WESTERN SYDNEY REGIONAL ECONOMIC DEVELOPMENT REPORT – SUMMARY

Community Education Providers and Western Sydney Regional Economic Development: Expanding Capacity and Contributions
Executive Summary

This Report

Community Colleges Australia produced this report for the NSW Department of Industry to ensure that the NSW Government can use the capacity of Western Sydney not-for-profit community education providers to support that region’s economic development priorities.

Key Findings

The 13 Western Sydney region not-for-profit community education providers deliver a wide range of vocational educational and training services to the region, from more than 120 locations. The providers bring strengths in business and work skills, early childhood, aged care, disability, community services, foundation skills and adult literacy/numeracy, English as a second language, information technology, management and leadership.

Greater recognition of the activities and capacity of community education providers by local, state and institutional stakeholders will enhance the ability of providers to work in economic development.

Community education providers deliver more effectively than TAFE and for-profit VET providers to hard-to-reach cohorts: people experiencing socio-economic disadvantage, people with disabilities, older (age 45-plus) Australians and people from non-English speaking backgrounds. Western Sydney community providers are in a unique position to pick up many of the outreach services previously supplied by TAFE NSW, given proper funding.
The project has reinforced the possibilities ripe for exploration:

- The sector is ideally positioned to deliver a cohesive framework for connection, ongoing learning and skilling in Western Sydney.
- Investment in establishing a governance structure and shared systems for a regional network of not-for-profit community education providers would lift the sector capacity's capacity, enabling active participation in economic development.
- Community providers are embedded and trusted providers in their respective communities, delivering skills and support where people live and work.
- While community providers in Western Sydney are effective, they continue to battle limited resources, especially given their willingness to expand and introduce new services to key equity groups.
- Collaborations with all layers of government and community stakeholders are crucial for broader success.
  The post-secondary policy focus on universities and TAFE has limited the ability of community providers to participate in collaborations with governments.

**Western Sydney Context**

Western Sydney is home to one in ten Australians, and is Australia’s third largest economy, after Sydney and Melbourne central business districts. More than 2.2 million people live in greater Western Sydney, 35% of them born overseas, from more than 170 countries and speaking more than 100 languages. The region has numerous economic attractions and advantages, notably a rapidly growing Parramatta central business district, the planned Badgerys Creek airport and associated Aerotropolis, historical sites, tourism attractions including the Blue Mountains, and a growing number of post-secondary educational institutions. With booming population growth – one of the highest rates in the developed world – Western Sydney’s economy has been unable to keep up with infrastructure needs or jobs, with the ratio of jobs to residents falling consistently since the year 2000.

The region lacks public transport accessibility, frequently necessitating long commutes and extensive reliance on automotive travel. It has locally significant unemployment and underemployment, especially among young people, Indigenous people and new migrants; significant pockets of poverty and disadvantage; and an economy heavily reliant on manufacturing and other 20th century industries.

For the purposes of this report, Western Sydney is defined as the local government areas of Penrith, Blacktown, Cumberland, Fairfield, Liverpool, The Hills, Hawkesbury, Parramatta, Wollondilly, Campbelltown, Blue Mountains and Canterbury-Bankstown.
Adult and Community Education Providers in Western Sydney

Thirteen not-for-profit community education providers currently provide education, training and other community services in Greater Western Sydney: Macquarie Community College, The Parramatta College, Nepean Community College, Macarthur Community College, JobQuest, Bankstown Community College (BCCI), The Deaf Society, Hornsby Ku-Ring-Gai Community College, Jesuit Social Services & Jesuit Community College, St George & Sutherland Community College, Sydney Community College, VERTO and MTC Australia. Many of the region’s community providers already work closely together, and this project identified additional opportunities to expand collaboration.

To make a real difference to Western Sydney’s economic development, community providers will need to create a “collaboration infrastructure” that enhances their individual organisational strengths, and assists them to operate under a collective – and effective – governance structure. This project has identified this consortium/network as a high priority, although seed funding will be essential. CCA does not under-estimate the complexity and challenges involved in developing such a partnership, however believes that this is the only way to make a substantial leap in the ability of the community sector to develop major new projects and ventures.

