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## ABSTRACT

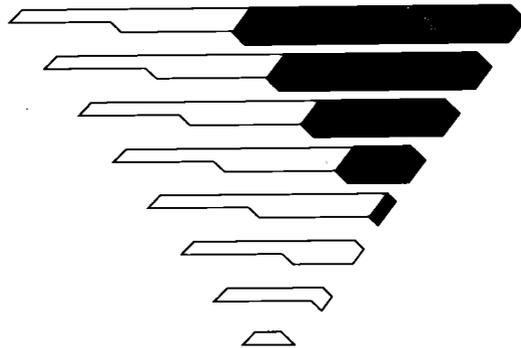
A study analyzed the role of adult and community education (ACE) in the Australian vocational education and training (VET) system. It considered the policy and funding contexts. Three premises formed the framework through which ACE's role was examined: ACE is a provider; ACE providers are community-based providers distinct from public and private providers; and the ACE sector is a network of community-based ACE providers. ACE providers had two fundamental roles in the national VET system. Their generic role was the same as other training providers in the formal VET system--to deliver outcomes congruent with the objectives of the national VET system and within nationally agreed frameworks for VET. Analysis indicated that community-based ACE providers were delivering the following outcomes: having nationally recognized ACE providers; delivering nationally recognized programs; meeting industry needs; providing learning opportunities for individuals and groups; and improving cross-sectoral links. ACE's value-adding role distinguished many ACE programs. ACE sector provision added value in four ways: training market, locality, community, and organizational orientation. Ten areas at the interface between the ACE sector and national VET system where closer cooperation would have mutual benefit were identified. (Half of the report consists of the following appendixes: four papers that map the current scope of ACE activity within the national VET system in these areas--general adult education, nationally recognized providers and programs, meeting the needs of industry, and providing learning opportunities for individuals and groups; policy context; statistical issues; consultancy brief; and 27 references.) (YLB)

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# Think local and compete

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An analysis of the role of  
Adult and Community Education  
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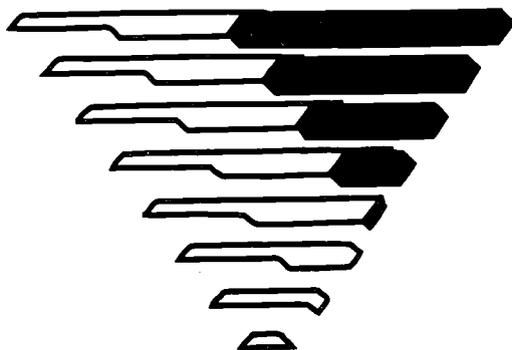
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August 1996

# *Think local and compete*

An analysis of the role of  
Adult and Community Education  
in the implementation of a national system for  
Vocational Education and Training



**AUSTRALIAN  
NATIONAL TRAINING  
AUTHORITY**

A Report to the  
MCEETYA ACE Taskforce  
by  
Kaye Schofield and Associates  
August 1996

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## FOREWORD

This report was commissioned to conduct an initial analysis of the role of adult and community education in the implementation of a national vocational education and training system.

The need to chart the critical opportunities for adult and community education in a national VET system was agreed between the MCEETYA ACE Taskforce and ANTA. ANTA then provided funding to enable this report to be prepared.

While ACE generally has not been formally part of the ANTA Agreement, through the growth in the training market, ACE providers form a growing and important source of recognised vocational education and training in Australia. It is also important that ACE providers retain their traditional flexibility, capacity to respond to local needs, and access for people less likely to participate in more formal institutional learning.

There are, however, some important issues to work through in the relationship between VET and ACE/VET.

This project report is therefore a valuable analysis of the interface between ACE and VET. It provides a coherent and comprehensive overview of the contribution of ACE to the provision of vocational education and training and also clarifies the evolving national policy environment which has impacted on the ACE sector since the Senate Inquiry of 1991 resulted in the important report '*Come in Cinderella: The emergence of Adult and Community Education*'.

The suggested shared goals and critical opportunities outlined in this report will no doubt be carefully studied by all stakeholders and will form an important element in the consultation process for the review of the *National Policy - Adult and Community Education* and a valuable input to ANTA's National Strategy.



Terry Moran  
Chief Executive Officer  
ANTA

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## Preface

As ACE providers have become formally involved in the national Vocational Education and Training (VET) system, the attention of Ministers, the Australian National Training Authority (ANTA), State Training Agencies and the Adult and Community Education (ACE) sector has turned to the nature of the relationship between the VET system and the ACE sector, the actual and desirable extent of the ACE-VET interface and how the ACE-VET interface is best managed in terms of public policy.

This Report seeks to

- review the role ACE currently plays in the implementation of the national VET system;
- clarify the issues arising at the ACE-VET interface for both the ACE sector and the VET system so that the goals of the national VET system can be advanced without diminishing the other, larger roles that Adult and Community Education plays in communities throughout Australia; and
- identify the critical opportunities for ACE within the National Strategy for VET.

Underpinning these objectives is the need to clarify the roles and responsibilities in relation to the ACE-VET interface which might properly belong with ANTA, the Commonwealth government, State and Territory governments, with industry, with communities, with individuals, with the ACE sector and with individual ACE providers.

### Purpose of the Project

The two purposes of this project are:

- to undertake an initial analysis of the role of Adult and Community Education in the implementation of the national Vocational Education and Training system which will provide a basis for charting the critical opportunities for ACE within the National Strategy for VET; and
- to provide a report to ANTA as the basis for further decision by Ministers on strategies for the States and Territories and Commonwealth in relation to ACE.

The full consultancy brief is at Appendix 7.

## Request for the Study

At the May 1995 meeting of the Ministerial Council for Employment, Education, Training and Youth Affairs (MCEETYA), Commonwealth, State and Territory Ministers considered the question of the intended role of ACE in the implementation of a national system for VET.

Following from this, the ACE Taskforce of the Ministerial Council and ANTA agreed on the need to chart the critical opportunities for ACE within the National Strategy for VET.

The outcome was a decision by ANTA to fund a National Project to consider the role of ACE in the implementation of the national system for Vocational Education and Training.

ANTA commissioned Kaye Schofield & Associates to undertake this consultancy assignment. This project builds on, and extends but does not replicate the 1995 evaluation of the introduction and implementation of VET into ACE in NSW, commissioned by the NSW Board of Adult and Community Education under the ACE National Program of ANTA.<sup>1</sup>

Advice and direction regarding the project was provided by the ACE Taskforce of MCEETYA which is composed of representatives appointed by Ministers from all Australian governments and of the AAACE.

ANTA will seek advice from the MCEETYA ACE Taskforce on the implications of this Report and, following consultation in the VET sector will report to the ANTA Board. ANTA, the Taskforce or a State or Territory may then take issues arising to MCEETYA.

On 20 June 1996, just prior to the conclusion of this Study, the Senate referred to the Senate Employment, Education and Training References Committee the matter of adult and community education. The Senate Inquiry into Adult and Community Education is to report by 26 November 1996.

## A Note on Method

The analysis in this Report is based on material gathered from a number of sources:

**Interviews** with key stakeholders as part of the preparation of a Discussion Paper. Those interviewed are listed in Appendix 10.

**Review of relevant policy statements and research reports** relevant to both the ACE sector and the national VET system.

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<sup>1</sup> NSW Board of Adult and Community Education (1996), *ACE-VET: Is it delivering? An evaluation of vocational education and training in NSW adult and community education, 1992-1995*, BACE, Sydney.

**A Discussion Paper** was prepared and 415 copies were circulated to encourage debate and comment from a wide range of stakeholders in the ACE sector and in the national VET system in all States and Territories.

