



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY**

**STANDING COMMITTEE ON EDUCATION, TRAINING  
AND YOUTH AFFAIRS**

(Reference: [Vocational education and youth training in the ACT](#))

**Members:**

**MS M PORTER (Chair)**  
**MR S DOSZPOT (Deputy Chair)**  
**MRS G JONES**  
**MS Y BERRY**

**TRANSCRIPT OF EVIDENCE**

**CANBERRA**

**WEDNESDAY, 3 SEPTEMBER 2014**

**Secretary to the committee:**  
**Mr A Snedden (Ph: 620 50199)**

**By authority of the Legislative Assembly for the Australian Capital Territory**

Submissions, answers to questions on notice and other documents, including requests for clarification of the transcript of evidence, relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Legislative Assembly website.

## **WITNESSES**

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*Amended 20 May 2013*

**The committee met at 9.46 am.**

**LIM, MR PATRICK**, Senior Research Officer, National Centre for Vocational Education Research

**THE CHAIR:** I would like to welcome you all to this hearing of the inquiry by the education, training and youth affairs committee into vocational education and youth training in the ACT. We are holding a third public hearing today and will be holding a fourth hearing in early September with a number of groups and individuals who have made submissions on this issue. The committee has published nine submissions on its website. A copy of the committee's hearing program for today is also on the table just inside the door.

Thank you for coming to represent the National Centre for Vocational Education Research today. Later in the day we will hear from the ACT Council of Parents & Citizens Associations and the ACT branch of the Australian Council for Private Education and Training.

You will get a copy of the *Hansard* after the hearing. That will be sent to you so you can check it for anything that you believe was not recorded accurately and give feedback to the secretary.

Have you read the privileges card, the pink card?

**Mr Lim:** Yes, I have.

**THE CHAIR:** And you understand its implications, Mr Lim?

**Mr Lim:** Yes, I do.

**THE CHAIR:** Thank you. Do you want to make an opening statement?

**Mr Lim:** Yes; I have prepared an opening statement.

**THE CHAIR:** That is good.

**Mr Lim:** I am a senior research officer with the National Centre for Vocational Education Research, specialising in Australian youth matters. We thank the ACT government for providing the opportunity to contribute to this inquiry.

For myself, I have experience in managing the data and research program for the longitudinal surveys of Australian youth as well as undertaking a wide range of research in the areas of youth transitions and other training-related areas. I also have knowledge of NCVER's primary data collections as well as our student outcome survey.

The National Centre for Vocational Education Research itself is now in its 32nd year. It is a private company owned by all ministers responsible for training in Australia. It has been set up as an independent body for the collection, management, analysis and

evaluation of statistics and research in Australia on the national training system. NCVER maintains a national standard for VET collection, the Australian vocational education and training management information system standard, AVETMISS for short. This standard outlines the minimum data requirements for a registered RTO and the data that these RTOs must submit to us on an annual, but moving towards a quarterly, basis. As of this year, all training providers in Australia are required to submit information compliant with that standard to us. This is either through their own jurisdictions or directly to us.

As well as the national VET provider collection, we manage the national apprenticeship and training collections, the VET in schools collections and the student outcome survey, which is a national survey of student outcomes for graduates and module completers from the VET system. At this stage, it is publicly funded VET. We also survey employers for their views on the national training system and we maintain the national VET finance data collection.

Since 2007 we have also managed the longitudinal surveys of Australian youth, involving both data management and collection and the production of a range of research products. Further, on behalf of our owners, NCVER undertakes a program of commissioned research, which is a competitive funding round for which researchers apply for funding. We also conduct our own in-house research program, a program of work for senior officials and a small amount of relevant commercial consultancy.

That is my brief intro.

**THE CHAIR:** Thank you very much, Mr Lim. In relation to the data that you collect, how is that used? Is that used to inform the training environment as to what they should be delivering into the future, is it informing government, or does it do both?

**Mr Lim:** It does both. Up until this point we have been collecting publicly funded VET information only—and select private fee for service based on whether the providers provide that to us. We produce key reports and statistics which are provided to owners as well as the sector, but it simply is the level of publicly funded VET in Australia. As to how that is used, we also do research on that data, so we identify key trends or we do environmental scans for various industry skills councils using this information; we also feed that information back to the RTOs and TAFEs themselves—in particular, information resulting from the student outcome survey, which is about student satisfaction and their destination six months after they have completed their training.

**THE CHAIR:** With the student satisfaction, is that tied to a certain VET or is it just generic satisfaction with the VET service?

**Mr Lim:** It is satisfaction with the course they completed at a particular RTO, mainly TAFE and publicly funded, as I said. So they completed a course in a particular year; we survey them six months later to see how satisfied they are with that course, what they are doing, how useful the skills they obtained were in their occupation and whether they have gone on to further study.

**THE CHAIR:** If you have got, for instance, a high unsatisfactory reading from one

particular sample, what would you do with that particular feedback?

**Mr Lim:** We would provide that information to the relevant interested parties. We are not necessarily there to advise why this is occurring; we are simply there to provide information for stakeholders to use.

**THE CHAIR:** Could you just explain to me why some come to you directly and some come via their jurisdiction?

**Mr Lim:** Each state sets it up differently. Some states require their registered RTOs to provide their data to them and then they submit that on their behalf to us. In other jurisdictions RTOs can provide that directly. As we move towards total VET activity, this is still being worked through.

**MR DOSZPOT:** Just a supplementary on that.

**THE CHAIR:** Okay.

**MR DOSZPOT:** You mentioned that different jurisdictions have different requirements. Where does the ACT sit in that?

**Mr Lim:** I knew you were going to ask that, and I do not actually know the answer; I am very sorry.

**MRS JONES:** Can you take it on notice?

**Mr Lim:** I can take it on notice; I will get back to you. Primarily, we get our information from CIT only, because that is where most of the public activity happens in the ACT. But we get information from about 80 providers in the ACT, though I do not exactly know where it comes through—whether it is direct or through—

**THE CHAIR:** So you will take that on notice?

**Mr Lim:** I will take that on notice.

**THE CHAIR:** Thank you very much, Mr Lim. I will go to Mr Doszpot for your question.

**MR DOSZPOT:** Mr Lim, just a couple of clarification points: in your submission you mention the category “ministerial-owned company”. Can you explain that?

**Mr Lim:** Yes, sure. All the ministers of training are shareholders in our company. We are a private not for profit. They all have equal shares.

**MR DOSZPOT:** Ministers as in?

**Mr Lim:** Ministers of training. In our case, it is the Department of Industry federally. It is DFEEST in South Australia, the Department of Further Education, Employment, Science and Technology—so not the ministers of education; at times they become blurred.

**MR DOSZPOT:** And the managing director is?

**Mr Lim:** Rod Camm.

**MR DOSZPOT:** A minister?

**Mr Lim:** No; he is an employee of the company.

**MR DOSZPOT:** Moving to a more substantive question regarding what you do, with the amount of data that you collect, does that include information on students with a disability?

**Mr Lim:** Yes, it does—and other equity groups as well. If they are in publicly funded VET, they are in our collection.

**MR DOSZPOT:** Do you have any observations on how students with a disability fare in your studies as compared to other groups?

**Mr Lim:** Yes, I do. Just give me a moment while I find some statistics on this.

**MR DOSZPOT:** Most of our questions relate to the ACT, so if you cannot answer any of these at the moment, and we understand there is a lot of information to absorb, we are very happy to get that information on notice.

**Mr Lim:** Absolutely. I have prepared ACT statistics. I just want to see if we actually report disability. We do. Just bear with me for a moment.

**THE CHAIR:** That is fine.

**Mr Lim:** Just general numbers?

**MR DOSZPOT:** If you can provide those to us, it would be useful for us, to have a look overall. I do not want you to be taking your time up with reading things for us now.

**Mr Lim:** Okay.

**THE CHAIR:** Are you able to provide that on notice or give it to the secretary for him to copy?

**Mr Lim:** Yes; I can leave you this. But maybe—

**THE CHAIR:** On notice.

**Mr Lim:** I do not know if you want a copy of that right now. I can leave it with you.

**MR DOSZPOT:** Yes, that would be good.

**THE CHAIR:** Whichever you feel more comfortable with. I do not know whether

you can just hand it over or whether you have to remove any of the information.

**Mr Lim:** No, I have no problem handing it over. This is all publicly available. I have just condensed it in a form where I have compared ACT with Australia.

**THE CHAIR:** Do you think you might need it throughout the hearing for a further time?

**Mr Lim:** It depends on the questions.

**THE CHAIR:** Hang on to it for the time being, and we will get it from you at the end of the hearing.

**MR DOSZPOT:** Just as a general question further to my previous question, are there any statistics in it that jump out at you?

**Mr Lim:** Not in terms of this. In terms of disability, the biggest thing we found is that research we have done on the Victorian training guarantee model has shown that disability enrolments have not increased under that sort of model. So that is the thing. And there are barriers to disabled people in terms of where they enrol. Not every provider can provide the facilities they may need for them to participate in VET. The barriers to entry are quite large, because disabled people are also typically disadvantaged in other ways—lower incomes, lower SES. They are more likely to be in lower level certs rather than higher level. In terms of the student outcome survey, I will take that on notice. I will see if there are any differential outcomes for them. I was focusing on youth transitions more than equity in my research.

**THE CHAIR:** I have a supplementary to Mr Doszpot's question. With respect to the equity question, what other groups do you particularly survey? You mentioned people with disabilities?

**Mr Lim:** Indigenous. We identify low SES, which is measured using ABS SEIFA categories. There is also English as a second language. These are what we report against; we collect information against others.

**THE CHAIR:** We have a particular interest, obviously, in all of those, so it would be good to get that afterwards, and we can have a look at it more carefully then.

**Mr Lim:** Okay.

**THE CHAIR:** I have a supplementary to the shareholder issue. How does a not-for-profit group have government ministers as shareholders?

**Mr Lim:** The company was set up with them as owners. It was, as I said, 32 years ago. It is mainly to keep us independent from government. We are an independent organisation. We are private. I do not know if you have heard of ANTA. We were set up in the same way as ANTA, which is the Australian National Training Authority. Apart from that, I do not understand the articles of association. Primarily, our funding is government funding. We are a government organisation in that regard.



**MS BERRY:** In your submission, on page 2, the Kira Clarke article talks about certificates I and II being good for preparing kids for further vocational training but do not actually have an impact on employability. Can you tell us why you think that is so?