CCA analysed Western Sydney 2017 VET subject enrolments, by comparing not-for-profit community providers with other types of providers: TAFE and private for-profit organisations. In relative percentage terms, the region’s not-for-profit community education providers excel in reaching all but one high priority groups for engagement in vocational education and training:

- 46.5% of community education enrolments were of students aged 45-plus, compared to TAFE with 15.4% and private for-profit providers with 22.6%;
- 15.6% of community education enrolments were of students with a disability, compared to TAFE with 9.8% and private providers with 3.1%;
- 55.8% of community education enrolments were of students from non-English speaking background, compared to 35.8% of TAFE and 48.8% of private providers; and
- 42.5% of community education enrolments were of students in the bottom quintile (20%) of socio-economic status, compared to 39.9% of TAFE and 39.9% of private providers.
The only area where community providers did not over-perform compared to other provider types was with Indigenous learners, with 1.2% of enrolments, compared to TAFE with 5.6% of enrolments and private providers with 1.5% of enrolments.

There is a clear opportunity for the New South Wales and Commonwealth Governments to support Western Sydney community education providers to leverage their expertise with students who are older (45-plus), who have a disability, who are from non-English speaking backgrounds and who are from lower socio-economic backgrounds.

There is also a major opportunity to expand the training services of Western Sydney community providers for the large and growing Indigenous communities in the local government areas of Blacktown (9,526 people or 2.7% of residents in the 2016 Census), Penrith (7,741; 3.9% of residents), Campbelltown (5,791; 3.8% of residents) and Liverpool (3,012; 1.5% of residents), as community education providers have a demonstrated capacity to work with Indigenous communities in other parts of New South Wales.

In addition to accredited VET courses, the region’s community providers provide other education services that create and sustain social and community networks, build self-esteem and skills of learners and assist in providing the “community glue” that ensures that communities are resilient and sustainable.

Local Government in Western Sydney

Local governments in Western Sydney take increasingly sophisticated approaches to their economic development activities; many of them have recognised and actively encouraged the incorporation of post-secondary education services in their economic development planning. In some cases, they lead Australia in recognising and incorporating education into planning. Noted examples of Western Sydney local government areas that have developed comprehensive education policies include Parramatta City Council, Liverpool City Council and Blacktown City Council, each of which participated in CCA’s Parramatta Forum on 26 October 2018.

While these local councils bring a great deal of sophistication to their economic development planning and incorporation of education, the primary focus to date has been on engagement with universities, with some involvement of TAFE NSW. No local government area in Western Sydney has developed an economic development project incorporating community education providers. The focus on education planning has been on university study, such as Blacktown’s plans for a university campus in its CBD, Parramatta Council’s engagement with Western Sydney University and Liverpool Council’s health, education and research district – which does include TAFE NSW.
Very little of the local government education focus is on post-secondary education includes recognition of the critical role of foundation skills and the "lower level" (Certificates I to IV) VET qualifications that community education providers specialise in. This is a significant gap in the region’s post-secondary and life-long education planning. Although traditionally the provision of education and training in Australia has been the responsibility of state and territory governments, many larger local councils – such as those in Western Sydney – are taking a lead in planning for post-secondary education facilities and services in their areas, because of the proven direct connection between education and economic development.

Economic Development Opportunities for Western Sydney Community Education Providers

Throughout the course of this project, CCA identified emerging opportunities where Western Sydney regional community education providers can enhance and expand their services to the region, based on existing strengths and expertise. Given the rapid population growth in the region and the significant infrastructure projects, there is substantial funding and interest by governments, both New South Wales and Commonwealth. Opportunities include participation in the Western Sydney City Deal, Western Sydney Airport and the Aerotropolis, the Parramatta North Heritage Core, the Nirimba Education Precinct, and expansion of community education delivery of foundation skills, neighbourhood centre activities, migrant services and innovative employment programs, including social enterprises.

CCA organised a Western Sydney regional economic development skills forum in Parramatta on 26 October 2018, with more than 70 participants. The Forum underscored the importance of the "place-based" learning, which recognises that regions are different, that one-size-fits-all approaches are often inappropriate, and that local communities must be central to development efforts. The Forum also highlighted that substantial government education investment has gone into universities and to some extent TAFE – but almost none into community providers.
This project identified additional areas where Western Sydney community education providers can play an enhanced role in economic development, including:

- Older (45-plus) workers, given that Western Sydney community providers heavily out-perform all other training provider types in the region, with 46.5% of student enrolments in this category, compared to 15.4% of TAFE and 22.6% of private for-profit organisations.

- Indigenous Australians, given that they participate in VET at double the rate of non-Indigenous people, and that Western Sydney has the largest concentration of Aboriginal and Torres Strait Islander people in the country.

- Business incubators, traditionally established to foster self-employment, assist business development, accelerate business growth, reduce the failure rate of start-up businesses, assist businesses to operate, and increase employment opportunities – and in which NSW community providers are starting to take a lead.

