



# Vulnerable and Disadvantaged Students of NSW Community Education Providers Analysis of Participants in Government-Funded VET 2016

by Community Colleges Australia  
28 September 2017

## Background

This report by Community Colleges Australia (CCA) details the performance of NSW community education providers in reaching vulnerable and disadvantaged learners, based on 2016 data compiled by the National Centre for Vocational Education Research (NCVER).

Each year the NCVER publishes annual totals for vocational education and training (VET) student activity for the previous calendar year. The NCVER publishes in two formats:

- Government funded VET, defined as “all Commonwealth and state/territory government-funded training delivered by TAFE institutes, other government providers (such as universities), community education providers and other registered providers” – 1.3 million students participated in government-funded VET in 2016;<sup>1</sup>
- Total VET students (also known as “total VET activity”) – approximately 4.2 million students enrolled in VET in 2016.<sup>2</sup>

The NCVER data is widely acknowledged to be the best and most comprehensive VET data in Australia. The NCVER helpfully makes available “data slicers” and the original data sets in ways that can be downloaded and compared by researchers and policy analysts.

In NSW, “government-funded” VET predominantly refers to one of two programs run by the NSW Department of Industry: Smart and Skilled or Community Services Obligation (CSO), a subset of Smart and Skilled specifically (in this case for community colleges).

This report compares the New South Wales NCVER 2016 “government-funded” student data, examining the differences between not-for-profit community education providers (most of them often known in New South Wales as “community colleges”), TAFE

---

<sup>1</sup> See <https://www.ncver.edu.au/publications/publications/all-publications/government-funded-students-and-courses-2016>.

<sup>2</sup> See <https://www.ncver.edu.au/publications/publications/all-publications/total-vet-students-and-courses-2016>. These collections are compiled under the Australian Vocational Education and Training Management Information Statistical Standard (AVETMISS).

(government/public) providers and for-profit private providers.<sup>3</sup> In subsequent reports, CCA will examine similar patterns for Victoria and for the whole of Australia for both government-funded and total VET activity.

The table on page 6 in this report shows student characteristics percentages across the three types of NSW VET providers that delivered government-funded VET during 2016:

- gender
- age
- Indigenous status
- disability status
- school status
- ARIA remoteness category<sup>4</sup>
- SEIFA IRSD

**ARIA classifications** fall into five categories: metropolitan (major city), inner regional, outer regional, remote and very remote. Australian research acknowledges the increasing difficulty that many regional and remote residents experience in accessing education, training and other services, compared residents of major cities. For details of this disadvantage, see CCA's report, *The Role of Community Education in Australian Regional and Rural Economic Development* (February 2017, pp. 12-17).<sup>5</sup>

**SEIFA IRSD** refers to Socio-Economic Indexes for Areas (SEIFA), an index developed by the Australian Bureau of Statistics (ABS) that "ranks areas in Australia according to relative socio-economic advantage and disadvantage. The indexes are based on information from the five-yearly Census." IRSD refers to "Index of Relative Socio-Economic Disadvantage".<sup>6</sup> SEIFA is widely used and acknowledged by Australian researchers as a strong comparative tool for disadvantage.<sup>7</sup>

## Summary of Findings

A close examination of the NCVET's government-funded VET data for 2016 shows that:

**On all tracked measures of vulnerability and disadvantage, NSW community education VET providers significantly over-performed compared to both TAFE**

---

<sup>3</sup> CCA thanks Stuart Bastock and Theresa Collignon at Macquarie Community College for their assistance in preparing and collating this data.

<sup>4</sup> For more details of ARIA remoteness index, see the Australian Bureau of Statistics, <http://www.abs.gov.au/websitedbs/d3310114.nsf/home/remoteness+structure>, and the Australian Government Department of Health, <http://www.health.gov.au/internet/main/publishing.nsf/Content/health-historicpubs-hfsocc-ocpanew14a.htm>.

<sup>5</sup> The report is available at <https://cca.edu.au/wp-content/uploads/2017/02/The-Role-of-Community-Education-in-Regional-and-Rural-Economic-Development-7February2017.pdf>.

Also see: Australian Productivity Commission, *Deep and Persistent Disadvantage in Australia*, July 2013, [http://library.bsl.org.au/jspui/bitstream/1/3521/1/Deep%20and%20Persistent%20Disadvantage%20in%20Australia\\_PC%20July2013.pdf](http://library.bsl.org.au/jspui/bitstream/1/3521/1/Deep%20and%20Persistent%20Disadvantage%20in%20Australia_PC%20July2013.pdf); and "The education system has failed students in rural and regional areas", by Bridget McKenzie, *The Australian*, 8 March 2017, <http://www.theaustralian.com.au/higher-education/opinion/the-education-system-has-failed-students-in-rural-and-regional-areas/news-story/ebac4766ef978588f4754068aee0da14>.