**Analysis of Responses to Discussion Paper.** In all, 45 responses were received. A list of those who responded is at Appendix 8.

**Consultations** were held with key stakeholders in four States and Territories (South Australia, Tasmania, Victoria and New South Wales). A total of 73 people attended these consultations. A list of those who attended the consultations is at Appendix 9.

A number of other individuals and organisations assisted the Study by providing information and comment. A list of those who assisted in this way is at Appendix 10.

Kaye Schofield and Robyn Dryen were the project consultants.

### **Three Limitations**

Analysis of the role of ACE in the national VET system as required by the brief for this Study is severely limited by three fundamental factors.

- There is no agreed definition of ACE in Australia.
- Comparable, reliable data is not available to underpin major quantitative analysis.
- The ACE sector could be considered as a developed sector in two States only. Therefore, as a sector, it does not lend itself readily to national analysis.

Because of these limitations, this Report should be considered as a preliminary analysis.

### **The Structure of the Report**

This Report itself is relatively brief, setting out our analysis of the role of ACE in the national VET system. It is supported by four more detailed papers at Appendices 1 - 4 which map the current scope of ACE activity within the national VET system. The Report itself builds on these technical papers.

## **Acknowledgements**

We are most grateful for the assistance given to us by many individuals and organisations in the course of this project. We have appreciated the valuable contribution of all those listed in the Appendices who responded to the Discussion Paper, attended consultations and provided us with comment and advice.

In particular we would like to thank the Chair of the MCEETYA ACE Taskforce, Sam Thomas, members of the Taskforce and Lesley Johnson from ANTA for their valuable assistance throughout the course of this project.

We have also benefited considerably from discussion with Dr. Helen Parker who is undertaking related work for the Queensland Department of Training and Industrial Relations.

Finally, we wish to thank Kate Lawrence, Elaine Butler and Barb Kempnich from the University of South Australia who are undertaking a related ANTA Project on *Access and equity for rural and remote communities within the national vocational education and training system* for generously sharing with us their insights and preliminary findings.

**Kaye Schofield  
Robyn Dryen  
16 August 1996**

# Executive Summary

This Report is based on three fundamental propositions about ACE within the national VET system.

- ACE is a provider
- ACE providers are community-based providers distinct from public providers and private providers
- The ACE sector is a network of community-based ACE providers

The Report itself is relatively brief, and sets out our analysis of the role of ACE in the national VET system. It is supported by four more detailed papers at Appendices 1-4 which map the current scope of ACE activity within the national VET system. The Report builds on these technical papers.

## The Role of ACE in the National VET System

ACE providers have two fundamental roles within the national VET system.

Their **generic role** is the same as the role of all other training providers in the formal VET system - to deliver outcomes against the objectives of the national VET system and within nationally agreed frameworks for VET.

Their **value-adding role** is to bring into the national VET system a strongly local, flexible, market-driven and learner-centred approach to community-based delivery primarily to individuals.

### The Generic Role

There is clear evidence that, in the generic role, ACE providers are increasingly engaging with and delivering recognised outcomes for the national VET system.

- Patterns of engagement by the ACE sector with the national VET system, and the balance and mix of VET programs delivered by ACE providers, vary significantly between States and Territories and indeed between providers within States and Territories. Two factors account for this national variability.

First, the policies and practices of individual States and Territories towards the ACE sector. Where there are co-ordinating mechanisms, a recognition of the ACE sector and a supportive policy environment, ACE providers are more likely to enter and play a valuable role in the training market.

Second, the demand from local enterprises and individuals. Where ACE providers are able to supply recognised VET programs, the demand for them becomes visible.

- There are now around 180 ACE providers who are registered training providers, probably representing around 15% of all ACE providers. We estimate that around 18% of all registered training providers in Australia are ACE providers.<sup>2</sup>
- VET course activity by ACE providers is estimated to account for between 1.5% and 2% of national VET course activity, although not all of this is accredited. However, such provision is very variable around Australia.
- The main contribution made by ACE providers to the national VET system is in the area of General Education and Training delivering programs such as Adult Literacy, Adult Basic Education, English as a Second Language and other access and preparatory programs. We estimate that around 20% of ACE provision nationally is directed to this area and we consider this contribution to be, at this stage, the comparative strength of the ACE sector within the national VET system.
- However, ACE providers also make a significant contribution in the area of Non-Industry-Specific Occupational Training in areas such as Business, Clerical and Computing. We estimate that around 10% of ACE provision nationally is directed to this area.
- Nationally, ACE providers do not play a major role in delivering Industry-Specific Occupational Training. Where individual providers have responded to demand, it has been in non-capital intensive industries such as Community Services, Health and Education, Primary Industry and Tourism and Hospitality. There is scope for some individual ACE providers to engage more fully with certain industries, such as Primary Industry, which are looking for more flexible, localised and personalised training delivery. However, taken as a whole, we do not see great benefit in the ACE sector significantly extending its role in this area.
- Most ACE providers see their primary role in the national VET system is to provide learning opportunities and improved outcomes for individuals and equity target groups. They do not regard as their primary role, provision which meets the needs of industry although there is evidence that many ACE providers are increasingly responsive to the needs of local enterprises.
- Because the ACE sector is essentially a user-pays system, the client profile is a reflection of the demand from individual clients (influenced by their capacity to pay); the demand from government (influenced by their willingness to financially support or purchase from ACE providers) and the capacity of ACE providers to respond appropriately to these demands, including their capacity to reduce or waive fees for those individuals who are financially disadvantaged.

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<sup>2</sup> For the reasons set out in Appendix 6, statistics used in this report must be treated with a good deal of caution and should be regarded as indicative only.

- Where public funds are accessible to ACE providers on either a grants basis or on a competitive basis, it is clear that they have been able to deliver VET programs to equity target groups including women, people of non-English-speaking background, people with limited language and literacy skills, unemployed people and, in some instances, to Aboriginal people. Where public funds are less accessible, many ACE providers, consistent with their non-profit basis, have sought to cross-subsidise their programs so that they can be offered at low or no cost to those who are financially disadvantaged. Their capacity for such cross-subsidisation is however quite limited.
- ACE providers, because of their geographic spread, have been able to deliver recognised VET programs in rural and remote communities where other VET provision is limited or non-existent.

On our analysis, ACE providers play a small, under-recognised but valuable role in delivering VET programs to individuals wishing to improve their employment outcomes, particularly those with limited access to VET. They also are showing an increased propensity to deliver recognised VET programs to enterprises. ACE provision of VET complements and supplements VET provision by public and private providers.

### **The Value-Adding Role**

It is the value-adding role that can and does distinguish much provision by ACE providers.

This value-adding role derives from the history of the ACE sector, its experience outside the VET system, its community-base, its organisational orientation and its locality. Specifically, ACE sector provision adds value in four ways.

- **Training Market Value.** The entry of ACE providers into the training market increases the quantity of VET, diversifies supply, reduces costs, diversifies methods of delivery and enables delivery to groups under-represented in or under-served by the national VET system.
- **Locality Value:** State and national labour market and training market planning is simply not sensitive enough to pick up small scale and localised demand deriving from local circumstances and which may not coincide with state or national training priorities. ACE providers are strongly focused on their local and regional labour markets and the demand for VET expressed in these.
- **Community Value:** Community-based ACE providers are able to assist the effective integration of VET activities with other regional or local economic and social developments. This integration is likely to yield more dynamic, innovative and effective VET strategies. ACE providers act as a focus for empowering communities to decide their own training needs.