- Entrepreneurship and social enterprises, with CCA members JobQuest and Jesuit Social Services already operating successful social enterprises in the region.

- Philanthropic funding, still under-utilised for Australian regional economic development pilot projects, but available to most community education providers because of their not-for-profit status.

### Western Sydney VET Subject Enrolments (2017): students 45 yrs+

![Enrolments Graph](image-url)
In addition, the NSW Central Coast provides another region for focusing on how community providers can assist economic development. The Central Coast has more than 333,000 residents (ABS, 2016), a high population growth rate and significant employment challenges. The four community education providers active in the region – Central Coast Community College, Tuggerah Lakes (TLK) Community College, ET Australia and VERTO – combined operate from more than 60 locations in the region, providing an excellent platform for coordinated economic development assistance.

**NSW Government Support for Western Sydney Community Education Providers**

The NSW Government supports the activities of NSW community education providers with students who have special needs and are vulnerable or disadvantaged, primarily through the Adult and Community Education (ACE) Community Service Obligation (CSO) program (approximately $21.6 million in 2018/19). Community providers also receive some general Smart and Skilled allocations. CCA’s analysis of government-funded VET student cohorts shows that the ACE CSO program is largely responsible for NSW community education providers achieving the best outcomes in reaching target “equity” groups of any VET sector (public, community, private for-profit) in any state or territory. Given the superb track record of community providers, CCA strongly believes that a substantial increase in CSO funds in 2019/20 and subsequent years is warranted. This is particularly so in Western Sydney, with deep pockets of disadvantage and substantial population growth.

To support regional economic development goals, Western Sydney community education providers must be sustainable, with well-trained staff and strong governance structures. The NSW Government has supported the governance and professional development needs of community education providers to build their quality and capacity. This funding, primarily through the “ACE Teaching and Leadership” funding program, has been valuable in that it empowers the sector to deliver NSW Government training and skills programs in the best possible manner. This funding is particularly important for Western Sydney providers, which have reduced access to both formal and informal professional development opportunities, due to the travel distances to the Sydney CBD.
CCA has highlighted the importance of maintaining, preserving and protecting the physical facilities of community education providers: in Western Sydney, many providers operate from very old buildings with extensive maintenance needs and frequently high rents. CCA welcomes the Government’s commitment to allocate $2.3 million in maintenance and operations funding in 2019/20 financial year, and will work closely with its members to ensure funds are taken up and properly utilised.

**TAFE NSW Facilities and Outreach**

TAFE NSW has valuable and frequently under-utilised facilities that could be used by Western Sydney community providers. In addition to general classroom spaces, specific facilities include commercial training kitchens, creative and performing arts spaces, and automotive and other trade workshops. NSW community providers consistently find difficulty in accessing TAFE NSW facilities, and at a reasonable cost.

CCA has received reports that TAFE NSW had deleted its Western Sydney outreach program of working with marginalised, vulnerable and disadvantaged groups. Many potential learners – especially from migrant and non-English speaking backgrounds, Indigenous, disengaged young people, or from lower socio-economic status – do not have the personal networks, confidence, literacy or language skills to seek out training opportunities, even those that are substantially or fully funded by government. Given proper funding and support, Western Sydney community education providers are in a unique position to pick up many of these services previously supplied by TAFE NSW.

**Australian Government Policies and Programs**

The absence of a national policy on adult and community education affects Western Sydney community providers, as it underpins the important role that community providers play in their communities, an essential element to ensuring their participation in regional economic development activities. CCA has expressed concern that the Australian Government’s Skilling Australians Fund has little relevance for community education providers, given its focus on apprenticeships and trainees.
Summary of Recommendations

As a result of the research and consultations undertaken for this report, Community Colleges Australia recommends the following:

**NSW Department of Industry and Regional Development**

- Provide seed funding to assist the proposed Western Sydney regional community education consortium/network in researching and establishing a proper governance structure. (s 2.1) The NSW Government establish a policy framework – possibly through the NSW Skills Board – or a statutory board – such as the former Board of Adult and Community Education – that will ensure the economic development capacity and capabilities of the state's community education providers are effectively utilised. (s 2.1)
- Develop and fund a pilot project that aims at ensuring that one or more Western Sydney community education providers work closely with one or more Western Sydney councils to plan more effectively for community education delivery in the local council area, complementing and supporting other local post-secondary educational planning. (s 2.1)
- Collaborate with CCA to develop a strategy to build on the capabilities of Western Sydney community providers with respect to reaching the most vulnerable and disadvantaged community members needing training. (s 4.5)
- Investigate the re-institution of a new multi-year funding program to support the development and delivery of Tech Savvy for Small Business programs by NSW community education providers. (s 5.1)
- Increase NSW ACE Community Service
- Obligation (CSO) funding by 50% to $33 million/year, as a highly effective investment in the state's future, index CSO funding annual at a minimum to inflation, take population growth into account when determining CSO allocations, quarantine of CSO funding solely for not-for-profit community education providers and extend contract timelines for CSO from one year to a minimum of three years to provide certainty, flexibility and greater innovation in delivery. (s 5.1)
- Expand the funding of the ACE Teaching and Leadership program to a minimum of $450,000 per year, commit to funding cycles of more than one financial year at a time, and implement a program timetable that enables proper and efficient planning. (s 5.1)
- Provide financial support for CCA to partner with a suitable professional development organisation such as the Australian Institute of Company Directors to develop pro-bono or subsidised training opportunities for the directors and senior executive staff of community education providers. (s 5.1)
Examine future models for professional development of the NSW VET sector, such as the Victorian VET Development Centre, with special consideration of the needs of VET providers in Western Sydney and regional and rural New South Wales. (s 5.1)

Implement the promised 2019/20 community education infrastructure funding program as soon as possible in order to provide certainty to NSW providers. (s 5.2)

Establish an annual infrastructure funding program similar to the Operational Base funding of TAFE NSW to ensure that community education premises remain safe and attractive as community infrastructure assets. (s 5.2) Establish a process by which community education providers can apply on an annual basis for substantive grants to support capital works, in addition to maintenance and operations. (s 5.2) Extend the current review of ACE Community Service Obligation (CSO) to include how TAFE NSW spends its CSO funds, with particular attention to the VET participation of vulnerable and disadvantaged Western Sydney residents. (s 5.3)

Fund a pilot program to take place in at least two local government areas of Western Sydney whereby Western Sydney community education providers are encouraged to trial innovative outreach approaches to engaging vulnerable and disadvantaged groups in VET. (s 5.3)

Support national efforts to develop an updated policy statement on the role of community education providers in Australian education and training, updating the 2008 Ministerial Agreement on adult education and training. (s 6.2)

Fund CCA to undertake a regional economic development study that examines how to increase the capacity and activities of Central Coast community education providers to encourage that region’s economic development. (s 7.1)

Provide funding to assist Community Colleges Australia and Sydney School of Entrepreneurs to develop entrepreneurial training for NSW community education providers. (s 7.5)

**Western Sydney regional community education providers**

- Work collaboratively to develop a regional community education consortium/network through which they can collaborate effectively with each other and undertake projects of regional economic significance. (s 2.1)
- Utilise their not-for-profit positions to access “Deductible Gift Recipient” (DGR) status, and obtain funding from Australian foundations and trusts, as well as local donations. (s 7.6)
NSW Department of Planning

- Include a state-wide approach to educational and infrastructure facility planning that includes community education providers. (s 2.1)
- Require local councils in areas of recognised population growth – such as Western Sydney – to incorporate educational facility planning into their local planning activities. (s 2.1)
- Plan for the inclusion of community education providers and “community hubs” as part of the infrastructure in any major residential or commercial new developments or re-developments. (s 2.1)
- Through the Western Sydney City Deal, make separate provision for the incorporation of not-for-profit community education providers as part of the education and training mix of providers. (s 2.2)
- Adjust the regulations – or otherwise ensure – that Section 7.11 (previously Section 94) developer amenity contributions can be utilised for post-secondary education and training by not-for-profit providers. (s 2.2)

TAFE NSW

- Work closely with CCA to establish a state-wide Memorandum of Understanding (MOU) with TAFE that will enable community providers to work collaboratively with TAFE staff and deliver programs using TAFE facilities as part of a coordinated Community Service Obligation initiative, maximising opportunities for vulnerable and marginalised groups across NSW. (s 5.3)

Australian Government Department of Education and Training

- Ensure the Skilling Australians Fund is developed and operated in such a way that does not exclude not-for-profit community education providers from participation in funding, particularly those operating in outer metropolitan locations. (s 6.2) Take the lead in developing, in conjunction with the states and territories, a national policy statement on the role of community education providers in Australian education and training, updating the 2008 Ministerial Agreement on adult and community education. (s 6.2)
- Recognise the importance of incorporating entrepreneurship more fully into VET courses through its Review of training packages, as outlined in NCVER reports. (s 7.5)