<sup>6</sup> See Australian Bureau of Statistics, <http://www.abs.gov.au/websitedbs/censushome.nsf/home/seifa>.

<sup>7</sup> See "Australia's most disadvantaged suburbs: where are they and who lives there?", by Nicholas Biddle, *The Conversation*, 8 April 2013, <https://theconversation.com/australias-most-disadvantaged-suburbs-where-are-they-and-who-lives-there-13181>.

**and private for-profit providers, disproportionately catering for students from the state's most disadvantaged groups and regions.**

This achievement results in large part from the funding provided by the NSW Government's Community Service Obligation ("CSO") program and the ability of NSW community colleges in using the CSO funds effectively and successfully to meet the program's desired outcomes to "guarantee training for key equity groups".<sup>8</sup>

In 2016, NSW community education providers achieved the following percentage proportions of their government-funded VET student populations:

- 12% Indigenous students, compared to 8.4% of TAFE students, 6.3% of private for-profit provider students and a state average of 8%.
- 15.6% students with a disability, compared to 11.1% of TAFE students, 5.3% of private for-profit provider students and a state average of 9.6%.
- 70.9% regional students, compared to 34.9% of TAFE students, 31.5% of private for-profit provider students, and a state average of 35.7%.
- 69.1% most socially and economically disadvantaged students (bottom two SEIFA quintiles), compared to 53.7% of TAFE students and 55.3% of private for-profit provider students, and a state average of 54.9%.
- 34.8% were aged 45 or over, compared to 20.9% of TAFE students, 15.3% of private for-profit provider students, and a state average of 20% - indicating that community providers proportionately reach older workers and other older members of the "equity" groups.

See more detail on these figures on pages 4, 5 and 6.

## Recommendations

On the basis of this data, CCA recommends that the NSW Government:

1. Increase the funding for the adult and community education Community Service Obligation (CSO) program for NSW community colleges, given the capacity that community providers have shown to use the funding effectively to reach the state's vulnerable and disadvantaged learners.
2. Reallocate some of the Smart and Skilled funding from other VET providers (particularly the private for-profit providers) to community education providers, especially in locations of greatest social and economic need.
3. Increase funding for foundation skills, adult basic education and teaching of English as a second language, given the high level of expertise and capabilities in the community sector – including an examination of the fee reimbursement structure for these courses, because of their intensive and high-cost nature required for the lowest educational level of learners.
4. Ensure that NSW community colleges and their staff delivering CSO are properly supported with professional development and technical expertise to ensure that high-quality delivery is maintained and enhanced. The apparent demise of the NSW "ACE Teaching and Leadership" program funding means that NSW community colleges do not have any funding program that ensures communication about best practice and

---

<sup>8</sup> For more details about the ACE CSO program, see [https://www.training.nsw.gov.au/ace/ace\\_csos\\_program.html](https://www.training.nsw.gov.au/ace/ace_csos_program.html).

other issues. This challenge is particularly acute because so much of CSO activity takes place outside of metropolitan Sydney, as this report indicates.

5. Implement a program to support the upgrading of buildings and IT infrastructure of NSW community education providers, which have no sources of capital – unlike government-owned TAFE and the private investment capital that supports the private providers.
6. When determining the priorities for additional allocations (or re-allocations) of Smart and Skilled funds, ensure that there is a high weighting of the criteria towards proposals that meet the needs of vulnerable and disadvantaged (“equity”) groups.

## Government-Funded VET in New South Wales: Student Characteristics of Community Education Providers

The following table shows that on all tracked measures of vulnerability and disadvantage, NSW community education providers over-performed in 2016 with their student cohorts, compared to other providers – TAFE (government) and private for-profit providers. Although community education providers have fewer students, these providers disproportionately cater for students from the state’s most disadvantaged groups and regions; see below.

### Indigenous students:

- 12% of community education students were Indigenous
- 8.4% of TAFE students
- 6.3% of private for-profit provider students
- (8% NSW provider average)<sup>9</sup>

In other words, community providers did 50% better than TAFE and almost twice as well as the private providers in enrolling Indigenous students in government-funded VET courses.

