



# Leveraging Regional Development Through VET

Dr Don Perlgut, CEO, Community Colleges Australia, TDA, 7 July 2017



# This Session

This session examines how VET can promote and leverage Australian regional and rural economic development and community capacity. Rural and regional Australia face significant economic, health and other disadvantages, as a result of distance, lack of infrastructure and poor educational access. Economic development is slowing, with GDP per capita falling in many regional areas while increasing in Sydney and Melbourne. What can VET do? With VET participation rates more than 50% higher outside cities, regional providers – especially TAFE and non-for-profit community – can show how to develop innovative and sustainable approaches. This session examines case studies and asks what else is possible?

This presentation has been updated to reflect the three roundtable discussion sessions at the TDA Conference on 7 September 2017.



# Australian Regional and Rural VET

**Lower level qualifications:** Larger percentage of regional and rural VET students study Certificate III and below – just those qualifications that community education providers excel in, with their focus on vulnerable and disadvantaged learners.

See CCA report:

[The Role of Community Education Providers in Regional and Rural Economic Development](http://www.cca.edu.au/report-calls-for-increased-investment-in-vocational-education-for-disadvantaged-and-unemployment-prone-groups)

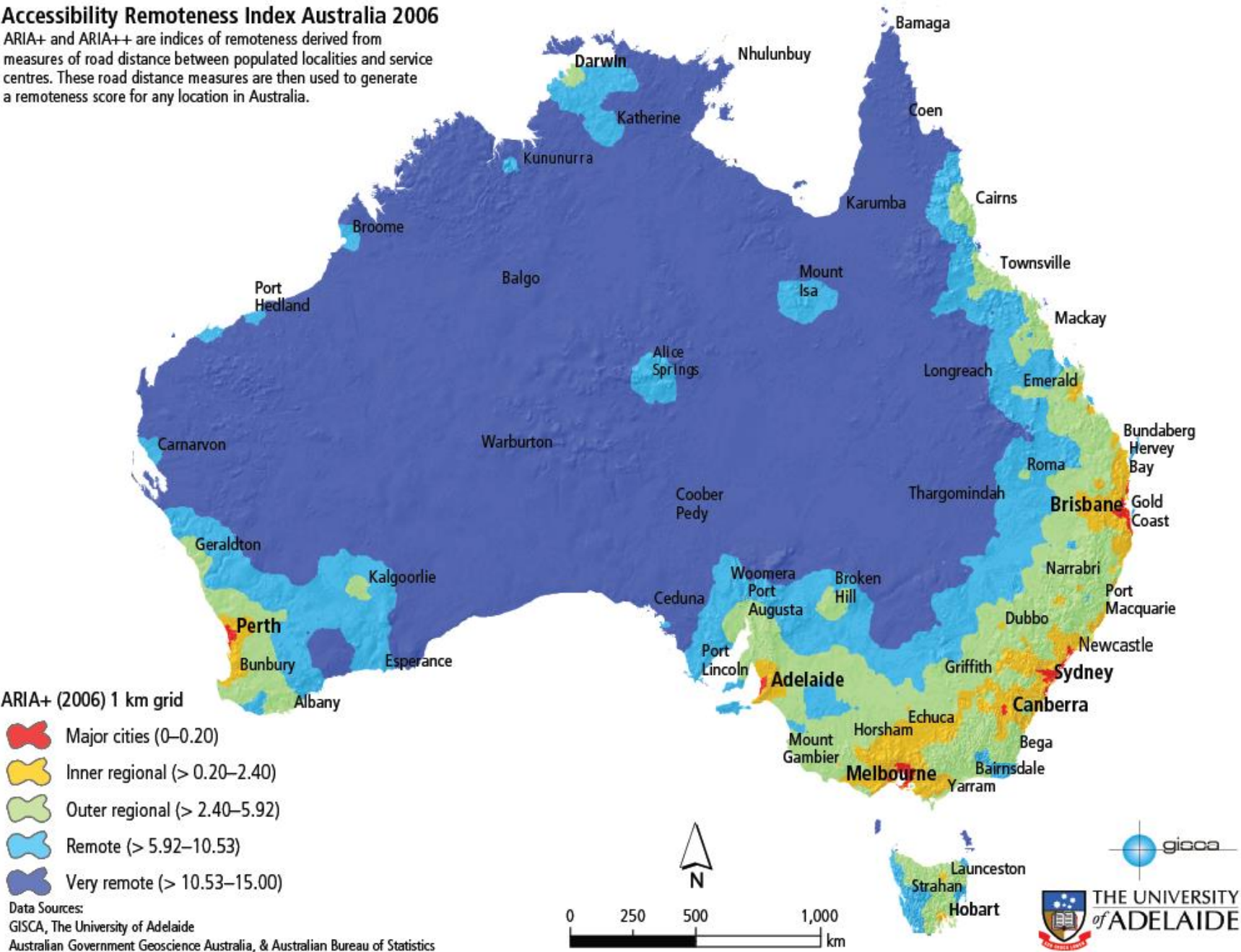
(February 2017)





