Vulnerable and Disadvantaged Students of NSW Not-for-Profit Community Education Providers Summary of NCVER 2017 Data

by Community Colleges Australia
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Background

This report by Community Colleges Australia (CCA) details the performance of not-for-profit NSW community education providers in reaching vulnerable and disadvantaged learners, based on 2017 data compiled by the National Centre for Vocational Education Research (NCVER). This report follows on from CCA's September 2017 report that examined the 2016 data.[1]

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" – 1.2 million students participated in government-funded VET in 2017[2]; and
- Total VET students (also known as "total VET activity") – approximately 4.2 million students enrolled in VET in 2017.[3]

The NCVER data undergoes significant quality control to ensure it will be of value to Australian policy makers and researchers.[4] The NCVER makes available "data slicers" and the original data sets in ways that can be downloaded and compared.

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[1] See https://cca.edu.au/wp-content/uploads/2017/10/NSW-Community-Colleges-Govt-Funded-VET-2016-Analysis-28September2017-1.pdf.

[2] See https://www.ncver.edu.au/research-and-statistics/publications/all-publications/government-funded-students-and-courses-2017.

[3] See https://www.ncver.edu.au/research-and-statistics/publications/all-publications/total-vet-students-and-courses-2017.

[4] See https://www.ncver.edu.au/research-and-statistics/data-quality-policy and https://www.ncver.edu.au/about-ncver/about-our-data.

In NSW, "government-funded" VET for community providers primarily refers to one of two programs managed and funded by the NSW Department of Industry: the Smart and Skilled program and the ACE (Adult and Community Education) Community Services Obligation (CSO) program.[5]

This report compares the New South Wales NCVER 2017 "government-funded" student data, examining the differences between not-for-profit community education providers (often known in New South Wales as "community colleges"), TAFE (government/public) providers and for-profit private providers. In a subsequent report, 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 5 of this report details the following student characteristics across the three types of NSW VET providers that delivered government-funded VET during 2017:
- gender
- age
- Indigenous status
- disability status
- ARIA remoteness category[6]
- SEIFA IRSD
- non-English speaking background

ARIA classifications fall into five categories: metropolitan, 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, entitled *The Role of Community Education in Australian Regional and Rural Economic Development* (February 2017, pp. 12-17).[7]

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".[8] SEIFA is widely used and acknowledged by Australian researchers as a strong comparative tool for disadvantage.[9]

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[5] Commonwealth and other state funding programs and initiatives make additional, mostly minor contributions to the government-funded VET totals.

[6] 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.

[7] 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 https://cca.edu.au/home/nsw-regional-and-rural-economic-development-report-summary/.
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.

[8] See Australian Bureau of Statistics, http://www.abs.gov.au/websitedbs/censushome.nsf/home/seifa.

[9] 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.

Summary of Findings

A close examination of the NCVER's government-funded VET data reveals that:

> **On almost all tracked measures of vulnerability and disadvantage, in 2017 NSW community education VET providers significantly over-performed compared to both TAFE and private for-profit providers, disproportionately catering for students from the state's most disadvantaged groups and regions.**

This achievement results from the funding provided by the NSW Government's "ACE Community Service Obligation" ("CSO") program and the ability of NSW not-for-profit community providers to use the CSO funds effectively and successfully to meet the program's desired outcomes to "guarantee training for key equity groups".[10] The calendar year 2017 figures are consistent with the 2016 government-funded VET data, which CCA analysed in September 2017.[11] (There are currently 34 ACE CSO providers in New South Wales.)

In 2017, NSW community education providers achieved the following percentage proportions of their government-funded VET student populations:

- 13.4% Indigenous students (12% in 2016), compared to 9.6% of TAFE and 7.0% of private for-profit providers;
- 19.7% students with a disability (15.5% in 2016), compared to 12.1% of TAFE and 8.9% of private for-profits;
- 63.8% regional students (70.9% in 2016), compared to 36.6% TAFE and 32.6% private for-profits; and
- 65.6% most disadvantaged students (bottom two SEIFA quintiles; 69.1% in 2016), compared to 55.2% TAFE and 56.2% private for-profits.
- 35.8% older (age 45+) students (34.8% in 2016), compared to 19% TAFE and 14.7% private for-profits.
  (See more details below.)

Recommendations

Based on the analysis of this report, CCA recommends that the NSW Government:

1. Increase the funding for the adult and community education Community Service Obligation program for NSW community providers, given the capacity of community providers to use the funding effectively to reach the state's vulnerable and disadvantaged learners. Based on CCA's estimate of the NSW community education sector's capacity, CCA recommends that a 50% increase – from the (current) approximately $20 million/year to $30 million/year – is appropriate and achievable, and will be a highly effective investment by the NSW Government.[12]

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[10] For more details about the ACE CSO program, see https://www.training.nsw.gov.au/ace/ace_cso_program.html.