- **Organisational Orientation Value:** The learner-focus of ACE provision, while not a monopoly of the ACE sector, is deeply embedded in the sector as a fundamental organisational value. The principles of lifelong learning and learner-centred adult education pervade all ACE provision, not just the occasional course or program. These principles need to be more deeply embedded in the national VET system as a whole. Without making overly grand claims for the ACE sector, it has the potential to bring into the national VET system practices and values which are essential to the long-term effectiveness of the national VET system.

It is in the combination of these four value-adding dimensions that the greatest potential for ACE to make a major contribution to the national VET system lies.

In establishing and developing its Generic Role, the ACE sector may have paid insufficient attention to or overlooked its Value-Adding Role. Further developing its Value-Adding Role is a fundamental challenge and an exciting opportunity for the ACE sector within the national VET system.

## **ACE Provision of General Adult Education**

This Report emphasises and analyses the role that ACE providers play in the delivery of vocational (Stream 2000) courses within the national VET system.

The danger of this approach is that the role of ACE providers in delivering non-accredited General Adult Education (Stream 1000) courses to communities throughout Australia is overlooked or diminished.

For the overwhelming majority of ACE providers, General Adult Education is the core of their work although this does vary significantly amongst providers.

While firm national data is not available, General Adult Education is likely to form no less than 70% of ACE provision around Australia and, for many providers, 100% of their effort is directed to this area.

General Adult Education remains the heartland of the ACE sector, despite the growing involvement of many ACE providers in the national VET system. This is likely to continue to be the case for the foreseeable future, even as ACE providers increase their delivery of VET programs.

This experience of autonomous community-based ACE providers in this heartland needs to be brought into the national VET system to enhance its flexibility and responsiveness.

At the same time, state and national policies and practices supportive of General Adult Education are needed and VET policies and practices must not be allowed to diminish or distort the General Adult Education provision by ACE providers.

## **Shared Directions at the ACE-VET Interface**

There are a number of areas at the interface between the ACE sector and the national VET system where closer co-operation would have mutual benefit. These interface issues are best expressed as goals to which both the ACE sector and the national VET system could commit. Some of the ten goals we have identified should be pursued at the national level while others are more appropriately pursued at State and Territory level.

**GOAL 1 : To increase the proportion of national VET system funds which are accessible to registered ACE providers of VET programs.**

This seems to us the most fundamental goal of mutual benefit to both parties. It would require the Commonwealth government to insist that all or a greater proportion of Commonwealth growth funds are accessible to providers other than TAFE. It would require State and Territory governments opening a greater proportion of State recurrent funds to providers other than TAFE.

**GOAL 2 : To increase the ability of ACE providers to compete in the open training market**

We propose here that an ACE Provider Development Program be established under the auspices of ANTA to achieve this goal. States and Territories would be responsible for its implementation but there could be national agreement on the principles to underpin it and perhaps some key strategies.

**GOAL 3 : To report on cross-sectoral collaboration between ACE provision of VET and other parts of the VET system and other educational sectors.**

We consider that there would be value in the ACE sector reporting annually to ANTA on developments in this area, identifying impediments to achieving this goal of the national VET system, and formally interacting with other parts of the VET system and higher education to maximise collaborative possibilities. In reporting, emphasis should be given to Pathways, Cross-Sectoral Provision of Units of Study and Strategic Alliances.

**GOAL 4 : To arrive at a nationally consistent approach to the programs which are delivered by ACE providers under national VET system arrangements and reported within State Training Profiles**

We suggest that the following approach be adopted in the ANTA Guidelines for preparing State Training Profiles.

- Eliminate the use of the term "ACE courses" to describe General Adult Education (Stream 1000)
- Eliminate requirement to report on General Adult Education within the State Training Profiles
- Adopt consistent usage of "ACE provider" or "ACE sector" depending on the context
- Confine the term "ACE provider" to community-based providers of adult and community education, leaving to individual States and Territories the precise definition of "community-based provider" but excluding from the definition TAFE Institutes/systems and higher education institutions/sector.
- Non-accredited courses in Streams 2000-4000 to be excluded from the Activity Table within the State Training Profile. Where such courses are currently included, a phase-out period be determined to assist ACE providers to make the transition to delivering programs which are nationally recognised.

**GOAL 5 : To reduce the scope of the AVETMISS ACE Collection.**

We see no reasons to continue data collection at a national level on General Adult Education. National Surveys and ABS data are an alternative source.

The focus within the AVETMISS Collection on ACE needs to be on the delivery of nationally recognised courses in Streams 2000-4000 by community-based ACE providers. Any national data collected beyond this scope would be a matter for Ministers to consider in the context of the National Policy on ACE and not in the context of the national VET system.

**GOAL 6 : To minimise any negative impact on General Adult Education from increased involvement of ACE providers in the delivery of VET programs.**

ANTA together with the States and Territories and the ACE sector itself have responsibilities for ensuring that the operations of the national VET system do not unintentionally diminish General Adult Education. One strategy could involve more explicit commitment by all governments to support lifelong learning through General Adult Education, a commitment which could be expressed through revisions to the National Policy on Adult Community Education.

**GOAL 7 : To identify the desirable relationship between ACE provision of VET and Aboriginal education.**

We suggest that the MCEETYA ACE Task Force give further consideration to the question of if, and in what way, State and Territory recognition systems impede the delivery of culturally appropriate programs to indigenous communities by community-based providers. We suggest that the specific issues related to this question be identified and then referred to the Aboriginal and Torres Strait Island Peoples Advisory Council of ANTA for advice.

**GOAL 8 : To monitor the impact of and respond to changes in Labour Market Program arrangements on ACE providers**

The ACE-VET relationship needs to be developed simultaneously with the ACE-Labour Market Program relationship to ensure consistency in the strategic focus and policy directions of ACE.

There are early indications that reduced provision of labour market programs may accelerate the demands on ACE providers for VET programs. This may have the effect of cost-shifting from the Commonwealth government to communities and careful monitoring is required to assess national trends and whether responses at national or State/Territory level are required.

**GOAL 9 : To ensure a more comprehensive input from the ACE sector on its involvement in the VET system**

Two particular strategies are worth pursuing at national level in relation to this goal.

State roundtables provides a creative and non-bureaucratic approach to improving two-way communication between the ACE sector and the national VET system, recognising that not all States and Territories are yet able to provide such interactive opportunities on a regular basis. Such an approach also broadens the input into the national VET system and consequently strengthens it.

The concept of a national ACE coalition is, in our view, worth pursuing further. Many responses to the Discussion paper expressed support for the work of AAACE. However many also expressed concerns that the current consultative arrangements did not allow for adequate input from other peak ACE bodies about directions at the ACE-VET interface at both national level and at state level.

We are of the view that there is sufficient anxiety about current consultative arrangements to warrant this matter being considered jointly by all national, State and Territory peak bodies representing ACE providers.

State roundtables could be used among other purposes, to obtain views on the concept of a national coalition of ACE providers to act as a single source of advice to ANTA on ACE-VET interface issues.

**GOAL 10 : To review the continuing relevance of the National Policy on Adult and Community Education for the ACE-VET interface.**

In relation to provision of VET by ACE providers, the National Policy should reflect more accurately the relationship between the ACE sector and the national VET system, should place more specific emphasis on key directions and outcomes and should provide more strategic guidance. It should also explicitly encourage communities to take a greater role in and responsibility for training in local and regional labour markets.<sup>3</sup>

**Critical Opportunities for the ACE Sector**

We have identified eight opportunities which the ACE sector should explore further.