**Mr Lim:** That relates to them being undertaken through VET in schools. Kira Clarke's paper is a VET in schools paper. It is interesting about certificates I and II in that further in the same submission there is a paper by Damian Oliver, which is the third one. We find that certificates I and II are a stepping stone into employment; they are not necessarily a springboard to further education, particularly if they are undertaken by those who leave school early. So if you are an early school leaver—that means leaving before completing your senior secondary certificate—certificates I and II are really a way for that young person to get into the labour market.

**MS BERRY:** The Damian Oliver one says that it actually leads to employment but the Kira Clarke one says that it does not. Have I got that right?

**Mr Lim:** The Kira Clarke one is a bit more complicated because certificates I and II are undertaken as a VET in schools program, so they are part of the curriculum while you are at school. So there are other factors beyond just those certificates. In terms of the VET in schools programs, though, there is some angst in industry, and even among TAFE providers, in that it is not quite the same as what is being offered by VET, and industry do not necessarily think that they get the same workplace skills as they would get through a normal VET provider.

**MS BERRY:** Do you think that is because they are focusing on the wrong areas?

**Mr Lim:** I think there is a multitude of reasons. One of them is potentially because trying to fit a VET certificate into a school certificate may not necessarily work that well. Schools have to release students for workplace learning. You have to fit that within the school week. So there are all those types of things going on in VET schools. VET in schools around the country is implemented very differently, depending on what jurisdiction you are in and how much it counts towards your senior certificate. For example, in the Victorian model you have the VCAL, which is a specific vocational qualification year 12 equivalent; in other states the level of counting towards year 12 varies. It all has to fit in with the school system. Obviously, the school system is geared towards more generalist education than vocational education.

**MS BERRY:** Do you think from your research that the certificates I and II are meeting student needs, are they just meeting the school needs or filling a gap?

**Mr Lim:** That is an interesting question. Research about VET in schools that we have done shows that certificate I—can I just call it VET in schools rather than the actual certificate level?

**MS BERRY:** Yes.

**Mr Lim:** VET in schools is potentially doing two things, depending on the individual. One is that it is identifying, “Actually, I like the VET focus. I want to go to work. I will leave school early and pursue an apprenticeship or traineeship.” The other is that

it will change people's perceptions of, "I'll finish school and then do an apprenticeship or undertake VET," whereas in the past they might not have had those options. So it is doing those two things.

In terms of whose needs it is meeting, it depends on who you are. In terms of industry, as I said, they do not necessarily believe that VET in schools is the same as doing VET full time through a provider. The RTOs out there also do not necessarily believe that it is the same quality as what you would get through an RTO. In terms of schools and aspirations, it is definitely impacting on students and their pathways. Also we have to acknowledge that not every person at school is going to want to pursue an academic pathway. We know that year 12 is a minimum qualification. Research clearly shows that year 12 is the minimum qualification in the modern labour market. So if VET in schools is a way to make people stay at school, I think it is highly valuable.

**MS BERRY:** You just mentioned some VET organisations saying that the quality coming out of school VET programs is not as good. But that could be for a number of reasons, couldn't it? They are younger, they are not doing it full time and the school cannot release them.

**Mr Lim:** It is a perception, I think, rather than reality. It is simply that people are competing for students. It really is just a perception. Whether it is true or not, I do not know the answer to that. Because the models of VET in schools across the country are so diverse and so different, I do not know.

**MS BERRY:** Based on the needs in each city, I guess.

**Mr Lim:** And even each state, and the way that they have set it up. For example, in Queensland all schools are RTOs. In other jurisdictions they have a cluster of schools that they use as RTOs or there are partnerships directly with RTOs. There are all those types of difficulties going on.

**THE CHAIR:** I have a supplementary about that and it looks like Mr Doszpot might have a supplementary on that as well. I suppose there is no qualitative study of that aspect that you were talking about. One of the things that you touched on was that if it helps a young person to stay in the education system and not lose heart and keep on until year 12, obviously that is a useful thing. Is there any study about young people's attitudes in the research that looks at the risk—that looks at how happy I am and how I felt before? "Before I decided to do this, I wanted to leave school and now I'm doing this I don't"?

**Mr Lim:** You are right; there is probably no qualitative data. NCVET did a paper on VET in schools, but it was looking at whether people's intentions changed. We have not had a chance to talk to young people in this space. So in terms of a qualitative perspective, no, but we do know what some of the outcomes of it are from a quantitative perspective.

**THE CHAIR:** Mr Doszpot, your supplementary?

**MR DOSZPOT:** Mine is related to that question. You were looking at page 2, the

Oliver report. I quote from it:

After two years, males who have completed lower-level qualifications are more likely to be undertaking an apprenticeship or traineeship and females who have completed a lower-level qualification are more likely to be employed.

Obviously there are advantages in doing that. Can you explain the next sentence, which intrigues me somewhat:

At age 26, the differences for males are still apparent but have disappeared for females.

**Mr Lim:** Yes, I can explain that. This study looked at two years on from completion and then at age 26, because that is as long as the longitudinal surveys allow us to do. That says that males who do certs I and II still have an advantage over those who have left school early but have not done one. But for females, those in the group who have left school but have not done one have caught up to those who did certs I and II. That is an interesting phenomenon, and we do not know the reasons behind it. Potentially, it is because males are more likely to do an apprenticeship or traineeship after this. We know that apprentices and trainees, and more particularly apprenticeships, are a really strong, good outcome for young males—for everyone, but particularly for males, because there are more of them. So that is what it means. It is simply that the group that did not do one finally caught up, whether it is due to time in the labour market or other aspects.

**THE CHAIR:** Mrs Jones.

**MRS JONES:** I want to ask about the ACT in comparison to other jurisdictions. Are there any standout matters which you have noticed from your studies where we are either ahead or behind? We really want to make recommendations that will make a difference here. You see this from a national perspective. Can you—

**Mr Lim:** The first thing I want to point out is the VET in schools programs. Unlike the other states, ACT has a large component of VET in schools in non-government schools, in other words, the Catholic sector. That is very similar to Victoria. But in other states VET in schools is predominantly in government.

The second thing is ACT schools perform well relative to the rest of the country. It is a fairly high socioeconomic region or state jurisdiction and, therefore, ACT students do well. The impact of that, however, is that if you are disadvantaged and fall behind, you are behind much more than you are in other jurisdictions. The labour market is highly qualified, probably geared around the public service, not much else. And you have to move out, I guess, to pursue other occupations. Because of that disadvantage, it means you are disadvantaged.

Another thing is that the cost of living is a lot more expensive in the ACT and, therefore, if you are behind, you stay behind longer. Having said that, the other difference is that it is a highly mobile workforce. Lots of people come here for government jobs and then move away. Therefore, those who are here may feel disengaged or fall behind.

The other thing we have found is, I guess, youth boredom is an issue. If you are disengaged as well as bored, that can lead to social issues.

**MRS JONES:** Is that particularly strong in the ACT's data?

**Mr Lim:** The disadvantage is quite strong, as I said. And our social work comes from just general research.

**MRS JONES:** No, the boredom factor that you were talking about?

**Mr Lim:** The boredom factor just comes from general research about disadvantaged people in high SES communities.

**THE CHAIR:** So it is not a particular feature of Canberra?

**Mr Lim:** No.

**MRS JONES:** Just to make sure I have understood correctly, because our labour market is a highly qualified one, if young people have fallen behind, they stay behind longer. Intervention on those who fall behind might be worth more than in other places potentially as well to that cohort?

**Mr Lim:** Yes. The other thing that is good is high-performing schools bring up low-performing individuals. In the other case, you do not get high-performing individuals being brought down by low performers. Actually that is a good aspect. And ACT has got some of the best schools in the country.

**MRS JONES:** And the VET in the non-government schools is larger here than elsewhere proportionally?

**Mr Lim:** Yes.

**MRS JONES:** I have asked this of other people who have appeared before us: is there any effort that goes into where the gaps in the labour market are as opposed to what VET is being provided or any assessment of whether we are actually qualifying for the right positions? I spent a year in Switzerland when I was young, and they have a really highly managed system where they get X number of bakers each year because they need X number of bakers per head of population. I do not feel like we do things in such a targeted way, not that we want to make people's decisions for them. Have you got any idea about that?

**Mr Lim:** Generally we do and we do not. Particularly VET in schools is based on what schools can deliver: IT, maybe a bit of retail, coffee shop work. But anything that is heavily reliant on equipment is typically difficult for schools to deliver.

**MRS JONES:** But you are not just working on VET in schools, though, are you?

**Mr Lim:** No, we are not. Sorry, you are talking more generally?

**MRS JONES:** Yes.

**Mr Lim:** Yes and no. We are moving towards a student demand-driven system, which means students, particularly in Victoria, can do any course that they choose to, provided it is within their entitlement. And what we have seen there is that in terms of a skills shortage, we have seen a two per cent increase in skills shortage occupations but we have seen a boom in, say, fitness, simply because people have chosen to do that.

In terms of matching, we are not necessarily that good at it. In the past when we had a supply-driven system, we were better at capping places due to demand. In Victoria, basically they can offer whatever an institute is capable of offering in that particular occupation.

The ISCs do industry scans, and, of course, there is the Department of Industry's skills shortages. But training takes time. If we identify a skills shortage today, it may be three to four years before—

**MRS JONES:** But I am just wondering if that identification process is going on.

**Mr Lim:** It does go on. How well it is aligned to what we deliver is a question that we need to address.

**MRS JONES:** I do not think anyone is demanding of certain institutions that they have another three places for butchers or bakers or something, but the question I am asking is: where is that information held? We are not experts necessarily in that.

**Mr Lim:** It is held all over the place. The industry skills councils are places where they do it for their particular industries. Hopefully, ACPET might have—

**THE CHAIR:** What does that mean?

**Mr Lim:** They are the Australian Council for Private Education and Training, and you are talking to them later this morning. We are interested in training and capturing what is happening. We are interested in the demand in the occupations that have skills shortages, but we capture what is happening in the market. And there are lags in these things.

**MRS JONES:** And do you have any information about the ACT and what we are delivering against perhaps what the market needs?

**Mr Lim:** In the statistics I will give you, there are the types of training packages, the occupational areas and qualification levels that we deliver, compared with the rest of Australia.

**MRS JONES:** One final supp there: at the level of your organisation, are you drawing together the courses versus the gaps? Is there one centralised place where that occurs for Australia or not?

