



UNIVERSITY  
OF WOLLONGONG  
AUSTRALIA

## **UOW Submission in response to the Skills and Workforce Development Agreement**

### **Australian Government Productivity Commission**

**December 2019**

## **INTRODUCTION**

The University of Wollongong (UOW) welcomes the opportunity to provide input in response to the Australian Productivity Commission's 'Skills and Workforce Development Agreement' Issues Paper. This Submission provides responses to a number of the Inquiry questions.

## **ABOUT THE UNIVERSITY OF WOLLONGONG**

UOW is a research-intensive university that has built a strong international reputation for world-class research and exceptional teaching quality, and is ranked amongst the top 250 of universities worldwide. In 2018, UOW had over 36,000 total student enrolments globally and more than 2,400 staff (Full Time Equivalent).

The University offers more than 300 undergraduate/postgraduate courses and research degrees across a wide range of disciplines through the five broad faculties of Business, Engineering and Information Sciences, Law, Humanities and the Arts, Science, Medicine and Health and, Social Sciences.

UOW is an international multi-campus university, with campuses at Wollongong, Shoalhaven, Batemans Bay, Bega, and the Southern Highlands, and three Sydney campuses (at Loftus, Liverpool and Sydney CBD). The University also has campuses in Hong Kong and Dubai.

In late 2018 UOW continued its global expansion by acquiring the university colleges of Malaysian private education provider KDU from long-standing Malaysian investment company Paramount Corporation Berhad (PCB). Through the deal, UOW immediately acquired a substantive majority equity interest in the university colleges in Kuala Lumpur and Penang, including a new campus under construction in Batu Kawan.

It also delivers its education programs at other international locations, including at the Central China Normal University (CCNU), the Singapore Institute of Management, INTI College in Malaysia and, the PSB Academy in Singapore.

UOW has also developed the iC in Wollongong which is an education, research and related business precinct. This state of the art facility provides strong linkages between business and research, and complements the University's leading research and innovation institutes.

## **FEEDBACK TO INFORMATION SOUGHT**

### **Information request 4**

- What evidence (other than that included in the Report on Government Services and Performance Dashboard) is available to assess performance against outcomes and targets in the NASWD?
- What has affected the achievement of outcomes and targets to date, and how?
- Do current indicators and targets provide the right information to assess performance? For example:
  - are the indicators and targets fit for purpose - are they reasonable and attainable; do they adequately reflect contemporary policy settings?
  - how well do the outcomes, performance indicators and targets link to each other and the objective?
- How are performance data interpreted and used
- Are there other areas of performance that should be measured and, if so, why? What types of indicators should be adopted for these areas?

- What should a future performance framework look like and include?

#### UOW Feedback in response to information request 4

- The forecasting and benchmarking of skills shortage areas to determine how well the VET sector prepared the workforce for future demands would be of great benefit to the economy and VET sector.
- All nationally recognised training needs to be reported and analysed, not just government funded. This will provide more accurate data on participation and outcomes.
- The current complexity of the VET system makes it difficult to navigate and has resulted in the general public being confused. There is a requirement for consistency across VET, Higher Education and skills sectors to provide clear and useful information that is not linked to an education sector. There is too much emphasis on which sector the employer / student needs to access rather than identify the desired outcome / career first, then determine the pathway.

#### **Information request 5**

- How well does the NASWD describe the roles and responsibilities of governments in skills and workforce development? Could this be improved?
- How well have the Australian, State and Territory governments fulfilled the agreed reform directions and their roles and responsibilities?
- How could governments better work together, for example, to improve the efficiency of tasks, or support accountability for outcomes?

#### UOW Feedback in response to information request 5

- The Training Package framework is not working for industry. Government needs to work with more effectively with industry and skills organisations. Training package updates are slow, convoluted and often ineffective. For example the current Information Technology training package is from 2015, an industry that is under constant change. Training Packages are too prescriptive in regards to assessable competencies and inhibit flexibility for the RTO to train to industry standard.
- More and more individuals and business are looking to just in time training and learning in specific skills to support the capability requirements of their job or business. Completion rates are not a true indication of successful training outcomes as people often learn what they need from a course and drop out. The area of micro-credentials needs to be explored as the opportunities are great. Government needs to consider a framework around micro-credentials, as Training Package Skills Sets are not working and how it can better support the skills needs, particularly on gap and specialised training for industry.