# Accessibility Remoteness Index Australia 2006

ARIA+ and ARIA++ are indices of remoteness derived from measures of road distance between populated localities and service centres. These road distance measures are then used to generate a remoteness score for any location in Australia.



ARIA+ (2006) 1 km grid

- Major cities (0–0.20)
- Inner regional (> 0.20–2.40)
- Outer regional (> 2.40–5.92)
- Remote (> 5.92–10.53)
- Very remote (> 10.53–15.00)

Data Sources:  
GISCA, The University of Adelaide  
Australian Government Geoscience Australia, & Australian Bureau of Statistics





# Rural and Regional Facts

- Achieving more equitable education outcomes across regional Australia is our nation's greatest challenge in realising the potential of regional Australia.
- 24 regional LGAs have no high performing high school students.
- Welfare dependency average in local government areas (LGAs) in regional Australia is 30%, compared to a metropolitan average of 19%.
- Only 6 of the 100 most “technologically ready” LGAs are regional.

(source: [www.regionalaustralia.org.au/home/2015/11/human-capital/](http://www.regionalaustralia.org.au/home/2015/11/human-capital/))

**GDP per capita fell** (went negative) in 2014/15 in regional NSW, Victoria, Queensland and South Australia – and increased in Sydney & Melbourne.

(source: [www.sgsep.com.au/publications/gdp-major-capital-city-2014-2015](http://www.sgsep.com.au/publications/gdp-major-capital-city-2014-2015))

**Regional Australia is critical** to Australia's economic prosperity and is home to around one third of Australia's population. Regional Australia accounts for around 65 per cent of Australia's export earnings by value.

([www.liberal.org.au/coalitions-policy-jobs-and-growth-regional-Australia](http://www.liberal.org.au/coalitions-policy-jobs-and-growth-regional-Australia))



# Employment in rural and regional Australia

People living in rural areas do not have the range of employment and career options that are available in the larger urban centres and cities, levels of job security and future employment prospects are often lower, and there are often poorer employment conditions than in urban areas.

The need for agricultural workers as also decreased as farms have become larger and more mechanised.

