce and set out the options for reform.

For a sector that prides itself on its quality and professionalism and which is responsible for the quality of vocational skills training that is provided to the rest of the workforce, the current situation needs to be improved.

The ACTU has put forward the following priorities for further action:

- the development of a national workforce development strategy for the VET workforce that includes an allocation of adequate resources for ongoing professional development, and for the development and maintenance of close links between teachers, providers and industry, support for sharing and diffusion of good practice, as well as more and better data on the VET workforce;
- the development and promotion of appropriate high level VET teaching qualifications and professional development for VET teachers, as part of a strategy for re-professionalising the VET workforce;
- Measures to address unacceptably high levels of casual employment within the VET workforce, particularly in TAFE; and
- A recognition of the continuing role of collective bargaining as the primary means by which improvements to wages and conditions, including enhanced professional career paths, can be negotiated with the VET workforce and their unions.

The ACTU supports the submissions of its affiliated union, the AEU, and we commend them also to the review.

The ACTU looks forward to the final report.