[11] https://cca.edu.au/wp-content/uploads/2017/10/NSW-Community-Colleges-Govt-Funded-VET-2016-Analysis-28September2017-1.pdf.

[12] For details on regional and rural NSW needs, see https://cca.edu.au/home/nsw-regional-and-rural-economic-development-report-summary/; for details on Western Sydney needs, see https://cca.edu.au/member-services/western-sydney-regional-economic-development-and-community-education/.

2. Re-allocate some of the Smart and Skilled funding from other VET providers (particularly the private for-profit providers) to not-for-profit community providers, especially in locations of greatest social and economic need such as regional and rural NSW and Western Sydney.

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 and the total "volume of learning" required in foundation skills programs.

4. Ensure that NSW community education providers and their staff are properly supported with professional development and technical expertise to ensure that high quality delivery is maintained and enhanced. This challenge is particularly acute because so much of CSO activity takes place outside of the Sydney metropolitan area, as figures in this report show.

5. Support the upgrading of buildings and IT infrastructure of NSW community education providers, which have no outside sources of capital – unlike government-owned TAFE and the private capital that supports the private providers. CCA has quantified the cost of maintaining the infrastructure of its NSW members – averaging at $277,000/year; CCA has proposed that the NSW Government support community providers by $100,000 each year.[13]

In addition, *CCA recommends that the Australian Government:*

6. Enlist community education providers in job and other training programs targeted at older (age 45+) workers, given the unique ability of community providers to engage older Australians. The learning environments in Australian community education organisations provide the support, style and type of learning that older workers find attractive and conducive to study.

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

In 2017, NSW not-for-profit community education providers over-performed in virtually every measure of disadvantage:

➢ Almost 20% of community students had a **disability,** compared to 12% of TAFE and 9% of private providers: community providers almost doubled that of other provider percentages.
➢ More than 13% of community students were **Indigenous**, compared to less than 10% of TAFE and 7% of private students: community providers delivered to one-third more than TAFE and almost double the private for-profits.[14]

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[13] See https://cca.edu.au/wp-content/uploads/2018/05/CCA-Submission-Maintenance-costs-of-NSW-Community-Education-Providers-21May2018.pdf.

[14] 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

- Almost 64% of community students lived in **regional, rural and remote areas**, compared to less than 37% of TAFE and less than 33% of private students: community non-metropolitan provision was almost double that of other providers.
- Almost 66% of community students were the most **socially and economically disadvantaged** – the bottom 2 SEIFA quintiles, compared to 55% of TAFE and 56% of private students. The SEIFA index of disadvantage is calculated by separating the Australian population into 5 "quintiles", with each quintile representing 20% of the NSW total population. So the bottom 2 quintiles represent the bottom 40% of Australians, calculated on socio-economic advantage.
- More than 64% of community students were **female**, compared to 57% of TAFE and 51 percent of private students. Contributing factors are because community providers undertake limited engagement traditional male-dominated programs, including trade apprenticeships, and many deliver more female-dominated certificates in Individual Care, Child Care and Hospitality.
- Almost 36% of community students were **aged 45 or over**, compared to 19% of TAFE and under 15% of for-profit students – more than double the other provider sectors: community providers disproportionately have the ability to reach older workers, and should be enlisted in more programs of that sort.
- **Non-English speaking background students** was the only category where community providers did not top the charts: with 13.7% of students, compared to TAFE with 21% and private providers with 11%. This probably resulted in part because of the large number of non-metropolitan community students, most of whom are native English speakers.

Table 1: Comparison of Community Education, TAFE and Private for-profit Student Percentages – Government-Funded VET, 2017

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

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. CCA advocates at all levels of government on the value of the community education sector, and for our members' activities and programs.

CCA assists its members to sustain and grow, promoting learning innovation, focussing especially on vulnerable and disadvantaged learners. The majority of CCA members are

https://www.ncver.edu.au/publications/publications/all-publications/indigenous-vet-participation-completion-and-outcomes-change-over-the-past-decade.

Registered Training Organisations (RTOs) for vocational education and training. 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 accredited 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.[15] They 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.

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

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[15] 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/. Examples of innovations are included in this recent CCA conference presentation: https://cca.edu.au/wp-content/uploads/2018/08/NCVER-presentation-Don-Perlgut-Evelyn-Goodwin-16Augu2018-FINAL-web.pdf.