**Mr Lim:** We do not do it. AWPA, the former Australian Workforce Productivity Agency, would have been the agency that would be the one that would do that.

**MRS JONES:** Say that again.

**Mr Lim:** The Australian Workforce Productivity Agency, but they no longer exist. They are now a function of the Department of Industry. They were shut down earlier this year. Robin Shreeve was their CEO.

**MRS JONES:** So it would be better for us to direct that to the Department of Industry?

**Mr Lim:** Yes. They manage these things.

**MRS JONES:** Can I just note for the committee that perhaps we could get some of that information either written or get them in to answer questions.

**THE CHAIR:** Yes.

**MRS JONES:** Thank you.

**Mr Lim:** No problem. Sorry I could not help you more.

**MRS JONES:** No, that has been really useful.

**MR DOSZPOT:** You have presented some very interesting extracts from works that have been published. How do you determine the topics that you start doing further research in? Do you request people to send you topics that they would like examined? For instance, if we have some ACT-related issues which have not been covered, is the ACT, through whichever body you deal with, authorised to ask you to do some research on a particular area?

**Mr Lim:** That is a good question. We have several mechanisms for doing that. The first one is: we do a round of consultations with our stakeholders, the owners, about the types of priorities that they are interested in. That is done probably every three years. But our owners can come to us and say, "We are interested in this." The ACT being an owner, they are more than welcome to come to us and say, "We are interested in this."

**MRS JONES:** Through the minister, presumably? Is that normal?

**Mr Lim:** Through an officer. The minister is probably too high up. But you can come to us directly and we can start to work out the process for doing this. In terms of the problems we have with some jurisdictions such as the ACT, it is often small samples, small numbers of people. And we always have that problem, particularly with the longitudinal survey of Australian youth. We say, "Okay, we have some information." But it depends on how many individuals we have. For example, in terms of ACT student numbers directly, we are talking around 30,000 people in publicly funded VET, which is not too bad. So it all depends on what you are interested in. But yes, we are happy to take these questions on board.

The other way we do work is through a commercial consultancy. We call it a

commercial consultancy but it is not really. It is an organisation funding us to answer a question on their behalf, whether that is government or whether that is private or ISCs.

**MR DOSZPOT:** That was also part of my question. For instance, is there one particular body within the ACT that your organisation deals with?

**Mr Lim:** We deal with, I think it is, the education directorate. That is our primary one. They are the ones that supply the data, they are the ones that are our key contact in a statistics sense. But from a research point of view, we can deal with lots.

**MR DOSZPOT:** Has the education directorate had an input into some of the research that you have conducted in the past or are likely to conduct in the future?

**Mr Lim:** Yes. We have just recently undertaken one. We visited them in about March to get some of their views. They are also a very good critical friend to our research outputs. So they do contribute to that heavily. And while they have not directly asked us, there is no reason why they cannot in the future.

**MR DOSZPOT:** Would that request be done on a non-paid basis, or is that research then a consultancy research?

**Mr Lim:** It depends on what it is we are expected to do. For example, if it is about pulling out data and statistics, it may be. But if it is a broader, quantitative or qualitative survey, there may be cost involved. It just depends on where it comes from and what the question is. It is very difficult to answer that because research does not necessarily pay for itself. But our owners do contribute to us.

**MR DOSZPOT:** I think it is good for us to understand the parameters you are working within.

**Mr Lim:** Yes.

**MR DOSZPOT:** I have a couple more supplementaries. You mentioned that CIT is one of the major organisations that you have had contact with as well. Can the CIT ask any of these questions for potential further research or does that have to be directed through the education directorate?

**Mr Lim:** Anyone can ask and CIT, if they came to us, would have to do it on a fee basis. We will do research on their behalf if they are interested.

**MR DOSZPOT:** And independent RTOs would be in the same category?

**Mr Lim:** Yes. At the moment with independent RTOs, it is really difficult for us because we only started collecting private data as of this year. The other big—I think it is probably an aside—initiative is the unique institute identifier. That is going to open up a world of possibility of research questions in a few years time.

**MRS JONES:** Can you explain what that is?

**Mr Lim:** Sorry, in the past we have had data submitted to us where a client or a student is identified by what state and what institute they are studying in. If they change institutes we cannot necessarily track them because NCVET does not collect names and addresses. We maintain that privacy. The unique institute identifier means that any student in VET will be provided with a number or identifier which will follow them wherever they are in the system. So that will allow us to do a lot more longitudinal-type investigations of how many change courses, whatever they are doing, those types of things.

**MS BERRY:** You talked a bit earlier about the qualitative research on how people feel. The Misko and Priest article that you reference in your submission talks about what assessment practices students prefer. Can you take us through the findings of that reference that you have put in your submission?

**Mr Lim:** Yes. This one talks about the SOS. There is a whole range of questions about whether students were satisfied with their trainers, whether the skills were relevant, whether they thought they got support. On the whole we find that, in terms of satisfaction—and I will talk about apprentices at this point—the off-the-job training needs to complement the on-the-job component. You might get an apprentice who is working in a particular area or they are off the job and doing something different. That means students need good training plans in order to make sure that what they are learning at TAFE complements what they are learning in the workplace.

They also need support about general nurturing and guidance, particularly young people. For example, in Tasmania, their apprenticeship completion rates were fairly strong because they had fieldwork officers who would work with the apprentices to make sure that they did what they needed to do, and give them support and guidance. Yes, it is a smaller jurisdiction—probably a similar size to here—so they could do it.

It is very qualitative. Measuring student wellbeing is very difficult. There are many papers on different ways to measure it. Most of our work is about quantitative data, because we are a statistical organisation. The best thing to do is for me to send you this publication directly.

**MS BERRY:** Going on from that, what sort of assessment practices work for students? Are there ones that are better for some students than others? Are there some that are more widely used than others? Is that something that you have picked up in your work or in the work that you have referenced in your submission?

**Mr Lim:** In terms of VET, assessment is based on competency: “Can you do a task?” Often that is at the instructor’s discretion and it is not often tailored to a student; it is tailored to a classroom-type situation. There have been attempts to address this in terms of apprenticeships, by saying, “Okay, you can do a task. Let’s assess you so you can move forward.” Often what the employer thinks is competent versus what a student or a teacher think may be different. Students often feel frustrated that they think they are competent and their teacher at TAFE is saying they are competent but their employer is not willing to say the same thing.

Of course, in VET in schools, you have the conflict between competency-based assessment and the formative “I need to get an A” type as well. If there are 10



different people, there are 10 different needs in terms of how they want to be assessed.

**MS BERRY:** You mentioned before about there being a bit of a gap between the training that is being provided and the actual work experience. Does that happen more often in different careers? I have heard apprentice chefs say that they have been taught how to julienne vegetables and they are not allowed to be near any knives when they go into the kitchen.

**Mr Lim:** That evidence is throughout all the traditional trades—electrical, carpentry, chef. As I said, what the student and the TAFE think is competent and what people can actually do in a real worksite are different. There are conflicts there, but, to me, it is not necessarily the system; it is more that the three parties should get together and say, “This is what we are teaching.” What they do in a workplace is a skill for a particular employer but they need more diverse skills if they want to move around.

**MRS JONES:** Is it a bit like moderation? When they look at how they are going across different schools, in presenting different outcomes and learnings, they come together as teachers and do a moderation. Do we need to have a system of moderation between employers and the trainers?

**Mr Lim:** VET has a system where the training packages are moderated by industry regarding what is deemed as competent. So that does happen. But whether it happens at the individual classroom level, I do not know.

**MRS JONES:** Training plans. I know that primary schools are getting a lot more into individualised learning plans and things.

**Mr Lim:** Yes. Apprenticeships, in particular, are meant to have training plans. But if you are a 15-year-old or 16-year-old apprentice, how much power do you have over your employer and teacher?

**MRS JONES:** Maybe student-led conversations?

**Mr Lim:** Yes. With completion rates, one big area in completions that we have noticed with apprenticeships is that, with this three-way conversation, if that is really good, the completion rates are much higher.

**MS BERRY:** One of the things we have heard from witnesses is about training providers being deregistered because they are not meeting the standards or the requirements under the system. But we did not talk about where the employer sits in that space—not that the employer gets deregistered, but if the training provider is doing the right thing and the employer or the work experience space are not living up to their part of the bargain, what happens?

**Mr Lim:** Typically, the apprentice just leaves. There is no real assessment of employers that I am aware of. They are key, because without employers, you do not have an apprenticeship system.

**MS BERRY:** We spend a lot of time looking at RTOs, VET and trainers, and making sure they are doing the right thing. Employers are an important part of that—of course

they are—but there is no way that they are assessed on whether they are living up to their part of the—

**Mr Lim:** Not that I am aware of. Of course, ASQA—the Australian quality authority for VET—is very strong on providers. I do not know anything about employers, unfortunately.

**THE CHAIR:** Mrs Jones, do you have another question?

**MRS JONES:** Yes, a brief one. What data do you have about the difference in completion and competency for online offered courses versus in-person training?

**Mr Lim:** We do not have much information about the difference in delivery. We have completion rate data for courses and jurisdictions, and that is part of this package of stuff I can give you. But in terms of the mode of delivery, we do not have anything.

**MRS JONES:** I think it is certainly improving in the online delivery space, but it is not necessarily keeping up with face to face.

**Mr Lim:** Yes.

**MRS JONES:** It is more difficult, I think. This is subsequent to an earlier question: with the perception of VET in schools being not as good, have you ever had any thoughts—I know it is not your area of expertise—about how to address that? Could that be about publishing the data on the competency without names of students who were trained under two different systems? Is there a way of changing the culture around the way that is perceived? Sometimes very young people can be very competent. Just because you are two years younger when you finish a childcare course it does not mean you are going to be less competent.

**Mr Lim:** I do not know the answer. I am unwilling in this forum to provide an opinion on that. But there is also the perception that VET is seen as a poor cousin.

**MRS JONES:** VET is seen as a poor cousin to what?

**Mr Lim:** To other higher education pathways such as university.

**MRS JONES:** But higher education pathways are not seen as a way of learning how to do manual tasks, for example—or maybe they are.

**MS BERRY:** Do you mean “higher education” as in university—

**Mr Lim:** Yes.

**MS BERRY:** or do you mean “higher education” as in TAFEs?

**Mr Lim:** I mean university. So there is an image problem for VET overall, and for VET in schools in particular. But I do not know how to address that, and I am not willing to provide an opinion on that.

