



What Australia's not-for-profit community education providers need

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Australia's community education sector in perspective

Australia's not-for-profit adult and community education providers had [380,000 vocational education and training \(VET\) students in 2016](#), some 9 per cent of the national total. By any count that's a significant force in Australia's training landscape, especially active in Victoria and New South Wales. In addition to the VET students, each year the [420+ Registered Training Organisations](#) and [2500 total](#) community education organisations engage many hundreds of thousands more adults in personal learning. For many of them, this provides a [pathway back to education](#) and training.

Australia's community education sector is also unique in another way: it over-performs in reaching the most vulnerable and disadvantaged learners in comparison to other providers. In percentage terms, the [latest 2017 government-funded VET data](#) shows that community education providers beat TAFE and private for-profit providers in almost all measures of vulnerability and disadvantage. Using New South Wales data (closest to the national average; see Table 1 below):

- Almost 20 per cent of community students had a disability, compared to 12 per cent of TAFE and 9 per cent of private for-profit providers.
- More than 13 per cent of community students were Indigenous, compared to less than 10 per cent of TAFE and 7 per cent of private students.
- Almost 64 per cent of community students lived in regional, rural and remote areas, compared to less than 37 per cent of TAFE and less than 33 per cent of private students.
- Almost 66 per cent of community students were the most socially and economically disadvantaged – the bottom two SEIFA quintiles, compared to 55 per cent of TAFE and 56 per cent of private students.
- More than 64 per cent of community students were female, compared to 57 per cent of TAFE and 51 per cent of private students – almost certainly due to the emphasis on delivering courses in community services, aged care and child care.
- Non-English speaking background students was the only area where community education providers did not top the charts: with 13.7 per cent of students, compared to TAFE with 21 per cent and private providers with 11 per cent. This probably results at least in part because of the large number of non-metropolitan community students, most of whom are native English speakers.

The message is clear: if you want to reach Australia's most vulnerable and disadvantaged learners, you must start with community VET providers.

Table 1: Community education, TAFE and private provider student percentages compared

Category	Community Education (student %)	TAFE (student %)	Private for-profit providers (student %)
Aged 45+	35.8	19.0	14.7
Students with a disability	19.7	12.1	8.9
Indigenous	13.4	9.6	7.0
Non-English speaking backgrnd	13.7	21.0	11.0
Rural regional remote resident	63.8	36.6	32.6
Socio-Economic disadvantage SEIFA	65.6	55.2	56.2
Female	64.3	56.7	51.5

Source: *Government-funded students and courses 2017*, National Centre for Vocational Education Research (NCVER), 3 July 2018, <https://www.ncver.edu.au/publications/publications/all-publications/government-funded-students-and-courses-2017>.

These figures are consistent with the [Government-funded VET comparative provider results](#) of the 2016 calendar year.

So, what does the community education sector want from the Commonwealth Government?

Infrastructure and facilities funding

One of the greatest challenges facing community education providers is how to maintain existing and construct new buildings. Small and medium providers, especially in regional areas, face special and [well-documented challenges](#) to maintain the “high infrastructure costs imposed by accreditation and competitive tendering.”

In 2009, the Commonwealth Government set up a \$100 million “[Investing in Community Education and Training program](#)”, part of a \$500 million VET Capital Fund that included TAFE. This fund offered not-for-profit community education providers grants up to \$1.5 million for major capital infrastructure developments and upgrades.

Last year, [Community Colleges Australia \(CCA\) and Per Capita surveyed almost half of the](#) organisations that received funds from this program. We found that more than 100,000 additional students undertook training in the following 7 years as a direct result of that



funding. In other words, a new student was trained for every \$1,000 invested, a fabulous return on investment.

Repeating this facilities investment for not-for-profit training providers is an obvious government policy to pursue, a cost-effective means to support the education and training aspirations of the most vulnerable.

Recognition of adult and community education

The sector has [called on the Commonwealth and all state and territory governments](#) to update and reissue the 2008 Ministerial Statement on Adult and Community Education, as detailed by [Adult Learning Australia](#). The last [Statement](#) confirmed the “value of adult and community education in developing social capital, building community capacity ... and enhancing social cohesion.”

There is very little in the 2008 Statement that does not apply today. But the world of post-school education has changed rapidly in the last nine years. We need a national policy statement that articulates the new realities of VET, given our rapidly changing economy in the post-mining boom period.

Restoring the community college and community education brand

The community education and community college brand has been comprehensively confused in recent years, because all levels of government have allowed some private for-profit VET providers to use the words “community” and “college” freely in their names. A large part of the public can no longer distinguish between genuine not-for-profit community-serving education and training and the for-profit VET counterparts. This is not an accident. These for-profit companies purposefully use the words college, community and various place names – Australia, Melbourne, Sydney, Adelaide, Brisbane as a means of deceiving potential learners to think that they are a public or community provider. Go [to the CCA website](#) for a list of 30 examples.

Proper funding for Australian vocational education and training

Proper government funding for Australian VET is now imperative. The numbers are clear. In ten year period up to 2016, [real terms government expenditure shows](#):

- pre-schools increased by 150 percent
- schools increased by 30 percent
- universities increased by 53 percent
- But VET **decreased** by 5 percent

VET is the [“forgotten middle child”](#), says Dr Damian Oliver:

The middle child is squeezed between schools, which tend to get a lot of policy attention, like the youngest child, and the universities, which tend to get the prestige and status, like the oldest child. There is no doubt that the VET sector has a lower status in Australia.



Recent free TAFE course announcements by the [Victorian Government](#), the [New South Wales Government](#) and promises by the [Federal Opposition](#). CCA [supports proper funding of TAFE](#), the true anchor VET institution, with which it shares most values. It's safe to say that the community sector loves TAFE. However it's almost always an unrequited love – except possible in South Australia, which has developed [a model that integrates TAFE](#) and community provision.