**OPPORTUNITY 1 : Position ACE providers to participate in new arrangements for the Modern Australian Apprenticeship and Traineeship System ( MAATS)**

The ACE sector needs to find ways to actively participate in the development of MAATS at the national and State/Territory levels and ensure ACE involvement in its implementation at regional and local levels, building on the "value-adding" role it has in the national VET system derived from its local and regional focus.

**OPPORTUNITY 2 : To increase the emphasis on the "Value-Adding" role of ACE provisions within the national VET system.**

In our view, the ACE sector needs to place greater emphasis on adding value to the national VET system by virtue of its organisational orientation, its impact on the training market, its operation in local and regional labour and training markets and its community-base.

**OPPORTUNITY 3 : To Improve communication between the ACE sector and State Training Profile process**

This is a greater need in some States and Territories more than others. This opportunity needs to be pursued at State and Territory level.

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<sup>3</sup> Response: ACFE

**OPPORTUNITY 4 : To co-operate with selected state and national ITABs to identify market niches where ACE providers could address industry demand.**

We do not consider a blanket approach to ACE-ITAB cooperation to be desirable. We propose instead a tightly targeted approach, based on the competitive advantages of the ACE sector both nationally and at State level and on the demand from selected ITABs.

**OPPORTUNITY 5 : To increase the proportion of Steam 2000-4000 courses delivered by ACE which are nationally recognised.**

At State and provider level, systems will need to be put in place to ensure that the competitive advantages which have accrued to ACE delivery of VET from current NFROT arrangements are not diminished in a strongly deregulated environment.

**OPPORTUNITY 6 : To ensure that women's participation in VET programs delivered by ACE providers is not less than women's participation in ACE provision more generally.**

ACE providers have a strong claim to serving well the education and training needs of women. In the marketplace this represents a significant competitive advantage which must not be diminished as ACE providers offer more nationally recognised VET programs.

**OPPORTUNITY 7 : To increase the participation of people from non-English speaking background in a broader range of VET programs**

The learning opportunities for people from non-English speaking background undertaking ACE studies must extend beyond language and literacy programs to cover the full range of VET programs. ACE providers should give particular attention as to ways this can best be achieved.

**OPPORTUNITY 8 : To strengthen the position of the ACE sector in relation to training for small business**

An ACE Small Business Strategy at State level, perhaps built on strategic alliances with industry associations or small business associations, would provide an opportunity for ACE providers to strengthen their contribution in this area.

## **Conclusion**

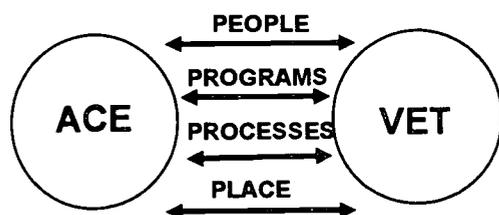
This initial analysis of the role of ACE in the national VET system suggests that the ACE sector plays a small but valuable role in the national VET system. There is benefit to communities, the ACE sector and the national VET system in growing and strengthening this role in ways consistent with both the emerging training market and the community service obligations of government.

The challenge for ACE and VET is to work together in those areas where there is mutual benefit from doing so. The additional challenge for ACE is to position itself more firmly in its local and regional setting and increase its capacity to survive and thrive in an increasingly competitive VET environment. From this comes the title of this Report - think local and compete.

## ACRONYMS

<b>AAACE</b>	Australian Association of Adult and Community Education
<b>ACAL</b>	Australian Council of Adult Literacy
<b>ACE</b>	Adult and Community Education
<b>ACFEB</b>	Adult, Community and Further Education Board, Victoria
<b>ACTRAC</b>	Australian Committee on Training Curriculum
<b>ACVETS</b>	Australian Committee on Vocational Education and Training Statistics
<b>AMEP</b>	Adult Migrant Education Program
<b>AMES</b>	Adult Migrant Education Service
<b>ANTA</b>	Australian National Training Authority
<b>AQF</b>	Australian Qualification Framework
<b>ATSI</b>	Aborigines and Torres Strait Islanders
<b>AVETMISS</b>	Australian Vocational Education & Training Management Information Statistical Standard
<b>BACE</b>	Board of Adult and Community Education, NSW
<b>BVET</b>	Board of Vocational Education and Training, NSW
<b>CAE</b>	College of Adult Education, Victoria
<b>CES</b>	Commonwealth Employment Service
<b>DEETYA</b>	Department of Employment, Education, Training and Youth Affairs (Commonwealth)
<b>DTEC</b>	Department of Training and Education Co-ordination (NSW)
<b>ECCA</b>	Evening and Community Colleges Association (NSW)
<b>ESFC</b>	Employment and Skills Formation Council
<b>ESL</b>	English as a Second Language
<b>IAE</b>	Institute of Adult Education, Tasmania
<b>ITAB</b>	Industry Training Advisory Board
<b>ITC</b>	Industry Training Council
<b>LMP</b>	Labour Market Program
<b>MAATS</b>	Modern Australian Apprenticeship and Traineeship System
<b>MCEETYA</b>	Ministerial Council on Employment, Education, Training and Youth Affairs
<b>NBEET</b>	National Board of Employment, Education and Training
<b>NCAELLS</b>	National Collaborative Adult English Language and Literacy and Strategy
<b>NFROT</b>	National Framework for the Recognition of Training
<b>NOWinFE</b>	Network of Women in Further Education
<b>NTETA</b>	Northern Territory Employment & Training Authority
<b>NVETS</b>	National Vocational Education and Training System
<b>OTFE</b>	Office of Training and Further Education (Victoria)
<b>RPL</b>	Recognition of Prior Learning
<b>SCH</b>	Student Contact Hour
<b>STP</b>	State Training Profile
<b>TAFE</b>	Technical and Further Education
<b>TEC</b>	Training and Enterprise Council
<b>U3A</b>	University of the Third Age
<b>VET</b>	Vocational Education and Training
<b>WEA</b>	Workers Education Association

# Chapter 1: Context



The Adult and Community Education (ACE) sector and the national Vocational Education and Training (VET) system are two independent components of Australia's post-secondary education and training effort.

When there is a mutual intent to deliver vocational education and training outcomes within the national VET framework, ACE and VET interact.

Because of this interaction, the ACE-VET interface needs to be seen as fluid and constantly evolving as the ACE and VET relationship grows and matures.

The introduction of the National Framework for the Recognition of Training (NFROT) in 1992 was a central first step in opening up the training market. It enabled providers, other than public providers (principally TAFE) to be quality assured through provider registration. It also allowed their courses to be nationally recognised through course accreditation, thus laying the foundation for students to progress between providers within the VET system and across sectoral boundaries.

This, together with a more competitive environment for the distribution of vocational education and training funds in some instances, has drawn into the training market a wider range of providers including a steadily increasing number of ACE providers.

It should not be assumed however that this was the first point at which the ACE sector engaged with vocational education and training. For more than a century, many ACE providers in Australia have played a small yet valued role in developing the vocational skills of adults while pursuing their primary role of general adult education, as well as contributing to community development.<sup>1</sup> Indeed

*It is a nice point of history that the government owned and funded TAFE system in Australia sprang out of a community owned and funded "system". The transition from community endeavour to government commitment was based on notions of social responsibility, and a conviction that vocational education was too*

<sup>1</sup> We note that not all ACE providers have a long history of delivering vocationally oriented programs. As WEA Sydney, in its response to the Discussion Paper noted: *WEA Sydney's history since 1913 would dispute the claim that 'ACE' has always had quite the Vocational role which the Discussion Paper asserts. Traditionally the education of adults was seen with a missionary zeal and in its earliest formulations was to contribute to 'the higher education of working men and women'. WEA Sydney is still committed to this ideal and the vision of a liberally educated democracy. Subsequently from a different direction, leisure and hobby programs have proliferated to meet the legitimate recreational and lifestyle aspirations of adults from all walks of life. It has often been asserted that all these activities have some vocational impact, and whilst this is probably true, it is extremely 'soft' in its 'vocational' nature.*

*important to be left to the vagaries of community fund raising, particularly if Australia was to enter the 20th century internationally competitive.<sup>2</sup>*

However, in this Report our focus is not on the role that adult and community education plays in vocational education and training, important though that is.