**MRS JONES:** We probably need to find someone to have that conversation with because we could have some recommendations around that.

**THE CHAIR:** We have nearly used up the allocated amount of time. However, Mr Doszpot has a couple more questions. Do you have enough time to stay here and be grilled for a little bit longer?

**Mr Lim:** I can be grilled for a bit longer; that is fine.

**THE CHAIR:** Thank you very much, Mr Lim.

**MR DOSZPOT:** I hope we are not grilling you but we certainly want to share information. We appreciate the fact that you have come all this way to let us know what you do. You have become aware of our terms of reference, no doubt, which address some of the issues you have looked at.

**Mr Lim:** Yes.

**MR DOSZPOT:** This is the first part of my question: when you leave here you may have picked up on some different areas that we are looking at, and there are opportunities to report back on the terms of reference. If there are any opportunities that you feel, having had this discussion with us, that the ACT could be utilising, could you keep in mind giving us some backup information on that?

**Mr Lim:** Yes, sure. How would I do that?

**THE CHAIR:** Through the secretary.

**Mr Lim:** Now that I have sat here, I can think of all sorts of things that would be relevant.

**MR DOSZPOT:** That is exactly what I was getting at. The second part of my question is: your submission outlines some very interesting research that has been done on issues that are quite important in what we are doing, such as “Have school vocational education and training programs been successful”, conducted by Anlezark, Karmel and Ong. There are a couple more after that on “What makes vocational training programs in schools work” and “Lessons and challenges: vocational education in schools”. I note all of these were conducted eight or nine years ago. Have there been any updates or further research which add to what research was done back then? Do these research areas get updated?

**Mr Lim:** If you look at, in particular, the Janet Porter one about vocational training programs in schools, Kira Clarke’s is a more recent publication on that. That is a space that is constantly evolving. So with those two topics, vocational education in schools obviously is constantly updated. But we update all sorts of things. We are always looking at traineeships and apprenticeship models. I acknowledge that some of them are old, which is why I have not talked about them as much as the more recent ones—particularly with respect to VET in schools and also lower level qualifications and traineeships.

**MR DOSZPOT:** My comment is not a criticism of the fact that they are old. Sometimes you can get a lot of value out of comparing what was done eight years ago to what is happening now. I just want to know whether there are comparisons between what was done back then and what is happening now and what steps have been taken to capitalise on some of that research.

**Mr Lim:** I can update that, and see if there is more in-depth information, if you want me to.

**MR DOSZPOT:** Yes.

**Mr Lim:** I will do that as well, through the secretary.

**THE CHAIR:** I have a quick question. Do you keep an updated list of the RTOs across Australia? Is there a list and is it a complete list?

**Mr Lim:** There is a list available through training.gov.au. It has all the providers.

**MS BERRY:** Going back to the perceptions, I know this is just a view, but is it a perception from the community or is it from other registered training organisations that school VETs are not at the same level? Is it coming from employers, students or a combination of them all?

**Mr Lim:** Kira Clarke specifically spoke to employers and TAFEs. TAFEs' view was, "They can't do what we do because they haven't got the time." The employers' view was, "Well, it's in schools. It's not necessarily the same as what's done through TAFE." I cannot point to any more than that.

**MRS JONES:** It is a bit like the Army Reserve versus the full-time military; they have that view of each other.

**Mr Lim:** I can understand why industry might feel like that, because the way VET in schools is delivered across the country is really diverse. VET in schools primarily is at the lower level certificate level. The school program possibly is a taster: "This is what this industry looks like." The VCAL—the Victorian Certificate of Applied Learning—is much more focused on a vocational equivalent to school.

**MS BERRY:** That is right; that is exactly what you were saying. You do not walk out of year 11 or year 12 with a certificate III or diploma.

**Mr Lim:** You walk out with a certificate I or II primarily.

**MS BERRY:** To get you either into the start of a job or an apprenticeship or into the TAFE system.

**Mr Lim:** Yes.

**MS BERRY:** Generally.

**Mr Lim:** And certificates I and II, as the research shows, are not necessarily viewed

as well as the higher level certificates.

**THE CHAIR:** There being no further questions, thank you very much, Mr Lim, for travelling to see us, which is great, for spending so much time with us, for undertaking to take on notice so much material and for providing us with that document that you are going to provide us with in a minute. As I said before, a copy of the *Hansard* will be sent to you and you will be able to contact the secretary if you have any difficulty with any of it. If members think of anything else they want to ask you, obviously they will do that through the secretary. Sometimes other questions are triggered when members have had a chance to think of what you have talked to us about today, which has been extremely valuable. We do value your time. Thank you very much for appearing before us, and we wish you all the best in your future work in this very important area.

**Meeting suspended from 10.37 to 11 am.**

**BOULTER, MR HUGH**, Executive Member and Treasurer, ACT Council of Parents & Citizens Associations

**THE CHAIR:** Thank you very much for coming in today. This is the third public hearing of this committee looking into vocational education and youth training in the ACT. We will be holding a fourth hearing later on, maybe in October. It was supposed to be in September, but possibly it will be October. The committee has published nine submissions on its website. A copy of the committee's hearing program—it had to be updated—is just inside the door. We welcome you today as the representative of the ACT Council of Parents & Citizens Associations. We will be hearing later on today from the Australian Council for Private Education and Training.

Have you read the privileges card, Mr Boulter?

**Mr Boulter:** I have, thank you.

**THE CHAIR:** You understand the implications in it?

**Mr Boulter:** I do.

**THE CHAIR:** Thank you. Today's hearing is being webstreamed and recorded. You will receive a copy of the *Hansard* afterwards, so you will be able to check it for any inaccuracies. If you are going to take something on notice, could you just say, "I'll take that on notice," so that we remember to check back with you for things later on.

**Mr Boulter:** No problem.

**THE CHAIR:** Would you like to make any opening remarks?

**Mr Boulter:** Yes, please, I would. The P&C council made a very short written statement to the inquiry probably about nine or 10 months ago. Unfortunately, the matter was not referred to me at the time, and I have probably got the most experience in the VET area on council. So I would seek your permission to broaden some of the discussion points around the matter. If I could get your permission to do that, I would appreciate it very much.

**THE CHAIR:** That is fine, Mr Boulter. If you want to table any additional information and leave that with the secretary, that will be fine as well.

**Mr Boulter:** The P&C council is the peak body in the ACT representing parents in public education. Therefore, we promote the interests of parents and other school community members both in the ACT and to the federal government. It is also appropriate for me to declare for the record that I am a member of the Board of Senior Secondary Studies in the ACT; I have served on the Board of Senior Secondary Studies VET subcommittee for about 12 months; I have recently served on the subcommittee chaired by John See into the review of the ACT year 12 certificate; and I am a member of the Government Schools Education Council. These positions are as a consequence of my role on the P&C council. In addition to the above, I am a board member of Daramalan College; however, I do not represent Daramalan College here

today.

I would like to indicate why I have taken a personal interest in VET, because I think contextualising this is important. My parents were intelligent, literate, numerate, socially aware people but represented a significant contrast. My mother went to school in Cooma and left at the minimum age. She walked to school in winter when the water was frozen in the gutter. She walked to school without shoes; her father was widowed and could not afford shoes for his six daughters. She never complained. She undertook vocational training and became a nurse, a vocation she used for most aspects of all of her working life.

My father, in contrast, was dux of his primary school and won a scholarship to a fine GPS school. He later went to university whilst holding down a full-time job as an articled clerk. His career was as a solicitor, barrister, QC and judge. He gained a vocational qualification aside from that, which was the diploma of public administration used by the DPP. He did not use this qualification as he was a bit like Rumpole of the Bailey in many respects, particularly because he never prosecuted; he only defended. I can assure you that being a barrister is a vocation every bit as it is a profession.

I, myself, come from a privileged background. I completed year 12, but I had major sight difficulties from the age of five through to 18. I had a series of five surgeries; however, only two were successful. Between times I could not properly read a book or see the blackboard, and came close to going blind. However, I consider myself lucky. It presented certain challenges, but I speak with some authority as a consequence of learning difficulties. I would have liked to have gone to university, but I did a VET course instead. That provided excellent grounding for me in a 35-year career in banking and finance. I did that while I was in full employment. I have also worked in the Faculty of Commerce and Economics at the University of New South Wales, including in student recruitment. So I have a strong engagement across primary, secondary and tertiary education.

I would hope that small snapshot would indicate to the committee that, at a personal level, as a parent and as a member of the ACT community, I am deeply committed to take action in the ACT education system. I would normally prefer to leave the talking to others, as the deputy chair may be able to acknowledge. However, today is different. Today it is my privilege to talk to the standing committee to represent the parents' voice on public education.

I strongly believe that it should be the goal of all of us to level the bar between students who have learning difficulties or disabilities and those who do not—and then raise the bar for all students so that all students are able to reach their academic potential no matter what their personal circumstances or situation. This is the single policy that underpins all the P&C council's policies. I say again: we need to level and raise the bar.

I am pleased to report the fact that ACT students continue to be among the highest performing students in Australia, with mean scores placing our students at the top or equal to the top in 16 out of 20 areas tested in NAPLAN. Students in the ACT continue to excel in reading as the highest performing jurisdiction in Australia, a

position that we have held every year since 2008. Participation in assessment programs, including trends in maths and science and progress in international reading literacy, shows that our students continue to perform well in relation to other Australian and international students. I believe that this is a reflection of our students, the passion of our professional educators and our unique secondary school structure.

In talking about VET, I do not believe we can avoid talking about universities and university funding. My rationale for this statement is that, with the changes proposed by Minister Pyne in university funding, I believe that we will see a procession of students out of university and into the VET system as a lower cost option for gaining qualifications. I believe that that is inevitable.

My first observation is that I believe we will need to have a degree of flexibility built into the VET system to accommodate this challenge as a matter of some urgency. I see this as a most immediate need for the standing committee to consider.

In terms of university funding, Australia is one of the richest countries in the world and we live at the richest point in world history, yet the federal government spends more time telling us what we cannot build than they do telling us what they want us to build. To link public finances with our public ambitions speaks volumes about Minister Pyne's lack of confidence in—or, worse still, understanding of—how important education is to this nation. History can tell us that no government cuts its way to national prosperity.