### Students with a disability:

- 15.6% of community education students had a disability
- 11.1% of TAFE students
- 5.3% of private for-profit students
- (9.6% NSW provider average)

In other words, community providers did one-third better than TAFE and almost three times better than private providers in enrolling students with a disability.

### Remoteness:

- 70.9% of community education students lived in regional areas, including inner regional (46.7%) and outer regional (24.2%), compared to 27% of community education students in major cities.

---

<sup>9</sup> In 2016, Indigenous Australians made up 2.9% of the NSW population; see <http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/2071.0~2016~Main%20Features~Aboriginal%20and%20Torres%20Strait%20Islander%20Population%20Data%20Summary~10>. Indigenous Australians participate in VET at a much higher rate than non-Indigenous Australians – approximately double; see <https://www.ncver.edu.au/publications/publications/all-publications/indigenous-vet-participation-completion-and-outcomes-change-over-the-past-decade>.

- 34.9% of TAFE students – inner regional (25.7%) and outer regional (9.2%), and 63% in major cities.
- 31.5% of private for-profit students – inner regional (23.9%) and outer regional (7.6%), and 65.3% in major cities.
- Across students of all NSW VET providers, 35.7% were regional, including 26.2% inner regional, 9.5% outer regional, and 61.9% in major cities.

In other words, community providers had about twice as many government-funded regional students as TAFE, private providers or the NSW state provider average.

**SEIFA index of disadvantage**, separated into 5 “quintiles” (each quintile representing 20% of the NSW total population):

- *69.1% of community education students* fell into the bottom two (most disadvantaged) quintiles – 35.5% in the bottom quintile and 33.6% in the second to bottom quintile.
- 53.7% of TAFE students fell into the bottom two (most disadvantaged) quintiles – 27.7% in the bottom quintile and 26% in the second to bottom quintile.
- 55.3% of private for-profit provider students fell into the bottom two (most disadvantaged) quintiles – 29.4% in the bottom quintile and 25.9% in the second to bottom quintile.
- Across all NSW VET providers – 54.9% of students fell into the bottom two (most disadvantaged) quintiles – 28.6% in the bottom quintile and 26.3% in the second to bottom quintile.

In other words, community providers did almost one-third better than other NSW providers in enrolling the most socially and economically disadvantaged students.

**Age structure:**

- *34.8% of community education students* were aged 45 or over
- 20.9% of TAFE students were aged 45 or over
- 15.3% of private for-profit provider students were aged 45 or over
- Across all NSW VET providers, 20% of students were aged 45 or over

This indicates that community providers proportionately reach older workers and other older members of the “equity” groups, in comparison to other types of providers – proportionately two-thirds more than TAFE and more than double the percentage of private for-profit providers.

See the table below for more details.

NSW Government-Funded Students 2016	Total NSW		TAFE		Private		Community	
	No.	%	No.	%	No.	%	No.	%
<b>Total for selection</b>	<b>454030</b>	<b>100.0</b>	<b>298410</b>	<b>100.0</b>	<b>133365</b>	<b>100.0</b>	<b>22255</b>	<b>100.0</b>
				66%		29%		5%
<b>Student demographics information</b>								
<b>Sex</b>								
Males	225275	49.6	149615	50.1	66470	49.8	9195	41.3
Females	228600	50.3	148720	49.8	66885	50.2	12995	58.4
Not known	155	0.0	80	0.0	10	0.0	65	0.3
<b>Age</b>								
14 years and under	855	0.2	265	0.1	290	0.2	300	1.3
15 to 19 years	128105	28.2	64940	21.8	59110	44.3	4060	18.2
20 to 24 years	73685	16.2	54295	18.2	16910	12.7	2475	11.1
25 to 44 years	160625	35.4	116415	39.0	36600	27.4	7615	34.2
45 to 64 years	83955	18.5	57085	19.1	19910	14.9	6960	31.3
65 years and over	6745	1.5	5410	1.8	545	0.4	790	3.5
Not known	60	0.0	5	0.0	0	0.0	60	0.3
<b>Indigenous status</b>								
Indigenous	36310	8.0	25185	8.4	8445	6.3	2680	12.0
Non-Indigenous	411420	90.6	272700	91.4	120165	90.1	18555	83.4
Not known	6300	1.4	530	0.2	4750	3.6	1020	4.6
<b>Disability status</b>								
With disability	43780	9.6	33235	11.1	7070	5.3	3475	15.6
Without disability	357705	78.8	264860	88.8	75620	56.7	17225	77.4
Not known	52545	11.6	320	0.1	50675	38.0	1550	7.0
<b>School status</b>								
At school	67350	14.8	18815	6.3	46405	34.8	2125	9.5
Not at school	381480	84.0	279390	93.6	82385	61.8	19705	88.5
Not known	5200	1.1	205	0.1	4570	3.4	425	1.9
<b>ARIA remoteness</b>								
Major cities	281125	61.9	187975	63.0	87150	65.3	6000	27.0
Inner regional	119040	26.2	76760	25.7	31895	23.9	10385	46.7
Outer regional	43105	9.5	27520	9.2	10195	7.6	5390	24.2
Remote	4330	1.0	3175	1.1	890	0.7	260	1.2
Very remote	1645	0.4	1195	0.4	380	0.3	70	0.3
Overseas	540	0.1	490	0.2	45	0.0	0	0.0
Not known	4250	0.9	1290	0.4	2810	2.1	150	0.7
<b>SEIFA IRSD</b>								
Quintile 1 - most disadvantaged	129855	28.6	82740	27.7	39200	29.4	7910	35.5
Quintile 2	119510	26.3	77505	26.0	34525	25.9	7485	33.6
Quintile 3	77190	17.0	49795	16.7	23570	17.7	3825	17.2
Quintile 4	60240	13.3	42250	14.2	16445	12.3	1545	6.9
Quintile 5 - least disadvantaged	61900	13.6	43960	14.7	16615	12.5	1325	6.0
Not known	5335	1.2	2170	0.7	3010	2.3	160	0.7