What the community sector does not support, however, are the unintended consequences of providing free TAFE courses while leaving the rest of the policy settings unchanged. When this happens, there will be – it's already happening – a negative impact on community providers. That may not be the intention, but that's the reality. If additional TAFE funding damages community providers, the whole training sector loses.

Reversal of the marketisation and privatisation of VET

The marketisation and privatisation of Australian VET has been universally condemned as a [“disastrous failure”](#).

In the Australian schools sector, there are almost no “for profit” institutions. In the university sector, [for-profit institutions enrol only 5 per cent of students](#). Yet [in the VET sector in 2016](#), 59 per cent of students enrolled in private for-profit institutions.

The age of “contestable funding” for VET has severely disadvantaged community education providers. No less than the self-described “Queen of Capitalism”, Business Council of Australia's Jennifer Westcott, [has said](#):

We can't just say let the market work, because it doesn't always work for everybody.... It doesn't often work for disadvantaged people, it doesn't work in certain locations [and] it doesn't work for emerging skills. Whenever you hear people say, “Let the market just run,” you say: to what end and what purpose? Market reform has to be about outcomes, not fads.

The much-abused [VET FEE-HELP scheme](#) was the worst manifestation of marketisation. But it was only a symptom of a much deeper malaise in Australian public life. This [“neoliberalism”](#) assumes that the [privatisation of public educational \(and other\) services](#) is a good thing. An efficient market will provide when public funding is given to the private sector. What we know now – and should have recognised years ago – is that this simply is not true.

[Education is a public good](#); it should not be [sustaining profit margins greater than 30 per cent](#). If it does, surely quality will suffer. The marketisation of Australian public services has never been more [problematic than in the VET space](#). Education and training is [not a suitable buy-and-sell commodity](#), both on rational economic as well as social criteria.

Even the Commonwealth's economically dry [Productivity Commission acknowledges](#) that, “The expansion of VET FEE-HELP access after 2012 is a well-documented example of how policy can fail if governments do not ensure proper policy design along with suitable regulatory oversight.”

The Australian National Audit Office report on the [Administration of the VET FEE-HELP Scheme](#) also acknowledges that [a free-for-all Australian VET market is wrong](#). Paragraph 27 of the report details how there was an average tuition fee increase of 342 per cent over a six year period due to VET FEE-HELP, and a variation in course fees of up to 1000 per cent.

Got that? In other words, consumers did not have enough information or power or capability to determine or negotiate the proper pricing mechanism. Many learners simply assumed that because the loans were from the Australian Government that it must have been okay. Put simply, competition did NOT bring lower prices or higher quality – in fact the opposite occurred.

And which consumers fared worse from the VET FEE-HELP fiasco? The answer: Indigenous students and low socio-economic status students.

The Government's [Redesigning VET FEE-HELP paper found that](#) in 2015 the average annual tuition fee for Indigenous students was almost 40 per cent higher than non-Indigenous students.

These are extraordinary findings. Australia does not need more “choice” or competition in VET. What we do need are properly funded government and community providers that are committed to the common good, and not to producing high levels of profit for individuals and corporations.

Foundation skills, adult literacy and numeracy

A few years ago, the [Australian Bureau of Statistics concluded](#) that a significant proportion of the adult population in Australia was unable to “demonstrate minimum levels of literacy and numeracy required ... in the emerging knowledge-based economy.”

The [Australian Council for Adult Literacy estimates](#) that “one in five adults do not have the literacy skills to effectively participate in everyday life.”

A survey by [Mission Australia and Youth Action](#) showed that 74 percent of young people said that literacy and numeracy issues were significant barriers to completing VET qualifications.

Australia's community providers do some of the [heaviest lifting in adult literacy](#) and numeracy, with the concentration on lower level training. Yet funding languishes.

Regional economic development and community education providers

It is time to recognise that Australia's community providers play an important role in regional and rural economic development through our training and other service activities. [CCA estimates that](#) Victorian community education providers deliver 20 per cent of accredited VET training in regional and rural areas, and 10 per cent in New South Wales. VET participation [is at least 50 per cent higher in regional Australia](#), where community providers constitute a significant national force. Many small towns and rural areas depend on the



service. Australia needs to [reduce the arbitrary barriers for community providers](#) to participate in regional economic development programs.

The community sector also plays an important role in outer metropolitan areas [such as Western Sydney](#), home to 2.3 million people, almost 10 per cent of Australia's population. CCA has started to work with twelve community providers to develop a coordinated approach to economic development of that region, supported by the New South Wales Government.

Upskilling older workers

CCA welcomed the Government's May 2018 announcement of the [Skills Checkpoint for Older Workers](#) program, designed to support people aged 45 to 70 to remain in the workforce. Many of this age group are at risk of becoming collateral damage in a rapidly changing economy.

Community education providers have the right environment and style to [reach and re-train older workers](#) in many industries. In 2017, 36 per cent of community students [were aged 45-plus in 2017](#), compared to 19 per cent of TAFE and less than 15 per cent of private for-profit students.

Rational government policy would ensure community providers can take their place in meeting the needs of older workers, as the natural partner for governments.

A plea for national leadership

This essay concludes with a plea to our national politicians to provide real vision and leadership in Australia's VET space, developing bi-partisan approaches to significant national challenges.

It's time for proper funding: no-one can say that Australia doesn't have the money, because we surely do when we are considering both business and personal tax cuts.

It's time to bring the states and territories together to further a national conversation on how we educate and train Australia for the mid twenty-first century.

And it's time to value the contributions that Australia's community education sector makes to skills development.

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