Unfortunately, the quickest way to increase the gap between the richest and poorest Australians is to cut education funding and to let universities charge whatever price they think students can pay for a degree. We are all aware that Minister Pyne's solution for higher education is to deregulate the price of a university degree and let vice-chancellors charge whatever the students or the students' parents can afford. To rub salt into the wound, he wants to charge a commercial interest rate for HECS debts. Given the cost of funds to the government, this is actually profiteering or price gouging of the worst kind, in my opinion. It might surprise you to know that, as a banker, I believe this is truly shameful.

My concern is that while the government has been clear that its solution is that students pay much more for a tertiary education, Minister Pyne has spent virtually no time explaining the problem that he is trying to address. He has not explained or justified the why of his argument. Minister Pyne has told us that the taxpayer simply has no more money to give, at a time when his leader wants to give \$20 billion away for a new paid parental leave scheme—money that, in my opinion, would be more effectively spent in best practice affordable child care.

The federal government's spending choices have little to do with the people and everything to do with the choice of government of the day. But that is democracy. The people see, but Minister Pyne does not, the irony that the federal government has found billions of dollars for roads, submarines and joint strike fighters. Therefore, it does not really wash that the federal government is saying there is just no money around.

Low income earners aspire to university or higher education, or to see their children



go to university or obtain higher qualifications.

Turning specifically to vocational education, I would like to say that, with the significant youth unemployment rate in the ACT, we should make youth employment a priority by improving the quality of education as well as creating more opportunities for young people to study and work and giving young people the skills they need to find jobs. However, two primary issues we need to focus on are making vocational education and training more relevant to young people's needs, balanced by the needs of industry and business, and encouraging more students to take advantage of the excellent ACT vocational education and training schemes that are available through VET at school, CIT or, to a lesser extent, private RTOs. The ACT has a very significant success rate compared to the rest of Australia, and that is something that we should be very proud of. I think we pretty much understand how the VET framework works.

What I would like to talk about for a moment is the business implications. In researching this matter, my second observation is that the standing committee has not received one submission from business. As a businessman, I find that very alarming. Does this mean it is antipathy? I do not think so. Does it mean they are not aware of the inquiry? Highly likely. On this basis, who takes the industry lead?

This has drawn me to conclude that a number of peak representative bodies have been abolished by the ACT government in past years, with a direct impact that there has been little or no effective cross-sector engagement or coordination of their activities—or, more importantly, identification of their changing needs. I ask the question: logically, how can business and industry articulate their needs in a coordinated fashion if they no longer have an effective voice? Perhaps with a small level of financial support, this body could also be used to obtain apprenticeship jobs for students in need; alternatively, it could even be self-sustaining economically, charging a fee for service. Accordingly, I would recommend the establishment of a single representative body for this purpose. Representatives should be drawn from significant VET employers, industry, the business council and secondary and tertiary education representatives. Otherwise, over time, we risk irrelevance.

I would like to comment now about private registered training organisations. For the purposes of this paper, private RTOs are defined as non-school-based private registered training organisations. Private RTOs make an important and worthwhile contribution to VET. However, we have to be cautious on a number of fronts. Firstly, it is very important that private RTOs do not cherry-pick courses, leaving CIT to become unviable over time. CIT must remain the predominant VET provider in the ACT. It is recommended that safeguards are put in place to protect its position. Secondly, CIT has certain community obligations which do not extend to the private RTOs. These community obligations can include teaching students with learning difficulties or learning disabilities. This can only be done with sufficient critical mass to justify amortising the cost over a large number of students. In summary, it is important that we do not dilute the capacity and the effectiveness of CIT by introducing too many private RTOs.

Next I would like to talk about school-based registered training organisations. School-based RTOs, particularly where there is trade training, have significant establishment

costs in relation to their facilities, sometimes running into millions of dollars. Excellent examples exist where government and non-government schools cooperate to deliver excellent outcomes. An example of this is Black Mountain School and Merici College: Black Mountain School students travel to Braddon, the campus of Merici, and are able to gain qualifications around catering and wait staff activities, for example. It is recommended that geographic partnerships are considered between government and non-government schools for the purposes of maximising the utilisation of predominantly taxpayer-funded facilities.

Next I would like to turn to student engagement. Careful consideration should be given to the broadening and deepening of VET courses which are delivered by school-based RTOs. This helps to keep students engaged who might otherwise be at risk of leaving school with little or no opportunity to differentiate themselves in the job market and thus unnecessarily contribute to youth unemployment rates. Courses must be relevant to the needs of both students and employers in industry and business.

Moving to the continuing registration of school-based RTOs, it is highlighted as a fundamental concern that school-based RTOs are very fearful of losing their registration as a consequence of minor or unintended breaches. The loss of registration, as has been the case, as I understand it, in two instances in the not-too-distant past, highlights the burden school-based RTOs have to deal with in terms of ongoing compliance. The unintended consequence of the loss of registration for a school-based RTO has a catastrophic effect on both the RTO and the students studying VET courses. Accordingly, it is recommended that support is given to school-based RTOs to maintain key aspects of their registration.

I would like to talk on the profile of VET amongst parents and students, as the last key item. Parents have raised the concern that there is not enough quality information distributed on a timely basis about VET. It is recognised that there is less parental engagement in high school and college than what is ideal. Unfortunately, this can produce unintended consequences about the opt-in opportunities of VET. Therefore, it is considered appropriate to recommend that timely actions be taken to raise the profile of VET courses with both parents and students.

In conclusion, one of the things that I can assure you of is that parents do not want nasty surprises when it comes to the education of their children. We need to hold a mirror to the core values of our society in the education system we have in the ACT. When we look in that mirror, we need to see that all students are able to reach their academic potential, no matter their personal circumstances or situation. It is important that VET remains relevant to students just as much as it does to industry and business, who are the employers of the future.

Careful consideration should be given to re-establishing a representative council of key stakeholders to coordinate outcomes across the sector. Partnerships across government and non-government schools should be considered to maximise the utilisation of taxpayer-funded VET facilities. Strong emphasis should be given to support CIT so that the core offering is not diminished by private RTOs. This is made all the more important by the community obligations that CIT offer, particularly in relation to students who have learning difficulties or have a disability. These obligations are not extended through private RTOs.

VET helps to underpin student engagement where students are at risk of moving out of the school system without completing year 12 or obtaining a VET qualification. This event makes a significant contribution to the proportion of unemployed youth. VET offers a means to effectively reduce youth unemployment by engagement. Support also needs to be provided to school-based RTOs to assist and maintain their RTO status so that they have confidence that they will meet their compliance obligations in a professional manner.

Finally, it is important that timely information is provided to students and parents about the opportunities that VET provides in the ACT. We consistently show amongst the highest outcomes by national benchmarks, and it is important that this trend continues in a positive and constructive manner. This will benefit not only the students of the ACT but the ACT economy as a whole.

**THE CHAIR:** I had a question around disability. You have personal experience obviously that you talked to before. What do you think we could most usefully do to assist young people who have a learning difficulty at school access suitable education as they go forward? What is the one thing that these young people and their parents need most of all? Could you point to maybe one or two things?

**Mr Boulter:** As I see it, I can only share what I have observed as a parent and as a community member. I think information is important. P&C council has received a Chief Minister's award for a pamphlet or a brochure it put out—it is more than that—an information guide to help people with disabilities. And information is very important.

I observe at Black Mountain School, where the children have a range of difficulties, they are able to effectively—the ones that are not deeply affected—gain qualifications, certs III, at Merici, as a consequence of using their facilities and their fabulous kitchen and vegetable garden. I do not know if you have seen that, but it really is a fabulous facility.

There are practical ways in partnerships that can be identified that can be easily accommodated and, provided people have the information and there is coordination of that process, my view is that there is quite a lot of potential to greatly increase the use of VET between the partnerships of government and non-government schools. If it was done on a geographic basis, it would mean that it would be relatively easy for that to be accommodated, I would think.

**THE CHAIR:** The other question I had was about your statement about equalising the bar and then raising the bar. How do we improve the status of young people who choose to go through the VET route and take a trade or do some other kind of certificate rather than go on to university, reflecting on what you said before about possibly more young people choosing that route if the changes to university education do occur?

**Mr Boulter:** In particular, I have a concern that people will start to realise that if the changes do go through, the concept of going to university may be out of reach for them financially. Therefore, what will impact is perhaps that people will look to do

multiple VET courses—maybe start in school, continue at CIT—because it will be more affordable. We may even see the HECS-type arrangement over time delivered into that space as well, but that is speculative on my part.

I do think that people will look to that as an alternative. I do not see that in any way VET should be seen as somehow less of an alternative than, say, university because all you are doing is imparting different skills to different people that have different interests and different focus. There are many people that have used, say, CIT as a bridge to go to university at a later point.

That was why I was talking about universities essentially in the VET space. I do not believe you can dislocate universities, VET and colleges, because they are all part of the one system and it is just a question of where you stream. They are really my thoughts around that. But I certainly think if we have got good information about what opportunities there are, what bridges there are—and part of that would go to school counselling as well, as much as anything—and if we have got good school counselling, that can provide clear direction.

But one of the things that I would emphasise strongly is that VET is not well understood by parents and, to a lesser extent, students. I think it is very important that somehow the profile is raised of that within schools so that students are given the appropriate choice.

**THE CHAIR:** I have a comment about the contacting business. We, in fact, did contact the two peak bodies at the time of course. They have now amalgamated into the one peak body. They have been contacted several times but, unfortunately, they are not with us at the moment.

**Mr Boulter:** If I could expand on that just for a moment: whilst the two big peak bodies have merged into one, I do think, in the same way as we have got, say, the BSSS or GSEC or non-GSEC, there is probably an opportunity to re-institute a peak body, which we did have in the past and which has been disbanded. My understanding is that there were a couple of organisations, but some thought could be given to actually providing a peak body that coordinates these things and operates more effectively in that space.

John Miller of the Master Builders and David Fogg of the HIA should be made aware of this. They must be responsible for a huge amount of apprentices in the building industry in the ACT, which is one of the largest industries in the ACT, aside from government. I believe they have a strong vested interest in making sure that their apprentices and students are getting the right sort of training and being properly engaged and being informed and making right decisions. So I do think that there is an opportunity there to consider that at a constructive level, a practical level. It is a very minimal cost. Most of the people would volunteer for a committee of that nature, I am sure. But it would have the potential to produce a much better, coordinated view over the whole VET offering in the ACT.