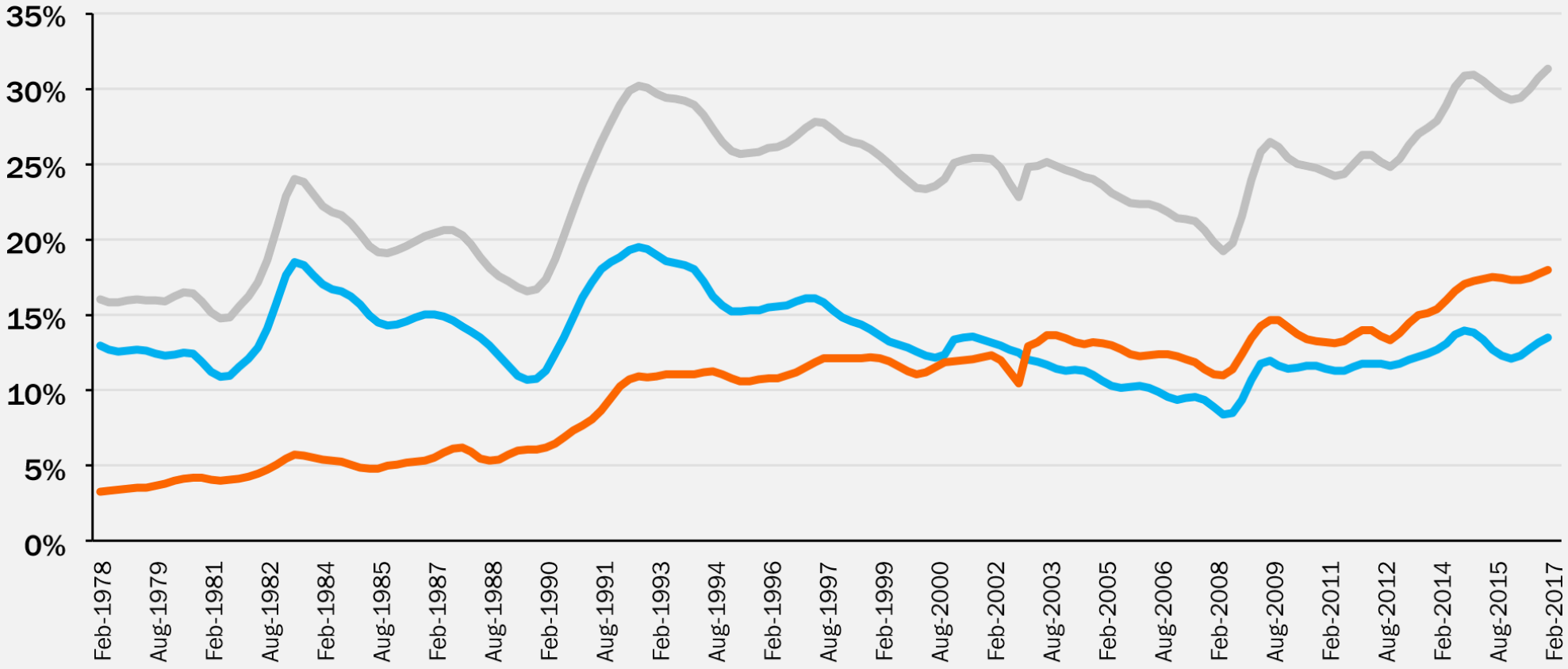
[http://library.bsl.org.au/jspui/bitstream/1/9004/1/BSL\\_Aust\\_youth\\_unemployment\\_hotspots\\_Mar2016.pdf](http://library.bsl.org.au/jspui/bitstream/1/9004/1/BSL_Aust_youth_unemployment_hotspots_Mar2016.pdf) (source)

Table 2: High unemployment regions by state and territories, January 2016

Region	Youth unemployment rate (%)
<b>New South Wales</b>	<b>12.2</b>
Hunter Valley excluding Newcastle	21.8
Mid North Coast	19.5
Southern Highlands and Shoalhaven	18.4
New England and North West	18.1
Richmond – Tweed	17.4
<b>Victoria</b>	<b>14.2</b>
Melbourne – West	17.3
Geelong	16.9
Hume	16.0
Melbourne – North East	15.7
Ballarat	15.5
<b>Queensland</b>	<b>13.2</b>
Queensland – Outback	28.4
Wide Bay	20.6
Cairns	20.5
Townsville	17.6
Mackay	16.0
<b>South Australia</b>	<b>15.5</b>
Barossa – Yorke – Mid North	19.4
Adelaide – North	16.3
Adelaide – Central and Hills	16.2
South Australia – Outback	15.5
Adelaide – South	15.2
<b>Western Australia</b>	<b>10.7</b>
Perth – North West	14.5



# Youth Unemployment + Youth Underemployment = Youth Underutilisation



[http://library.bsl.org.au/jspui/bitstream/1/9409/1/BSL\\_Generation\\_stalled\\_young\\_underemployed\\_2017.pdf](http://library.bsl.org.au/jspui/bitstream/1/9409/1/BSL_Generation_stalled_young_underemployed_2017.pdf)

— Underutilisation    — Unemployment    — Underemployment



# VET and School Participation by Location

Indicator	Metro %	Inner regional %	Outer regional %	Remote %	Very remote %
Participation in VET	7.4	10.7	11.2	11.9	10.4
Secondary School participation age 16	81.2	77.0	73.9	65.6	52.3
Higher ed participation of school leavers	36.7	20.1	16.1	13.1	4.3
Left school year 10 or below	30.8	41.5	42.3	41.2	50.3

<http://phidu.torrens.edu.au/current/graphs/sha-aust/remoteness/aust/education.html>

Source: Compiled by PHIDU based on data from the National Centre for Vocational Education Research Ltd., 2012; and the ABS Estimated Resident Population, 30 June 2012.