#### **Information request 8**

The Commission seeks evidence on how the issues identified in recent reviews (or other issues) have affected the achievement of aims in the NASWD, and any additional opportunities to better meet governments aims for the VET system. For example:

- are there ways to improve VET service quality and responsiveness in addition to those already identified in past reviews?
- how effective are consumer protection arrangements? What are the pros and cons of different models operating in different jurisdictions? How do these operate in addition to national protections under consumer law?

#### UOW Feedback in response to information request 8

The proposed review of the Australian Skills Quality Agency (ASQA) operations is welcomed. UOW College has experienced first hand the damage caused by a rogue regulator threatening to suspend a qualification on minor issues, only to drop the case just prior to having to appear in the Administrative Appeals Tribunal (AAT).

There is definitely a role for ASQA to ensure integrity in the system and sanction poor quality providers, however the emphasis should be to on supporting RTOs to be high quality providers.

### Information request 9

- How effective are skills needs assessments as a basis for estimating demand for VET services?
  - How do governments' skills needs matching efforts alter student demand for VET?
  - Are priority skills lists the best way of signalling skills shortages?
  - How could nationally-consistent skills demand forecasting be implemented to better match training to the economy's needs?
- Noting that the National Careers Institute will cater for students' needs, do other market players have access to information to efficiently inform their choices? If not, how could this be improved?

### UOW Feedback in response to information request 9

- Enhanced engagement of industry across all education sectors, that is, Government working in partnership with industry to forecast skills demands and meet the future needs of the economy is critical to success.
- One key factor that contributes to success in the VET sector is the requirement of trainers to be industry current. This needs to continue.
- *"An aim of governments under the NASWD is that all market players — training users, providers and governments — have information on training products, services and outcomes so they can make informed decisions. The Joyce Review found that information for students is still not clear and reliable. As a result, some students may not choose the best course and provider for their needs, and their career aspirations are not always aligned to their educational plans (Joyce 2019). The Australian Government has established a National Careers Institute to improve the quality of career information and advice for users, as recommended by the Joyce Review."* (Issues paper pp19-20)

Lack of a clear policy direction is producing an uncoordinated approach for a national careers system in Australia which at present is absent. Such a system would include all education sectors and take into account all members of our communities including those who are neither in education or training (NEET). At present, each sector appears to be working in isolation. For example, in 2019, the Future Ready: A student focused National Career Education Strategy was released <https://www.education.gov.au/national-career-education-strategy>. The strategy focuses on improving career education in schools by:

- building teacher and school leader capability
- supporting parents and carers in their important role in these conversations
- encouraging collaboration between industry and schools.

More recently, the National Careers Institute was established with a focus on marketing and promoting vocational careers and to elevate the status of VET as a career pathway <https://www.nci.employment.gov.au/>. While for prospective students exploring higher education options, the Quality Indicators for Learning and Teaching (QILT) suite of government endorsed surveys, offer hands on experience to explore and compare Higher Education study options across Australian Institutions based on the real life experiences of past students. <https://www.qilt.edu.au/>

Whilst each approach has merit, an over-arching strategy and national policy will elicit a joined-up approach and the development of a lifelong targeted career development system, where all Australians are able to easily navigate in and between education systems. Likewise, they will have access to the tools and information to be able to make informed career (and education) decisions, at the right time, and for the right reasons – across life-long and life-wide contexts. For career guidance/development to be effective, it is essential that that guidance be impartial and objective.

In 2019, the Career Development Association of Australia voiced their support for a national policy for proactive Career Development Support for All Australians, calling on the Federal Government to “adopt the recommendations of the International Centre for Career Development and Public Policy (ICCDPP)2019 Symposium; How governments can support citizens to build fulfilling careers” <https://www.cdaa.org.au/documents/item/652>

- *Evidence base for Career Development Learning, its economic benefits and; its criticality in enabling Australians to effectively navigate the changing world of work*

The evidence base for career guidance /development learning is perhaps best reflected in its adoption as an important policy instrument to support the achievement of efficiency and effectiveness of education systems globally – specifically ‘the retention, performance, and progression of students’ (McCarthy and Borbely Plezce, 2019, p.1).