**MR DOSZPOT:** Just as a supplementary—it is like a statement more than a question—as the Chair has indicated, the terms of reference were pretty widely circulated as far as we could. And if you through your business connections are aware

of people who should be made aware of this, either make them aware or let us know whom we should be sending invitations to. I believe it is still not too late for us to receive submissions. It is a very important area. We have got some very important terms of reference that we are trying to address. So if you could spread the word, I am pretty sure that would be acceptable.

**Mr Boulter:** By all means.

**MR DOSZPOT:** I have a clarification first off. Thank you for your contribution to education at all levels. I am aware of your commitment, your background and your personal history. Can I ask: is the statement that you basically read out a personal statement for the most part?

**Mr Boulter:** The front part was a personal statement. And the comments about university, I suppose, really are. It is a difficult question there because we have a tertiary education policy and it is all about the students' capability and not about cost. We have been asked in the past, as a representative peak body, whether we should be looking at operating in the tertiary space. At this stage we have chosen not to do that because we only have limited availability of members that participate and, in our experience, there has been less and less parental engagement the further you go through education systems. It certainly broadly is representative but probably but it would be better for transparency and prudence's sake for that to be a personal comment probably.

**MRS JONES:** Can I ask a supplementary on that. Is that with reference to the entire statement that you read out, or can you identify for us what is the association or what is you, simply because we would not want to misinterpret that?

**Mr Boulter:** I guess the comments about the university piece are reasonably strident. But I do not think they are unrepresentative of the council's view. Therefore, I would be happy for the comments about university, which I think I identified in the transcript reasonably effectively, to be taken as a representative comment of the P&C council. And certainly the direct comments in relation to VET would also be representative of council.

**MRS JONES:** Can I ask for that to actually be clarified very specifically in writing, which bits are which?

**Mr Boulter:** Okay.

**MRS JONES:** I do not think that it is reasonable for Hansard to be able to do that separating out.

**Mr Boulter:** Do you want me to take that on notice?

**MRS JONES:** Yes, that is fine. It does not need to be now. It can be after the transcript comes out.

**THE CHAIR:** That is right. That is what I was about to say. You will get a transcript and then you might look at the transcript and make any comments that you want to

make after that point. I think that would be the best idea. Do you have another substantive question, Mr Doszpot?

**MR DOSZPOT:** Yes, I have. In the submission that came from the Council of Parents and Citizens Associations, which you covered in quite a lot of additional detail in the second part of your preamble, there are some obviously very serious issues in terms of information that the council is aware of—feedback from parents regarding students with a disability—and I would like to address a couple of questions to you on that. I will quote from the submission:

Importantly, the same report found—

it is referring to a report on students with a disability—

that SWD were more likely to engage in VET courses for personal development outcomes as opposed to students without a disability. 23.3% of SWD engaged in their chosen course for personal development outcomes as opposed to employment-related outcomes.

That is a fairly telling statement on its own. And I guess there are views of parents that are covered in that sentence, but are you able to elaborate on the concerns of the parents with regard to that paragraph?

**Mr Boulter:** I am certainly happy to do that, because I do think that it is very important. As a parent, I can only imagine that your interest in the development of your child if they have learning difficulties or a disability is far more intensive than it may be otherwise, because there are a range of issues that impact. Things like VET courses that give a student some degree of capacity to earn an income, some degree of capacity to be independent, are very important benchmarks for a parent to be able to establish. If they have a qualification, in particular a VET qualification, clearly they are more employable than if they have not.

I guess that goes to part of the considerations in relation to the year 12 certificate which has just been reviewed by the BSSS in trying to provide some form of benchmark for students that have a disability or a learning disability. I think that the inclusiveness from parents' point of view is critical in this space. And the observation is acute and the wish for a productive outcome for your child is pretty much dependent, because the alternatives are very difficult if an employer gets a CV that has qualifications as distinct from not getting one with qualifications. I cannot probably elaborate in more specific terms, but I do think that it is a crucial bridge for the development and independence of those students that would be capable of moving in that direction.

**MR DOSZPOT:** A secondary part of that question is: the parents have struggled to find courses described by ASQA as aimed at students with intellectual disabilities—that is the crux of the problem—and courses taught outside of those described by ASQA will not receive the necessary funding. This has been identified in this submission, and the committee would be greatly assisted by any further information that perhaps can elaborate on the specifics that parents have brought before the council and any further information or backup of those issues would be really appreciated.

**THE CHAIR:** Perhaps you could take that on notice and let us know.

**Mr Boulter:** I will take that on notice, if I may. The only comment that I would make is that it goes to what I said about the community obligations that CIT address that are not otherwise addressed. It is very much a concern for P&C council.

**MS BERRY:** Mr Boulter, regarding VET in schools, I think it is a reasonable comment to make that if the changes do go through with the universities there will be more pressure on VETs, RTOs and CIT. Particularly around VET in schools, do you think it works better than RTOs and CIT with respect to training opportunities for children with disabilities?

**Mr Boulter:** The opportunity for disengagement is high for students in school. If the courses are available and readily identifiable, clearly, I believe you will get better outcomes with a better range of courses. They do not need to be totally addressed towards students that have difficulties but certainly if there was a range of courses then clearly that is going to produce better outcomes and will be seen to be more inclusive as well.

To my way of thinking, CIT and schools do play probably a hand-in-glove role. I think that schools are more likely to play an effective role, principally because of the age—and the age is not always reflective of the level of maturity. But if you have engagement in that space early then you can build on that. If you have lost the level of engagement then it becomes hard to pull that back in. It would depend on the maturity of the student, I believe, in the circumstances. If we use the illustration of Black Mountain School, certainly, those students are very fulfilled by the activities that go on at Merici College, from my observation. That is a really effective program of non-government and government school partnership which produces excellent results for students with disabilities.

I believe there is a better space there, and it is a space that is probably open to being a little more structured. As a student gets older, sometimes the structural arrangement and the level of engagement do fall away.

**MS BERRY:** Do you know what is done in the ACT to support people with disabilities in training arrangements?

**Mr Boulter:** That is hard for me to comment on because I do not have specific experience in that area. But I can take that on notice and come back.

**MS BERRY:** Thank you for that. Do you know why parents send their kids to non-government RTOs—or do they most prefer to send their kids to CIT? Why do you think that is so, if that is the case?

**Mr Boulter:** It is not clear to me why that is the case. I suspect it will revolve around a number of things, not the least of which will be timetabling or a specific course. You might have impacts at school such as timetabling issues, where a course may not be available within the school or with other RTOs such as CIT. So there may be a valid reason of choice to go to a private RTO. It could even be reputational. By and

large, the bulk of the statistics appear to me on analysis to show that the majority of courses that are offered—as distinct from apprenticeships, which I would carve out from this; all of the public and quite a large number of the private schools do offer either VET on the premises or, when they are in the college base, releasing them to go off campus—are business-related courses.

They would tend to be courses that do not require a specific attribute or profile—say, if you were a builder where you have an apprenticeship or an auto-mechanic or something of that nature. Those courses, in theory, could be held anywhere but they happen to be offered by a private RTO and the money that it costs to attend is a reasonable level in relative terms. I am not sure that that entirely answers your question but that is to the best of my ability.

**MS BERRY:** No, that is okay. On the perceptions around VET and also the information to parents and students, what do you think has caused those perceptions around vocational education and training? Is there a way that we can improve how parents and students perceive vocational education and training in schools, and what sort of information would you get out to them that is not just another pamphlet?

**Mr Boulter:** That is really the difficulty. Maybe there has to be some form of advertising or background advertising that would in fact address these issues about the quality of VET courses and what they can contribute. We do not advertise public education in the ACT. We have a wonderful story to tell. We have some of the best statistics, in relation to completion rates and in relation to pass marks, of anywhere in the nation. So we have a very good story to tell. We have a very high quality product.

The question is: how is that essentially identified to parents? You are right; another pamphlet is not necessarily going to solve that problem. It probably takes wiser minds than mine, and possibly some engagement with advertising people who have expertise in that area. I believe the department are looking at doing that. I think that it is important that we raise that level of awareness, not just around the total education system but also, in particular, around VET, because there seems to be a gap in knowledge. A parent may have gone in early, understands it, got their student in there and there is a very clear line of focus. But there is ambivalence around that middle sector where parents are not necessarily quite as engaged and the opportunity passes by, either because of age or because of the time that is available to actually complete the course within the framework of their schooling years.

I would say that we really need to be smart and maybe we have to spend a little bit of money—but not a lot of money in relative terms—to in fact identify that need properly and to fulfil it. I think that would produce probably better outcomes for students, when you think about it—if there is a proper level of engagement and a proper level of discussion at home. I think all of the statistics prove that you get better outcomes where you have better parental engagement. I think that framework applies to just about every level of education. It is something that we struggle with as a council, to promote and engage. We have people that are very enthusiastic but they are not always completely representative of the cross-section of education in the ACT.

**MRS JONES:** I will pass on my question.



**THE CHAIR:** Thank you, Mrs Jones. You might like to forward that to Mr Boulter. Mr Boulter, you would be happy to take another question from Mrs Jones or any of the other members that want to forward those to you, through the secretary?

**Mr Boulter:** Yes, of course.

**THE CHAIR:** You might have taken some matters on notice.

**Mr Boulter:** I have.

**THE CHAIR:** You will see those in the *Hansard* and the secretary will remind you about those. As I said before, you will be able to check through the *Hansard*.

**Mr Boulter:** Thank you.

**THE CHAIR:** Thank you very much for appearing before us today. Just to reiterate, submissions from other sectors, like the business sector, that you referred to before, are more than welcome.

**KEITH, MR ALAN**, Acting General Manager, Policy and Research, Australian Council for Private Education and Training

**THE CHAIR:** Thank you very much for appearing before us. This is the third hearing by the education, training and youth affairs committee into vocational education and youth training in the ACT. We will be holding subsequent hearings. We have got nine submissions on our website. This is being recorded and webstreamed. You will be provided with the *Hansard* which you will be able to check for accuracy. When you take anything on notice, if you could just make a note of that and perhaps say that you have taken it on notice. Are you familiar with the pink card there, which is the privileges statement?

**Mr Keith:** I was sent that.

**THE CHAIR:** You were sent that?

**Mr Keith:** And I am still here.

**THE CHAIR:** Do you wish to make any opening remarks?

**Mr Keith:** I would just like to say that I was not the person that wrote this submission and had no responsibility for it, not that that is a disclaimer from ACPET. I have read it, I understand it and I am happy to answer any questions.