Rather the focus is what role the ACE sector does and might play in the publicly funded national VET system.

This distinction is absolutely fundamental to our approach in this Report.

In this Report we have taken the ANTA Agreement<sup>3</sup> as the embodiment of the national VET system and sought to assess the role of ACE against the objectives set out in this Agreement and its associated policy frameworks.

By doing this we leave unchallenged the existing objectives of the national VET system and the nationally agreed VET frameworks, particularly on the question of accreditation. We also run the risk of presenting the national VET system, in its current form, as immutable.

There are many ACE providers, and we might add, public and private providers of VET who would argue that the national VET system is too narrowly conceived in public policy and that broader interpretations are required.

We have however made a conscious choice in this Report to consider the role of the ACE sector against the national VET system in its current form. If, and in what ways the national VET system should be more broadly conceived, and the role that the ACE sector might play in this is a matter for further consideration, beyond the brief of this Report.

## **The Policy Context**

The increasing involvement of ACE providers in the national VET system has occurred in an evolving policy environment for both the national VET system and for the ACE sector, reflected in a range of key policy statements, reports and inquiries conducted over the past 5 years.

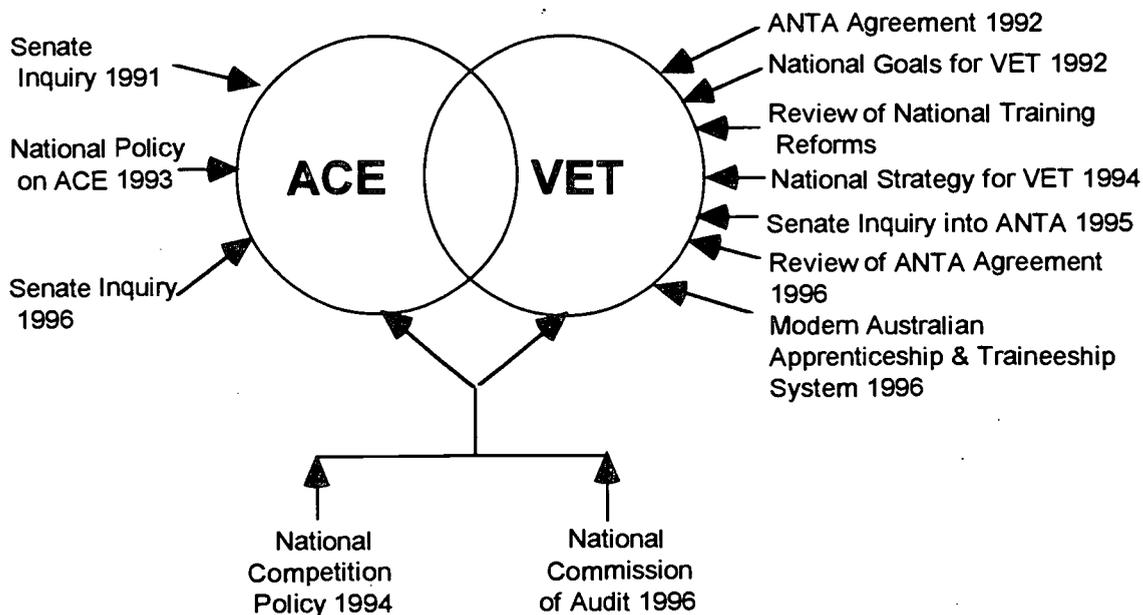
The following schematic diagram depicts the national policy environment impacting on ACE, VET and the ACE-VET interface. Obviously, at State and Territory level, there are additional policy initiatives which have influenced the environment and continue to do so.

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<sup>2</sup> Commonwealth of Australia (1996), *Review of the ANTA Agreement*, AGPS, Canberra, p.119

<sup>3</sup> Schedule to the *Australian National Training Authority Act 1992*

## National Policy Environment of ACE and VET 1991-1996



Having considered each of these reports and inquiries (see Appendix 5), we consider that the matters arising from them which are most relevant to the role of ACE in the national VET system are as follows.

- Implementation across Australia of the National Policy on Adult Community Education has been quite patchy, even allowing for the different needs and circumstances prevailing in different jurisdictions.
- There is a clear policy intent within the national VET system to refocus attention on the demand for VET rather than the supply of VET. As a supplier of VET, the bargaining capacity of ACE with governments may be more limited than it might have been five years ago.
- A strong deregulatory direction is evident in the national VET system today, combined with an emphasis on devolution and decentralisation. Each of these trends is likely to provide some critical opportunities for ACE.
- The emphasis on increased public funding for ACE evident in the Senate Inquiry of 1991 has been overtaken and in some places replaced by a strong emphasis on more competitive arrangements for the distribution of public funds. In discussion about the resources available to ACE for the delivery of VET programs, the claim for recurrent grants is being increasingly challenged in some cases by policy preferences which would see ACE gaining access to public funds only on a competitive basis.
- Those State or Territory Governments which have not to date strongly embraced service competition are now moving in that direction. The introduction of greater competition to the general government sector is

inexorable. Governments are increasingly identifying and market testing suitable activities which are currently performed in-house by direct employees and contracting with other parties to provide the activities where there are clear benefits in terms of cost, access and quality. This has greatest implications for the provision of services by the publicly owned VET provider - TAFE, and consequently for other competitive suppliers of VET products and services such as ACE providers.

- The agenda for change expressed in the Modern Australian Apprenticeship and Traineeship System (MAATS) is broad ranging, encompassing sweeping change to how the national VET system actually works.

The Federal Minister for Schools, Vocational Education and Training, speaking of Federal Government intent in relation to MAATS, noted:

*While we recognise the importance of a national framework, national standards and nationally recognised qualifications, ultimately the Government wants to produce a system which will deliver according to the needs of local communities.*

*We want communities to take a leadership role in ensuring training is integrated with regional development.<sup>4</sup>*

While ACE providers are not generally involved in the existing apprenticeship or traineeship systems, some registered providers have won contracts to provide the training associated with traineeships, so MAATS has some relevance to the ACE-VET question, especially in the framework of the Federal Government's commitment to

*...work to empower regional communities ... [and to] ... devolve responsibility for delivering training to local TAFE Colleges and other training providers at the local level so that businesses and enterprises can get the training they need.<sup>5</sup>*

More significantly, we would anticipate that, over time, the MAATS arrangements are likely to extend beyond apprenticeships and traineeships.

- The themes of the recently released report of the National Commission of Audit echo many of the themes running through the national VET system over the past 5 years - themes such as choice and competitive delivery of government services.<sup>6</sup>

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<sup>4</sup> The Hon. Dr David Kemp (1996c), "Closing address" to ANTA Small Business Forum on Vocational Education & Training Issues", Melbourne, 31 May, p.8

<sup>5</sup> The Hon. Dr David Kemp (1996a), "A Modern Apprenticeship and Traineeship System", Address to MTIA National Personnel & Industrial Relations Conference, Canberra, 2 May, p.8

<sup>6</sup> Commonwealth of Australia (1996), *Report of the National Commission of Audit: Executive Summary*, AGPS, Canberra, (as provided through Australian Financial Review WWW site).