Source: Extracted from *Quick Stats: Government-funded students and courses, 2016*, National Centre for Vocational Education Research, 12 July 2017, available at: <https://www.ncver.edu.au/data/data/all-data/quick-stats-government-funded-students-and-courses-2016>

## About Community Colleges Australia

Community Colleges Australia (CCA) is the peak national body that represents community-owned, not-for-profit education and training providers. Our vision is for dynamic and vibrant communities, informed and empowered through learning. To make our vision a reality, CCA works to empower Australia's community education sector by:

- increasing the awareness of the sector and its place in the economic and social fabric of our nation;
- advocating at all levels of government on the value of the community education sector, and for our members' activities and programs; and
- building business opportunities for our members and our sector.

CCA assists its members to sustain and grow, promoting learning innovation, focussing especially on vulnerable and disadvantaged learners. Our members are long-established community learning organisations located in metropolitan, regional and rural locations. They focus on student welfare and are strongly committed to employment outcomes for their learners. Our members have been providing flexible and dynamic education and training opportunities to individuals, groups and businesses for a long time – in some instances more than 100 years. As well as operating in VET, CCA members offer a range of other learning opportunities, including non-accredited training, lifestyle and lifelong and cultural learning courses – education for which they are historically well-known. These educational activities help build self-esteem, re-engage “missing” learners and create and sustain social and community networks, all of which help to reinforce and sustain the communities in which our members operate.

Our sector's history permits our members to be strategic and innovative in their flexibility to employ a wide range of tools. Our sector plays a strategic role because our members have the freedom to take considered risks.<sup>10</sup>

Our members are not bound by government structures in the way that TAFEs are, nor are they beholden to private shareholders to supply cash returns in the way of for-profit private providers.<sup>11</sup>

Our members have an historic commitment to invest in their communities and respond to the needs of vulnerable and disadvantaged Australians, including a commitment to foundation skills. They do this through small class sizes, focussing on personal support, and creating connections to and collaborations with local non-government organisations, government agencies, social services and employers.

## For Further Information

Contact: Don Perlgut, Chief Executive Officer  
Community Colleges Australia  
PO Box 1839, QVB Post Office, Sydney NSW 1230  
(Street address: Suite 1016, 155 King Street, Sydney NSW 2000)  
tel (02) 9233 3634; email: [admin@cca.edu.au](mailto:admin@cca.edu.au) or [don.perlgut@cca.edu.au](mailto:don.perlgut@cca.edu.au)  
web [www.cca.edu.au](http://www.cca.edu.au)

---

<sup>10</sup> In October 2016, CCA ran a “Community Education Innovation Prize”. View details of the winner and finalists here: <https://cca.edu.au/what-we-do/2016-cca-annual-conference/cca-innovation-contest/>.

<sup>11</sup> Most community providers receive substantial amounts of state government funding to provide accredited VET programs, particularly to vulnerable and disadvantage learners. The table in this report indicates how valuable these government grants can be to the most vulnerable learners.