**THE CHAIR:** Take questions from members?

**Mr Keith:** Yes.

**THE CHAIR:** I might go straight to Mr Doszpot at this stage.

**MR DOSZPOT:** Can I ask: who was the person who wrote this submission?

**Mr Keith:** That was written by Catherine Kearney in consultation with our members in the ACT.

**MR DOSZPOT:** And Ms Kearney is still in the position as manager of ed policy?

**Mr Keith:** No, she has left the organisation.

**MR DOSZPOT:** You said that you are not trying to step away from what is in there.

**Mr Keith:** Indeed not. I just wanted to mention that if you went to a specific, I may not have the particular—

**MR DOSZPOT:** Our role is to ask questions on specifics.

**Mr Keith:** Yes, indeed.

**MR DOSZPOT:** So it may be a difficult task for you. In the first paragraph, the

response to terms of reference, the submission talks about little understanding of the role by RTOs. How can this be better understood by RTOs?

**Mr Keith:** We represent a number of private RTOs which are businesses which, in the ACT, in a sense, compete with CIT who are an august organisation with a very strong representation and provide a very broad range of services and who are instantly recognisable in schools and in conversations. Our RTOs include small RTOs that do specialised services and actually work contracting to government or industry. Some of them operate from an office here and run internationally as well as nationally. They tend to offer services to industry in the main rather than in the recruiting of young people directly from schools. While I am thinking of works in the building sector basically the apprentices or students have tended to have jobs—therefore, they are employed—and the RTO contracts the work with the employer.

**MR DOSZPOT:** How many RTOs do you represent and how many of those RTOs are based in Canberra?

**Mr Keith:** There are about 12 members who are in Canberra and we represent about another 40 who have a presence in Canberra, usually from New South Wales. Their understanding of the situation varies. The building industry one I was telling you about, they are looking to expand now. They are hoping to get a pathways program with various universities across Australia, but in Canberra specifically they are working with a university so that they have got a pathways program and they are looking now to go to schools so that they are able to say, “Here you have an opportunity. You can enter the building industry as an apprentice or do some cert II training and get the slips that allow you to do various things. But if you find you are successful in that, if you successfully complete our course, we can offer you a place at a Canberra university, if you want to do engineering or something like that.”

**THE CHAIR:** Just as a supplementary to that, with regard to making the approaches to the schools, that would be across public and private schools?

**Mr Keith:** Indeed.

**THE CHAIR:** How do you perceive that they would be received in relation to the school fitting those opportunities in for the students? They would have to go off site obviously, particularly in the building industry, I would imagine.

**Mr Keith:** Sorry, this is post school.

**THE CHAIR:** We are not talking about them doing a cert I or cert II?

**Mr Keith:** No, sorry, this is post school. At the moment they only go to employees, not students. They are now looking to recruit students directly from schools.

**THE CHAIR:** To go on after they leave school?

**Mr Keith:** After they leave school, sorry.

**THE CHAIR:** There is no move that you know of for them to go into the schools and

offer the students an opportunity for them to undertake cert I, cert II or cert III?

**Mr Keith:** Not as I understand it at this stage. However, the people who run this organisation are very entrepreneurial and I am sure if the opportunity arose, then they would look at that, depending on funding and other types of arrangements.

**MS BERRY:** I am looking at the figures on page 4 regarding the Victorian training market. I wonder if you could tell us whether you have figures on employability of students, especially students who have previously been unemployed?

**Mr Keith:** No, I am sorry, I do not.

**MS BERRY:** That is too much detail?

**Mr Keith:** One of the difficulties with our sector, the VET sector particularly, and the non-government subsidised courses is the availability of data. The federal government in conjunction with the states have introduced a requirement now that all VET, total VET activity, will be recorded and go into NCVER. So that will start to give us the numbers. I am in an embarrassing situation, but if you even asked us the numbers for our members, we would not know because we have not put such a collection in place.

**MS BERRY:** I will go to another question. On page 4 of your report it talks about the cost-recovery model and the impact that this would have on RTOs. That is in the third paragraph down, just after the bolded sentence at the top there.

**Mr Keith:** Is that the last page?

**MS BERRY:** Yes, the very last page.

**Mr Keith:** Yes. And the third paragraph down?

**MS BERRY:** Just after the bolded bit at the top.

**Mr Keith:** Yes.

**MS BERRY:** I just wondered whether, given those increases, at some point those costs end up being passed on to students?

**Mr Keith:** It is interesting that since the change of government at the federal level there has been a change in requirements. ASQA is no longer moving to full-fee recovery.

**THE CHAIR:** Could you speak up?

**Mr Keith:** Sorry. ASQA will not move to full-fee recovery. The federal government see that it is important that they have some skin in the game, as it were, and, therefore, they are continuing to provide some subsidy to ASQA. Therefore, there has been a change in that requirement. I think that is why, when I said at the beginning, there were things in the submission—

**MS BERRY:** They have been updated?

**Mr Keith:** Yes. But, as you would appreciate, any costs would be passed on because that is basically the nature of the private sector.

**MRS JONES:** Do you see any particular burdens in the way of RTOs being created, being registered and operating effectively? Is there anything in the ACT, in particular, that can be done to facilitate the set-up and the increase in size of private RTOs? Did you want to take that on notice?

**Mr Keith:** No. I do not think there is. We have a good relationship with TAFE and we meet with them regularly. I meet as part of a larger group that employs people in the public and private sector and four of our members are on that group. We seek to provide advice both in confidence and publicly.

The federal government are working on reducing red tape. As a former public servant who knows how red tape is generated, I have some sympathy with both the government and the sector. The reduction of red tape is often removing duplication. Let me give you an example: we have a number of members that are registered RTOs. Therefore, they are responsible and have to be acquitted by ASQA. And some of those members offer courses to international students and, therefore, have to have CRICOS registration.

We had a case this year where one organisation had the ASQA audit and three months later the same people came again to do the audit for CRICOS, for the overseas component. Ninety-five per cent of the information would be the same. Why the heck did they not have them together? There is a review of the ESOS Act now, and I think that will be one of the findings.

**MRS JONES:** And that is something that is managed federally at any rate?

**Mr Keith:** They are managed federally. We do have some arrangements where some of our members in the ACT do provide publicly funded courses in the ACT. They have a requirement to provide data. Most of the data is the same. I must say that the ACT government go to large extents to try to reduce the amount and develop systems to make it easier.

**MRS JONES:** Just as a final question, the independent or private RTOs in the ACT are predominantly, in your experience, providing specialist courses or mainstream courses? Are they plugging gaps that the CIT is not able to do, or are they just springing up out of community need or business need? What do you think is the general direction there?

**Mr Keith:** As I said earlier, I think the nature of CIT in Canberra is that it is seen as the mainstream provider. So our people meet niche markets. A number of them provide specific courses to government or to industry. Some of them are very specialised. We have got at least two members that do beautician training.

**MRS JONES:** Exclusively?

**Mr Keith:** Yes. And we have one member that exclusively works overseas. He tried working in the local market, the domestic market, but found people would enrol and not continue the course. He relies on international students.

**THE CHAIR:** The previous witness was disappointed that there were not any submissions put in from the business side of the ACT, even though we have obviously made approaches to their peak bodies and tried to get the terms of reference out as widely as we possibly can. Have you any comment about the way that we could better engage or encourage them to do that? What is the engagement of your organisation with the Business Council? You would be aware, of course, since this was printed or submitted, that the chamber of commerce has amalgamated with the Business Council?

**Mr Keith:** We recently ran a summit on VET in town at which the federal minister announced new changes. We did that in partnership with the ACCI and we were pleased to do that. We meet occasionally with ACCI. Its CEO spoke at our conference. I run into Kate Carnell whenever there are things on trade. And we are invited to go, because of our interest in international education, along with them. My boss is going with the Prime Minister to India at the moment. I am sure he will meet Kate Carnell there. At that level we have quite a close relationship.

Our members too have a close relationship. The building RTO that I talked about basically works through that organisation to get links and has developed a national network through working with industry. In a sense, that is what their business relies on.

**THE CHAIR:** Thank you. Mr Doszpot?

**MR DOSZPOT:** Mr Keith, on the second-last page, under “Other matters”, your submission says:

In May 2013, ACT Chief Minister Gallagher advised that the Learning Capital Council would be discontinued and that she would work directly with the Vice Chancellors on exploiting the advantages of Canberra as a “university city.” In response, ACPET urged the Chief Minister to continue to leverage the strengths of the broader tertiary sector—including vocational education and training—as part of this focus.

How satisfied are you about the success of ACPET in urging the Chief Minister to continue to leverage the strengths of the broader tertiary sector?

**Mr Keith:** Probably not very, but I will put that into context. We have a similar situation in Adelaide, where we actually compete with the universities. There are a larger number of private higher ed providers in Adelaide than there are here. Everybody knows universities, so it is very easy to go overseas and say, “Come to this university town.” My personal view is that it is a short-term strategy, because a lot of our trading partners—the people who are starting to have free trade agreements—have enough people or have invested in people who can draw the plans and things, but they are starting to understand that they need to have people actually build the things.

It is interesting that China now has merged its VET sector and university sector at the

ministry of education level, and a number of its universities are now starting to become the equivalent of VET colleges. We recently had a delegation from China that was sent out here by the Shanghai government. The Shanghai government, as you probably know, is in the vanguard of the free trade agreement. It has been a free city ever since it was built, but the Chinese have recognised that now. This delegation has been asked to recommend what sort of VET system they should establish in Shanghai, and they are looking to Australia to do that. They have met with public and private groups.

We see it as important that people do not limit themselves to universities—that there are opportunities for VET and VET students. As I say, I am quite a fan of the CIT, even though I represent private members. That offers the equivalent in VET to the two universities here, in my view.

**MR DOSZPOT:** Are you based in the ACT yourself?

**Mr Keith:** Yes.

**MR DOSZPOT:** How long have you been here?

**Mr Keith:** In the ACT?

**MR DOSZPOT:** Sorry, in terms of your current position?

**Mr Keith:** I have been here 12 months.

**MR DOSZPOT:** So you essentially represent 12 members who are here in the ACT and another 40 who have some work here in the ACT, as you mentioned.