The broad directions proposed by the Audit Commission, although they do not constitute Commonwealth Government policy, when combined with a strong commitment to reduce the Federal Budget deficit, provide a backdrop against which future Commonwealth financial contribution to the national VET system (Commonwealth growth funds) will be reviewed.

## **The Funding Context**

### **In the national VET system**

Public expenditure on vocational education and training is substantial, exceeding \$3 billion annually when labour market and other specialist programs are taken into account.

However, it is widely accepted that this public expenditure accounts for just under a half of total expenditure on training. It has been estimated that enterprises account for some 43% of total training expenditure, with individuals accounting for around 7% of total expenditure.<sup>7</sup>

VET in Australia can therefore be considered to comprise two parts. There is the publicly funded or formal VET system and the privately funded or informal VET sector. Obviously the two parts interact at a number of points. For example, internal enterprise training can be funded from enterprise sources but use publicly funded infrastructure such as competency standards or national curriculum. Individuals can enrol with commercial providers who have registered under the National Framework for the Recognition of Training and can take advantage of Recognition of Prior Learning (RPL) arrangements where they are available.

Characteristics which distinguish the "formal" national VET system from the "informal" VET system could be said to include:

- attracting a level of public funds through ANTA funding arrangements, and/or
- conforming to nationally agreed approaches to competency standards, course accreditation and provider registration

In setting public policy for the VET system, governments within the national VET system are presented with three questions

- What should government pay for and do?
- What should government pay for and contract others to do?
- What should government not do and not pay for?

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<sup>7</sup> Allen Consulting Group (1994b), *Establishing an Effective Australian Training Market: Final Report to the Victorian Office of Training and Further Education*, p.6

In considering these questions governments take into account that

*The public policy basis for the government role in VET encompasses both equity and economic foundations, together with wider social considerations.<sup>8</sup>*

Governments have agreed that under the ANTA funding arrangements they will pay for some but not all VET.

- They have decided to pay for and deliver accredited VET programs and associated infrastructure through the TAFE system. The extent of that payment and delivery is a matter for negotiation.
- They have decided that they will pay for some additional accredited VET programs but will contract delivery out to a range of registered providers through open competitive tendering processes or through grant-based arrangements.
- They have decided to pay for some system and infrastructure support for some registered providers delivering accredited VET programs. One example is the Skills Centre Program where funds are made available to enterprise-based providers to meet the objective of increased enterprise-based training.
- They have decided not to pay for the direct delivery of General Adult Education courses, irrespective of who is providing them.

Consequently, it cannot be argued that governments have a responsibility to pay for all VET delivered by ACE providers.

### **In the ACE sector**

Although almost impossible to quantify with any great degree of precision, expenditure on adult community education is relatively small but by no means insignificant. Using, by default, the ABS definition of adult and community education centres<sup>9</sup>, it has been estimated that in 1992 around \$250 million was expended within adult education centres. This compares with an estimate of \$2934 million in TAFE and \$500 million in commercial training businesses.<sup>10</sup> The extent to which these funds within ACE are in fact public funds is uncertain, although they are likely to be a mix of funds acquired through entrepreneurial activity and contracted programs, individual course fees and local government.

A good deal of ACE provision lies outside the realm of public policy. Many independent community-based providers are operating successfully in the

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<sup>8</sup> *Ibid.*, p.vi

<sup>9</sup> Defined by the Australian Bureau of Statistics as non-profit, non-government organisations probably under local control

<sup>10</sup> Allen Consulting Group (1994b), *op. cit.*, p.4 using ACVETS and ABS 6278.0

marketplace and delivering a broad range of VET and general adult education programs to their clients with minimal contact with or support from government.

As in the national VET system, much adult and community education is funded from private sources - individual course fees, fee for service activity, contracting in the training market, significant volunteer contribution etc. A recent study in Western Australia by Learning Centre Link, the Association for Community, Neighbourhood and Learning Centres in WA indicated that their Member Centres attracted 52% of their annual expenditure through entrepreneurial activity.<sup>11</sup>

There are parallels here with those many enterprises which continue to deliver workplace skills to their workforce but totally outside the national VET system.

Responding to the Discussion Paper prepared as part of this study, the WEA Sydney commented that

*WEA Sydney supports the view that 'much, if not most, ACE provision lies totally outside the realm of public policy'.*

*The Discussion Paper usefully highlights the limitations of public policy over this vigorous and independent sector, and it is worth emphasising that both ACE VET and general adult and community education are funded largely from private sources where the user pays. It is worth stressing that the ACE provision is designed to meet community education needs, not the government's perception of these needs. This fact will tend to militate against any dramatic changes to the ACE contribution to the national VET system in our view.<sup>12</sup>*

There are however parts of the ACE sector in which governments do have a policy interest usually expressed through public funding.

The rules applying to access to system and infrastructure support usually apply equally to all non-TAFE registered providers including ACE. For example, all providers now have access to national curriculum products produced through the Australian Committee on Training Curriculum (ACTRAC) and all providers now have access to materials produced through the National Staff Development Committee for VET.

However, in some instances individual State and Territory governments have decided, on equity grounds, to pay for infrastructure support for community-based ACE provision. In other instances this is not considered to be a priority of governments and is not supported from public funds.

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<sup>11</sup> Ducie, V. (1994). *Opening Doors: A Report on Community Neighbourhood Houses and Learning Centre's Influence on Personal Development, Skills Development, Learning Outcomes*. Learning Centre Link, Perth. We note however that the remaining funds come not from the national VET system funds but from non-VET government agencies.

<sup>12</sup> Response: WEA Sydney

Where ACE providers are registered by the State Recognition Authorities and deliver accredited training then they are able to compete with other registered private providers of VET for publicly funded training contracted out by government. This is an instance where government pays for VET but contracts others to deliver it.

ACE providers can also legitimately argue, along with other non-TAFE providers, for a more substantial shift in base funding away from TAFE to other providers by making base funding more contestable in the market place and by applying User Choice practices.

## Commonwealth Growth Funds

Many of the debates about the role of ACE in the national VET system have essentially been about whether ACE has access to Commonwealth growth funds and on what terms and conditions.

The provision of Commonwealth growth funds for the national VET system, distributed through the ANTA arrangements has been fundamental to the development of the national VET system since 1992. In the ANTA Agreement, the Commonwealth Government agreed to maintain its 1992 financial support for VET; to provide an additional \$100 million in TAFE recurrent funding under the *One Nation* Economic Statement of 1991; and, in addition, to provide \$70 million nationally in each year of the 1993-95 triennium. The Commonwealth has subsequently extended this for 1996 and 1997.

In some States and Territories, community-based ACE providers of VET programs are gaining an increasing share of those funds which form part of the ANTA Agreement. In NSW, funding to the ACE sector from Commonwealth growth funds under the ANTA Agreement has risen from \$1.2 million in 1993 to \$4.0 million in 1996. Victoria indicates that Commonwealth growth funds have increased the funding base of Victorian community providers by over 30% between 1992 and 1994, representing 10% of total Commonwealth growth funds available to Victoria.<sup>13</sup>

However, not all States and Territories have exposed public funds to competitive pressure.

*The growing number of ACE providers proving able to compete for the delivery of a wide range of courses with other private providers, including formal courses, is welcomed by the Commonwealth in the context of the core policy objective of developing the training market. It is of some concern that not all States have implemented measures to facilitate this role for ACE.<sup>14</sup>*

In those cases where States and Territories have allocated funds to the ACE sector under ANTA arrangements (as distinct from competitive arrangements where ACE

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<sup>13</sup> ACFEB (1966), *National Policy on Adult Community Education, Victorian Implementation Report 1994-1996*.