# VET Participation by State/Territory

Indicator	Metro %	Inner regional %	Outer regional %	Remote %	Very remote %
NSW	6.3	11.9	14.6	15.4	18.5
VIC	10.3	13.9	16.6	19.8	-
QLD	5.9	7.8	7.9	8.4	10.4
SA	8.2	10.8	12.5	13.5	12.9
WA	6.1	7.5	10.8	12.1	9.6
TAS	-	8.6	10.6	13.4	14.6
NT	-	-	8.6	13.2	9.9
Australia	7.4	10.7	11.2	11.9	10.4

2012 (released October 2014)

<http://phidu.torrens.edu.au/current/graphs/sha-aust/remoteness/aust/education.html>



# Rural Education and Young People

- Students living further from cities are **less likely to catch up** once they are off track at a milestone.
- **Rural and remote students have reduced access to education services** compared to metropolitan students: attend school less frequently, less likely to go to university and more likely to drop out if they enrol.
- ***Vocational education and training (VET) is an important pathway for regional and remote students, though participation in very remote areas is low. Nearly one-third of remote and outer regional students undertake an apprenticeship or traineeship.***
- **Remote communities are home to one-quarter of Australia's Indigenous population.** As a consequence, the educational challenges faced in remote areas have a disproportionate impact on Indigenous Australians.

<http://www.mitchellinstitute.org.au/fact-sheets/young-people-in-rural-and-remote-communities-frequently-missing-out/>



# The Tyranny of Distance

Rural and regional Australia faces major economic and social challenges based on the tyranny of distance.(\*)

This results in lack of access to services – including education – and poorer economic outcomes.

The more “rural” and “remote” you get, the greater the economic and educational challenges you face.

Rural and regional Australia varies greatly by population, accessibility, geography, services and education. What works in one area may not work in another.

(\*) Geoffrey Blainey, *The Tyranny of Distance*, Pan Macmillan, 1967,  
<http://www.theaustralian.com.au/arts/review/the-tyranny-of-distance-geoffrey-blaineys-classic-turns-50-/news-story/30477685f87b58523e883f556b40e059>



# Regional and Rural VET Challenges

1. “Thin markets” and unproductive competition
2. Impact of “contestable” funding models in regional areas with very few providers
3. Resourcing and costs: lack of managerial attention from centralised state governments, arbitrary funding models that do not account for regional and rural needs
4. Quality and availability of trainers and assessors
5. Lack of placement opportunities (including quality providers in certain sectors) for students whose studies require work placements
6. Poor telecommunications and unreliable internet connections – both providers and students
7. Online study often not suitable for VET, with requirements for “hands on” activities, and for potentially disengaged learners.
8. Access by students to learning locations: poor public transport
9. Competition from universities, with secondary schools and other institutions favouring university over VET for school leavers
10. Issues in border locations (NSW-VIC, SA-VIC, NSW-QLD) of employer registration and approvals
11. Culture of second and third generation unemployment in certain disadvantaged communities
12. Aboriginal and Torres Strait Islander communities have special cultural needs not always catered for





# Principles for Innovative Rural and Regional VET Programs: Sample Approaches

- Building on local and regional strengths and points of difference
- Developing and sustaining partnerships between government, not-for-profit community and businesses
- Co-location, such as TAFE-community-high school-university, including sharing facilities and classrooms: TAFE SA & community sector good example of efficient VET partnering
- Because funding for training is usually based on “demonstrable” local needs, find ways to create that need
- Seek funding from non-local sources
- Focus on entrepreneurship, creating a culture of entrepreneurship and risk-taking
- Overcome the distances involved in regional, rural and remote Australia



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