**Mr Keith:** Yes. And part of my role for ACPET is a national role. I also advocate with government on behalf of ACPET and look after their international policy development and domestic policy. Looking after the ACT members is a small part of my office's role.

**MR DOSZPOT:** I understand that, but our terms of reference relate to activities in the ACT.

**Mr Keith:** Indeed.

**MR DOSZPOT:** So our questions are more related to that. What I am interested in understanding from you is how ACT can better gain from the interaction with the RTOs and whether you are getting enough hearing at the ACT government level—education, CIT, whatever interaction you have got—or whether there are areas that could be improved for mutual outcomes.

**Mr Keith:** I think the ACT government is very accessible, as is the department. While I would say they are cautious, I understand that caution given some of the difficulties that have occurred in other states as they move to a more competitive market. Some states pretended to move to a competitive market, but, given that the government sector through its TAFE is so strong, they have not moved as well as others. Some

states have overstretched and are having to wind back agreements. Of course, the private sector tends to bear the brunt of those, because, obviously, even if you put your TAFEs at arm's length, they are still seen as public.

So there are some difficulties around trying to open up the sector to competition. Given the investment that the ACT has made in CIT, we understand that. While we would like to see more competition, with government funds, obviously, because then that allows some other businesses to grow, we do understand the difficulty in that. I think what we are looking for is surety. That is what you do not tend to get when people are talking about VET reform and issues like that.

I think the ACT government and its directorate do a good job in communicating with us. We tend not to get surprises. They do not get surprises either. So it is very useful. We have got a number of organisations that, as I say, have moved from a head office here nationally and internationally. With one of ours, the owner was named the entrepreneur of the year; his organisation is going gangbusters, but it is specialised and therefore the market allows for that.

**MR DOSZPOT:** Our task is to see what opportunities can be enhanced for vocational and further education and for ACT-based students. We have an opportunity to make recommendations. I guess I am asking you this: is there anything that you would want the ACT government to pay more attention to or give more credence to? This is your opportunity to give that advice so that we can consider that and make appropriate recommendations.

**Mr Keith:** Given the changes that are occurring and the need not to trip themselves up, I think they are doing okay. I might have a few members jumping up and down a bit by saying that. I have always tended to be a bit of a risk taker in government, but I understand the need for caution, and I think our members would support that. They would obviously like to see opportunities for a more open market, but I think they recognise that you cannot just turn on the switch overnight. I think our members—given, as I say, that four of the 12 are represented on a group that talks to the directorate on a quarterly basis—would be prepared to say if there were real issues. I have no reason to hold back really; we get on quite well. So no; not at this stage.

There is an issue, as we know, with youth unemployment and the need for people to train. You have to have your piece of paper these days, given the competitive nature of the market. But again, you cannot force that group of people that want to leave school and have adventure or whatever. They sometimes sort themselves out; sometimes they do not. Sometimes they get a job; sometimes they do not. I do not think you can force that. I think you have just got to be able to provide a broad range of opportunities and supports.

**MR DOSZPOT:** Thank you.

**THE CHAIR:** Ms Berry, do you have a question?

**MS BERRY:** I do. It relates to universities. I just wondered about this. There was an observation made here by a witness about the fact that if there were changes to university fees federally, that would place pressure on RTOs, VETs and training



providers like that. Has that been something that your organisation has considered?

**Mr Keith:** I would not agree with that. I do not think our organisation would agree with the statement that it would place more—

**MS BERRY:** Sorry, I cannot hear you.

**Mr Keith:** I do not think our organisation would agree that the deregulation of the higher education market would place more pressure on VET providers. We have about a thousand members. About 120 of them operate and compete with universities in the higher education space. A number of those do VET services as well, usually at the higher end—diplomas and graduate diplomas. The deregulation of the market and the opportunity for them to attract federal government student places open up the market. Because of the nature of VET and pathways and partnerships, it opens up more pathways and partnerships. I am sure you have seen the comments from universities in the press. There was one famous one last Thursday that private higher education providers were the equivalent of Ma and Pa Kettle business college—how could these people compete with universities and should they get university places? Well, they do compete with universities; they do not get any government support; and yet many of them prosper.

In that environment, where universities have tended to be elitist—and that impacts on VET—with the broadening of that, there is an increasing number of arrangements where pathways are occurring. I think—

**MRS JONES:** From VET through to degree?

**Mr Keith:** Yes. From starting off where you have left school at 16 and you are suddenly—my daughter went to CIT and did a dental assistants course. She did well. She was shy. She had been offered a university place. The gap year was her excuse not to go. She did that course and got confidence from that, and went on to university. She is doing a higher degree at the moment. I would not have thought she would have gone to university. I think that opportunity opens up.

**MRS JONES:** With the deregulation.

**Mr Keith:** I think the deregulation will assist that, because there will be greater recognition of pathways. The difficulty at the moment is that sometimes VET providers have to go cap in hand to universities and say: “Will you do this deal? If I make an offer to a student to come and do a VET course and they succeed, will you give us a place?” Then the university sits back, ponders and decides, “If they meet these requirements.” So I think there are more opportunities.

**MRS JONES:** Can I clarify this: the point with deregulation is that the university is not restricted in how many places it can make available, so that if the demand is there they can make more available?

**Mr Keith:** Yes.

**MS BERRY:** I guess that was the point of my question: if students are choosing to do

VET courses straight up, as a pathway, because it is more affordable, have organisations like the ones that you represent considered that and what sort of pressure will those organisations face because students might choose a VET to start their education?

**Mr Keith:** It is not an issue for us. If they do the VET course and then choose to go on to university, our people feel that—

**MS BERRY:** In school, yes.

**Mr Keith:** the only competition is where somebody decides that, instead of doing an apprenticeship, they will go to university. That will drop away fairly quickly. We already know that about a third of university students drop out in the first year. They tend to be the people who not only struggle socially but struggle intellectually. We bring a lot of overseas students to Australia and a number of them get university places but end up going to VET, even though, with our current immigration requirements, that is not an easy thing to do.

**MS BERRY:** So you do not think that students will choose to do VET or go through an RTO or go to CIT to get a qualification?

**Mr Keith:** I think they will.

**MS BERRY:** Yes, but because it would be more affordable than university?

**Mr Keith:** No.

**MS BERRY:** You do not agree that that would be the case? That is the point I am making. If it is less affordable then people might choose to do a course and have a career in that area, through VET, RTO or CIT, rather than go to university and get a degree in something, because it is more affordable.

**Mr Keith:** But it is more affordable now and people still go to universities.

**MR DOSZPOT:** I have a supplementary on that. Are you suggesting that deregulation will actually offer more opportunities for RTOs to expand?

**Mr Keith:** I think so. I think for the non-elite universities, if you look at the University of Canberra, which is small—about 15,000 students—and which is looking to expand, they are at the professional end of the market. They are producing people, with all due respect, to go into the workforce and there is less emphasis on research. That is where the competition will be from private RTOs, unless they are specialised. We have some private RTOs who operate in the higher education space and who are very specialised in aeronautical engineering. So people go there rather than to university. But in the general run-of-the-mill courses, for accountants, business degrees et cetera, that competition means there is likely to be a fall in the price of university courses. That is where the competition will be generated.

**MS BERRY:** You do not see an increase in people going to TAFE rather than university?

**MRS JONES:** Because of cost?

**MS BERRY:** Because of cost. The reason I am asking is that the last—

**Mr Keith:** Personally, I do not think so. I think there are two different markets. Traditionally, TAFE has met that trades and lower level courses for people feeling their way into post-secondary education. Some people get their ticket and then never go near a training institution again. Some people enjoy and are stimulated by that experience and go on and decide to go to university. It is interesting. I worked in the public service in three states and the commonwealth, and people who had a basic entry from school, in the equivalent in those days of APS1, actually did a course, got confident and many of them ended up with degrees and competed at a higher level in the public service.

**MRS JONES:** Sometimes the fact that they have done a VET course first actually makes them more competitive in the workforce because they have a much broader skill set.

**Mr Keith:** Yes.

**MS BERRY:** You do not think that with VETs, RTOs or CIT, there would be no real increase and they would not need to look at being prepared for that, if that should happen?

**Mr Keith:** It depends how successful our country decides we need to be in engaging in being a smarter workforce across a whole range of things. We have relied on our wit and the fact that people dig up our dirt and take it overseas. But Nauru did that, and they are a basket case now because all the guano is gone. I know we are bigger, but if we are to employ the number of people coming out of our schools, if that is what we see as a country as being important, we have to create smart opportunities for ourselves. China have two million people leaving school every year for whom they have to find jobs. That is four or five times our population. So they are making big investments in education.

**MR DOSZPOT:** This is my final supplementary to you, Mr Keith: do you believe that we have sufficient RTOs in Canberra or do we have an oversupply of RTOs in Canberra?

**MRS JONES:** Or an undersupply?

**Mr Keith:** I think the market will sort that out. This is a socialist from way back saying that. The market will sort that out, and the level to which the market is allowed to operate. It is a bit like with universities, and what happens while government resources go into supporting universities. You start to say, "Well, just a minute. We're not sure how much research goes on and how much it actually pays off; is there enough concentration on teaching?" This is while we continue to invest in CIT as being the answer, rather than saying, "Well, here is an opportunity." I understand the difficulties of CIT competing in the marketplace: because they have tenured staff they are restricted, whereas the private sector is more flexible. It can go in and do this, it

can change that and it can do this.

Your question is the “how long is a piece of string” argument. How many jobs are we going to generate for young people in Canberra and the surrounding areas? Those are the issues. If we cannot provide those jobs, what do you do with the skills? We have a cert I and cert II level. We have probably thousands of Aboriginal people who have all these qualifications but they do not have a job. So until we marry the two together—we keep trying, but I am not sure we get it right.

**THE CHAIR:** Thank you, Mr Keith. As I said before, you will get a copy of the *Hansard*. You can check that. I do not think you took anything on notice.

**Mr Keith:** As a good public servant, you never take anything on notice!

**THE CHAIR:** You learnt that lesson a while ago, did you, Mr Keith?

**Mr Keith:** If you do not answer it on the day, you are in trouble!

**THE CHAIR:** Members may, though.

**Mr Keith:** If people wish to enter into further correspondence or want a conversation, I am happy to do that at any time.

**THE CHAIR:** Members may, in fact, do that. The secretary will get in touch with you if that is the case. Thank you very much for appearing before us today. The hearing is adjourned.

**The committee adjourned at 12.34 pm.**