<sup>14</sup> Response: DEETYA

providers can compete on the open market for individual contracts), it has usually been calculated as a share of these Commonwealth growth funds. In some instances it has been pegged at a percentage of total growth funds (usually 10%), with the overwhelming bulk of the State recurrent funds and the remaining of Commonwealth growth funds going to TAFE as the public provider.

During this Study, concerns were expressed that negotiations around VET resource allocations to ACE have focused on Commonwealth growth funds which now stand at around 30% of all VET funds and that the State recurrent funds - the remaining 70% - should be subjected to greater competitive pressure and market forces.

The Review of the ANTA Agreement noted:

*While the ANTA arrangements have embraced a range of training issues since their inception in late 1992, fundamentally the ANTA Agreement has established a basis for government funded growth in mainstream VET. More particularly it is about Commonwealth funded growth, built on a 'floor' of State/territory effort, and guaranteed through 'maintenance of effort' (by the States and Territories).<sup>15</sup>*

More recently, the Federal Minister for Schools, Vocational Education and Training commented that

*TAFE will increasingly need to adjust to the requirements of a national competitive training market, and we will be pushing strongly towards funding arrangements for the publicly provided element of VET under which the public dollar can flow to the provider preferred by the business and the trainee - whether that provider is public or private.<sup>16</sup>*

While the future policies and plans of the Commonwealth Government in relation to the quantity of Commonwealth growth funds and the manner in which they are distributed are not yet fixed, the findings of the National Commission of Audit and emerging Commonwealth Government policy settings will play a major part in future patterns of resource distribution within the national VET system and, consequently, impact on the terms and conditions under which ACE can access VET system funding.

A consideration of the role of ACE in the national VET system therefore needs to take into account this funding context and consider the total national VET resources rather than confining consideration to Commonwealth growth funds.

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<sup>15</sup> Commonwealth of Australia (1996a), *op. cit.*, p.75

<sup>16</sup> The Hon. Dr David Kemp (1996c), *op. cit.*, p.15

## The Framework

We have attempted to impose some degree of order, consistency and precision on the wide-ranging views about the role of ACE in the national VET system. We have done this by working from a set of premises to form some boundaries around the question. Together, these premises form the lens or framework through which we have written this Report.

These three premises about how ACE needs to be viewed within the national VET system are:

- 1 ACE is a provider
- 2 ACE providers are community-based providers distinct from public providers and private providers
- 3 The ACE sector is a network of community-based ACE providers

The purpose of this framework is pragmatic and context specific - to provide some common ground from which a sensible debate about the role of ACE in the national VET system can proceed. It is not intended to limit, distort or influence the principles of adult education although we appreciate that some stakeholders will view it in this way.

### Premise 1: ACE is a provider

How the word "ACE" is used influences the nature of the debate about its role in the national VET system and consequently influences the possible policy options.

There is no generally agreed Australian definition of ACE and attempts to define it at the national level have proved notoriously difficult. The National Policy on Adult Community Education issued by the Ministerial Council in 1993 acknowledged the difficulty when it said

*Given the breadth and diversity of ACE, this policy statement is not concerned to provide a definition of the precise boundaries of ACE recognising that this is best done in each of the States and Territories.<sup>17</sup>*

The absence of a definition is not simply a reflection of the difficulty of the task. There is a widely held view that the very act of defining ACE may have the effect of reducing its diversity by excluding some elements of it. We have a good deal of sympathy with this view.

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<sup>17</sup> MCEETYA (1993), *National Policy on Adult Community Education*

However, practical problems arise in public policy, planning and resource allocation settings when "ACE" is used loosely and interchangeably to describe a group of clients, a learning philosophy, a category of provider, an educational sector and a type of course.<sup>18</sup>

In our view, the absence of a workable descriptor of ACE, agreed in the context of the national VET system, is part of the reason why there are so many seemingly unconnected and intractable debates about the role of ACE in the national VET system and why comparable data is so hard to locate.

For the specific purpose of analysing the role of ACE within the national VET system and the training market, we have proceeded on the basis that **ACE is a provider**<sup>19</sup>, although we are conscious that some will find this a narrow and possibly constraining approach.

*... the main ways of approaching a more detailed definition of adult, community and further education can be summarised as the process approach, the program approach and the provider approach. Each has its own intrinsic validity but many find that any one approach on its own does not do sufficient justice to adult, community and further education as a whole, or is inappropriate for specific purposes such as legislation.<sup>20</sup>*

We also acknowledge the existing legislative and policy arrangements in, for example, Victoria.

*The provider approach distinguishes between providers whose primary function is the provision of the three types of programs (i.e. Adult basic literacy, Vocational Education and General Adult Education)... and those providers whose involvement in adult, community and further education is a secondary function. This approach underlies the wording of the Adult, Community and Further Education ACT 1991...<sup>21</sup>*

We have adopted this approach to locate ACE more clearly on the **supply side** of the national VET system, to accommodate the policy debate on the balance between demand and supply within the system.

Such an approach permits a clearer distinction between policies directed, on the one hand, to the **programs** delivered by ACE providers (and their positioning within the State Training Profile processes) and, on the other, to the **ACE providers** themselves (and their positioning relative to other providers in the training market).

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<sup>18</sup> Our analysis of the problem of definition has benefited greatly from our discussion with Dr Helen Parker and we gratefully acknowledge her contribution.

<sup>19</sup> This follows the Victorian approach for the purposes of the wording of the Adult, Community and Further Education Act 1991

<sup>20</sup> Gribble, H. (1991), *Useful Knowledge: A Brief History and Description of Adult, Community and Further Education, in Victoria*, ACFEB, Victoria, p.21

<sup>21</sup> *Ibid.*, p.23

A provider-based descriptor, with all its shortcomings, settles the confusion between ACE as a provider, a program or a learning philosophy. It does not settle the question of how, if at all, ACE providers should be distinguished from other providers - public or private - for the purpose of public policy.

## **Premise 2: ACE Providers are Community Based Providers distinct from public providers and private providers**

Under the current VET system, two categories of providers are recognised - the public provider, usually TAFE, and private providers. The distinction stems from the objectives of the national system specified in the ANTA Act which specifically refer to the aims of developing:

- an effective training market with public and private provision; and
- an efficient and productive network of publicly funded providers,<sup>22</sup>

The distinction between them is based firstly, on their ownership, and secondly on their funding basis. The boundaries between the two categories are increasingly blurred at many points.

A good deal of effort has been directed to promoting the training market by encouraging private providers into the market and exposing public providers to greater levels of competition and market-like discipline and ensuring that private and providers are able to compete on the so-called 'level playing field'.

It is not unreasonable to conclude that ACE providers are simply other private VET providers and are therefore free to operate in the marketplace in the same way as other private providers - finding a niche market and delivering programs demanded by their clients - individuals, enterprises, industries and governments- in ways which meet their clients' expectations.

We are not convinced that this is the best way, at this point in the development of the training market, to deal with ACE providers.

### **The Public Provider**

The national VET system already has a major public provider in TAFE and obviously does not need another one. While TAFE is owned and funded by governments to achieve their policy objectives, its role within the national VET system is not rigidly specified and varies significantly from one State to another. Notwithstanding these differences and the absence of sharply defined role or mission at the national level, many of the reforms within the national VET system have been directed to refocusing the role of TAFE to achieve a stronger emphasis on meeting the expectations of

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<sup>22</sup> Schedule to the ANTA Act 1992, p.8

industry and, more recently, on enterprises, and a lessening of emphasis on individual demand. This view has been strongly argued by the Employment and Skills Formation Council which has gone as far as to say that the primary responsibility of TAFE is to provide vocational education and training for Australian industry and enterprises.<sup>23</sup> We would share this view.