A number of studies in the US have shown the positive effect of career development programs at an early stage of an undergraduate degree on confidence in completing the degree, likelihood to graduate within 4 years, persistence with the degree and (Clayton et al, 2019, p.430-431). Brown et al (2019, p.3) summarise a range of meta- analytic research studies which demonstrate the positive effect of career development interventions in influencing student engagement, graduate outcomes, confidence in making career decisions and retention. In an educational context, Career Development Learning allows students to reflect on all aspects of their education experience and make sense of those experiences in terms of their future career, to inform career decisions and action plans. As such, it is both a core employability skill in itself, and also an enabler to recognise a wide range of experiences and skills (disciplinary learning, extra- and co-curricular learning, work integrated learning (WIL), service learning, previous career experience and part-time work), each of which can contribute to employability, and to each individuals career decisions and future (Dacre Pool and Sewell, 2007; Artess, Hooley and Mellors-Bourne, 2017).

- *The Changing World of Work*

The world of work is constantly changing, and never before has this change been so rapid. There is agreement that the forces such as automation, technological growth, workforce demographics, interconnection and collaboration, globalisation and more flexible work will shape the world of work our graduates will inhabit (FYA, 2015, UK Commission for Employment and Work, (2014) p.25). A number of recent studies show an increasing demand for cognitive skills such as complex problem solving, creativity and critical thinking, together with social and emotional skills ‘(Deloitte, 2018, McKinsey, 2018, World Economic Forum, 2018).

Against the backdrop of such changes, The World Economic Forum concludes that for individuals there is an ‘unquestionable need to take personal responsibility for one’s own lifelong learning and career development’ (World Economic Forum, p.23). Career Development Learning empowers individuals to take an agentic approach to their own career development, make informed decisions and plan for their career futures.

- *The Economic Benefits of Career Development Learning*

“Careers England exists to foster, support and encourage the promotion of the economic, social and educational benefits from the products and services which its Members provide – for individuals, for communities, for the wider employer/business world and for the economy of the country.” <https://www.careersengland.org.uk/>. Their 2015 research paper sets out the evidence on the economic benefits of career guidance. It argues that although career guidance is primarily concerned with the individual it also offers major social and economic benefits. It is these benefits that justify public investment in the area.”

<https://cica.org.au/wp-content/uploads/Careers-England-Research-Paper-The-Economic-Benefits-of-Career-Guidance-July-2015.pdf>

## **Information request 10**

- How have the reforms undertaken by governments (such as the national entitlement system and introduction of income-contingent loans) shaped the operation of the VET market?
- How well have these reforms contributed to the achievement of the NASWD’s aims (such as improved access, quality and market efficiency)?
- What lessons can be learned from past reforms?

### UOW Feedback in response to information request 10

- There needs to be a consistent approach across all sectors for entitlement / student loans. Income-contingent loans are an effective way to provide financial support but the interest / levies/ cost to the student varies significantly across the sectors. Student should be able to apply through one process and government scheme for financial support to undertake post school study.

### **Information request 11**

- To what extent do (and should) users (students and employers) determine VET offerings?
- How are users' preferences influenced by government incentives and programs (including information programs)?
- To the extent not covered elsewhere in this paper, the Commission seeks additional evidence on how well the VET market is operating, for example in terms of:
  - services being of the quantity, type, quality and location that users and the community most value
  - its efficiency in meeting users' needs, including as they change
  - prices usually reflecting efficient costs, or this amount adjusted to achieve other policy objectives.
- How can governments' best ensure the market develops to support policy goals?
  - How do (and should) governments coordinate and manage the interactions between different types of interventions and initiatives to support market development?
  - Is there a preferred model for market stewardship? Why?
- If agreed by governments, how would implementation of the recommendations of recent reviews (for example, the Joyce and Noonan Reviews) improve:
  - the operation of the VET market?
  - choices and pathways between schools, VET and higher education?
- Are there any issues not identified by previous reviews that materially affect the operation of the VET market?

### UOW Feedback in response to information request 11

- Employers and employment opportunities should be the driver to determining offerings.
- Government policy needs to align with employment outcomes. For example, opportunities for minority groups.
- Potential learners need to be guided to work out what they want to do first (career and employment goals) and then determine the pathway. The whole school HSC system is currently set up for an ATAR - university pathway. More work is required in enhancing the image for VET training related careers. Refer to New Zealand's attempts to improve the image of Apprenticeships and trades people <https://www.youtube.com/watch?v=N9YdpqYhRe8>

### **Information request 12**

The Commission seeks the following information for each jurisdiction:

- governments' objectives in relation to their pricing and funding approaches
- the methodologies for assessing the cost of providing qualifications and the rationale for the methodologies
- the methodologies used to set prices, government subsidies and/or student fees for qualifications and the rationale for these methodologies
- current and historic estimated costs, prices, subsidies and student fees for qualifications
- how funding and pricing arrangements affect the decisions of VET players (for example, whether they encourage providers to operate at least cost or employers to provide wages at market rates).

### UOW Feedback in response to information request 12

- Considerations on the cost to provide training for public funded Registered Training Organisations in comparison to private needs to be given. For example HLT54115 Diploma of Nursing is a high risk,



intensive qualification requiring considerable resources (including trainers). The NSW Government currently funds this qualification up \$14,700 only. It is not financially feasible for UOWCA to run this qualification as fully funded under S&S. Instead we have a fee for service rate of \$24,500.

#### **Information request 14**

If governments agree to a new national funding agreement for co-funding VET in schools, what should be part of this new arrangement?

#### *UOW Feedback in response to information request 14*

- Students participating in external VET should not impact on the funding for schools – at the moment students participating in VET programs are not included in the school numbers and teaching numbers/budgets are therefore, creating a disincentive for schools to promote VET participation.

#### **Information request 15**

The Commission seeks:

- evidence of how funding (and other) settings affect learning and career choices
- views on options for achieving greater consistency in funding and loan arrangements between the VET and higher education sectors, and the likely benefits, costs and impacts of these options.

#### *UOW Feedback in response to information request 15*

Current course fees as taken from TAFE and UOW websites. Diploma in Nursing qualification is the highest level offered by TAFE on their website. Comparing Dip and BA levels, UOW College also offers a Vocational Pathway program for Diploma of Nursing (Enrolled Division 2 Nursing). This was around \$20-24K.

TAFE Diploma of Nursing (National Course Code: HLT54115) Max. Fee If Eligible For Subsidy: \$4,970.00 (Smart & Skilled funding available if eligible)

UOW Bachelor of Nursing degree \$20,040.00 (Commonwealth Supported Place – if eligible)

Seemingly, funding has been continuously cut from TAFE to the extent where they are vastly under resourced. VET courses such as pre-apprenticeship courses cannot be run because there is no funding. This has occurred in Nowra in recent years where a construction pre-apprenticeship course could not run because of lack of funding. Because there were enough students wanting this course, TAFE funded it by obtaining work from a local caravan park to build cabins (which became the students' assessment).

#### **Information request 16**

- Are the contributions by government (on behalf of the public), industry and individuals towards VET proportionate to the benefits that each of these groups receive?
- Is direct estimation of public and private benefits as a means to direct government funding feasible and desirable? What would be the implications for other sectors (e.g. Higher Education) if such an approach was taken in VET?
- How should governments judge priorities for funding and effort, and why? • How should employers and industry contribute to funding the skills training of their workforce? Are there any barriers or disincentives to private funding of VET?
- Should the level of government funding vary for different course or student types, and if so, how should government decide the relative amounts?
- What approaches are most useful to assess the effectiveness of government investment in VET?
- Should government investment in the VET system seek increased participation in training by all Australians? How should this goal be achieved?

### UOW Feedback in response to information request 16

- Funding should vary depending on the different course types and cost to deliver, including attracting quality teaching. For example an experienced Plumber, Engineer or Builder can earn significantly more an hour working in their trade than teaching. In regards to income, teaching is not an attractive option making it very difficult to employ quality trainers. Physical resourcing should also be considered, using the nursing examples where simulated hospital and health care environments are required as opposed to an online business course.

### **Information request 17**

- How effective and accessible are data collection and reporting arrangements?
- How can data and information-sharing arrangements be further improved to facilitate assessments of the effectiveness of VET investment and delivery?
  - What additional data (if any) or improvements in data quality are required to effectively monitor the performance of Australia's training system?

### UOW Feedback in response to information request 17

- The introduction of the USI has significantly improved the ability to capture student activity across the VET sector. This should be extended across all education sectors so that a person's formal education activity can be tracked, accessed and data analysed across their life. An added benefit to this approach would allow education providers to verify qualifications and achievements in relation to Credit transfers and entry requirements through one secure system. This would ensure authenticity and minimising of fraudulent documentation.
- There is a need for a National Unique identifier that enables tracking of students from primary education into secondary and tertiary education. This would enable us to collective data to conduct analysis on the impact of the strategies used, particularly with respect to access and participation of equity cohorts

### **Information request 19**

- If governments agree to extend programs to improve language, literacy, numeracy and digital (LLND) skills, who should these programs be targeted to?
- What is the role of the VET sector in teaching foundational skills as opposed to other sectors, such as schools?
- How can regulatory, program and funding arrangements for foundation-level skills and education be improved? Can the schooling and VET sectors be better linked?
- How can funding arrangements between governments better support more efficient, effective and accessible services for disadvantaged groups?

### UOW Feedback in response to information request 19

- *“Career advice cannot be left to schools. Every higher education institution should ensure that their students are given the opportunity for career planning and course advice on entry to the institution and as they require it throughout their studies.”* (HESP, June 2018)

Career development learning and the provision of effective careers advice in schools has informed the development of UOW's widening participation strategy; has been embedded into the University's recruitment activities; as well as being a key focus of research for the university. UOW has developed partnerships with over 150 primary and high schools across a 430km geographical area, stretching from Bega to Wollongong and up to South Western Sydney over the last ten years to deliver widening participation activities. Commencing in Year 2 and progressing through to Year 12 and beyond, these activities are designed to provide students with information about the post- school learning environment.

Connecting with 11,715 students in 2018, primary and high school students engage in a range of activities, including experiencing TAFE/University taster days to increase familiarity with their post-school options, as well as participating in mentoring programs and workshops designed to increase student's awareness of their own strengths and abilities and awareness of post-school pathways. Careers education is specifically embedded in these programs through the engagement of UOW's regional career consultants who provide careers-related workshops on self-awareness and career direction, resume writing and interview skills; as well as provide one-on-one careers guidance and information to Year 12 students who are engaged in UOW's widening participation programs. From 2020 onwards, all UOW widening participation initiatives will have embedded career development learning opportunities, through engagement with our Career's Unit and industry.

Professional development of teachers in these regions is also a key UOW function, through industry tours and network meetings to provide insight into the recruitment needs of employers and ensure schools careers staff have current information on career pathways and are better placed to recommend students for employment, internship and work experience opportunities. The provision of effective careers advice in schools has been also embedded as part of UOW's recruitment initiatives to capture both school and mature age students. Over the last two years, all commencing students have had access to personalised career consultations, during Early Admission and Open Day events. In addition to this, UOW also runs a Careers Advisors Professional Development Day that has included workshops on embedding conversations about post-school aspirations and pathways as part of school-wide strategies.

Researchers at UOW are also leading national research projects that focus on effective careers advice for school and university students. Professor Sarah O'Shea has been awarded a National Centre for Student Equity in Higher Education (NCSEHE) fellowship that explores the post-graduation outcomes and employment mobility of individuals who are first in their family to complete a university degree. In addition to this, Professor Sarah O'Shea and Ms Kylie Austin are also leading a National Priority Pool project titled 'Higher education careers advice for low SES students, including low SES Indigenous students and low SES regional, rural and remote students'. The project responds to recent national reports to examine how higher education institutions can play a more defined role in providing career-related advice to prospective students. Subsequently, the project will consider how careers advice can be expanded beyond the more traditional counselling or school advisor roles and will also develop a set of best practice principles to guide innovative delivery of such to school and non-school leavers.

## **FURTHER INFORMATION**

The University would welcome further opportunities to elaborate upon, or further clarify, the matters raised within this submission. To do so, please do not hesitate to contact the UOW Director, Government Relations (Mr Canio Fierravanti) on 42215931 or via [canio\\_fierravanti@uow.edu.au](mailto:canio_fierravanti@uow.edu.au).