In contrast to industry demand, social demand has been described by the Employment and Skills Formation Council as

*demand for vocational education and training that arises primarily from individual demand (which may be based on a range of factors, including the needs of industry in which the individual works as well as the desire to gain alternative pathway to university). It also refers to the social obligations of publicly subsidised institutions (of which TAFE is the most relevant in this context). These social obligations could included targeted requirements to meet the needs of disadvantaged groups.<sup>24</sup>*

The Council goes on to note that a number of TAFE systems are moving away from this social demand dimension of their work and that

*In some States clear alternatives exist, for example, through adult and community education. This sector is structured and funded and much of its work conducted on a user pays basis. Nevertheless it makes a very substantial contribution to individual and social needs and in some cases has supplanted the role of TAFE in the area of further education.<sup>25</sup>*

Where this has occurred, governments would seem to have some obligation to recognise and adequately fund ACE to fulfil this role where they wish such programs to be delivered.

At the national level, the role that ACE providers take within the national VET system depends significantly on the role and responsibilities that State and Territory governments have set out for TAFE.

It is also useful to note that while most of TAFE effort is conducted on a non-profit basis, an increasing proportion of TAFE delivery is being conducted in the open training market on a for-profit basis. In these cases the distinction between the public provider and the private providers is simply one of ownership rather than product differentiation.

Irrespective of how the role of TAFE is focused nationally, and irrespective of the level of funds that governments allocate to ACE providers or the ACE sector other

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<sup>23</sup> National Board of Employment, Education and Training (1993), *Raising the Standard: Middle Level Skills in the Australian Workforce*, AGPS, Canberra, p.64

<sup>24</sup> *Ibid.*, p.78

<sup>25</sup> *Ibid.*, pp.78-79

than by competitive processes, ACE providers are not owned by government and, while receiving government subsidy in some States and Territories, remain essentially market-based relying heavily on community effort and user-pays practices to survive.

### Private providers

The national VET system now has a significant number of private providers - probably over 1000. This category of provider has been described as follows:

*Private providers - that is non-TAFE providers - are a heterogeneous group including commercial colleges, enterprise-based trainers, community based providers and industry providers. Each private provider 'type' occupies a market niche, displays distinct characteristics and competes with TAFE in different ways. There is considerable overlap between the market segments for which private providers compete."*<sup>26</sup>

By definition, private providers are not owned by government and do not receive funding from government other than through periodic contractual arrangements.

Generally speaking there is little policy or resource differentiation between the different private provider types within the national VET system. There are exceptions of course where government has a particular objective it wishes to achieve. Under the Skills Centre Program, for example, ANTA makes funds available to industry for the establishment of industry and enterprise based training facilities as part of the objective to develop the training market and increase enterprise based and industry based training provision. In NSW, Victoria and Tasmania, ACE providers, as a distinct category of provider, have access to national VET funds not only on a competitive basis but on what might almost be considered as a 'preferred supplier' basis.

Through the National Policy on ACE, all Australian governments have recognised that community-based ACE providers have a particular role to play in post-secondary education and training.

*the strengths inherent in the community can be complemented by government support and that government strategies can be enhanced by the experience and contribution of communities, and also that ACE can provide cost effective education and training for enterprises seeking specific training for their employees.*<sup>27</sup>

The Victorian Adult, Community and Further Education Board has gone further and identified particular strengths of community managed provision as

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<sup>26</sup> Allen Consulting Group (1994b), *op. cit.*, p.15

<sup>27</sup> MCEETYA, *op. cit.*, p.22

- Community Ownership
- Accountability to Local Communities
- Community Participation
- Flexibility
- Skill Development <sup>28</sup>

More recently, the value of local solutions and community management has been stressed by the Federal Minister for Schools, Vocational Education and Training.

*An important part of implementing the Modern Australian Apprenticeship and Traineeship System is to strengthen partnerships at local levels between industry, the training system and schools to build a system which is flexible and responsive to the needs of local people - students, employers and community.*

*A centralised approach will not work. Communities need to be empowered to decide for themselves on how their training needs, and the needs of their young people, can best be met.<sup>29</sup>*

The choices for government here were clearly articulated by the Continuing Education Centre, Wodonga in response to the Discussion Paper.

*Traditionally State Governments have supported [TAFE], and now increasingly with Federal Government support, with larger investments in capital and human resources. In recent years the TAFE systems are being clustered into larger units. Witness the rise of regional institutes and the growing mergers of colleges into larger units. These larger scale organisations are now seen as part of government strategy as response to regional, state, national and international demands. They have grown beyond local community origins.*

*On the other hand the ACE sector has arisen with government support in most cases but principally remains a non government, non profit response to a local community. In some cases there are regional responses but they are far from the norm. ... On the one hand Government supports a large scale, extensive, resource intensive provision. On the other it would support, by fully embracing the ACE sector, a more informal locally responsive community managed approach<sup>30</sup>*

<sup>28</sup> ACFEB (1994), *Promoting and Providing for Community Managed Adult Education in Victoria: Statement of Key Principles and Practice in Community Management*

<sup>29</sup> The Hon David Kemp (1996b), "Training Pathways to Real Jobs", Address to the Australian Council of Social Service Conference, Sydney, 22 May, p.6

<sup>30</sup> Response: Continuing Education Centre, Wodonga

However, we do note the currently uneven development of the ACE sector around Australia. In some States and Territories it has clear focus and co-ordination, an articulated relationship with government, a Policy or Strategy which is responsive to the National Policy on Adult Community Education and access to recurrent public funds and/or competitive pools of VET public funds. This is however the exception.

The specific policy objectives of encouraging communities to take a greater role in and responsibility for training in local and regional labour markets and to promote greater responsiveness and flexibility need to be incorporated within the national VET system.

For the purposes of national policy, planning and resource allocation within the national VET system, the term "ACE provider" should be confined to describing community based providers and should not be used to describe the public provider - TAFE.

However it remains a matter for individual States and Territories, for their own purposes, to define what constitutes a "community-based provider".

### **Premise 3: The ACE sector is a network of community-based ACE providers**

Within the national VET system, the ACE sector should be regarded as a network of community-based ACE providers.

There are both state networks (such as ACE Victoria and the NSW ACE Council) and there are national networks (such as the Australian Association of Adult and Community Education, Network of Women in Further Education, the Australian Council of Adult Literacy and the Federation of Independent Aboriginal Education Providers).

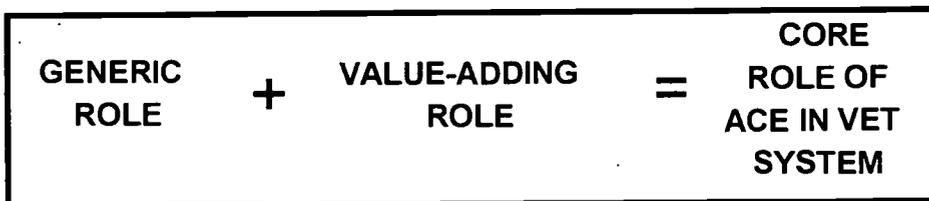
Each of these networks has a contribution to make at the ACE-VET interface. At the national level, the ACE sector needs to reflect the input and views of all these networks.

## Chapter 2: Findings and Conclusions

Our review of the current activity of the ACE sector in the national VET system has led us to conclude that the core role of the ACE sector within the national VET system can be stated as follows.

**To deliver outcomes against the objectives of the national VET system within nationally agreed frameworks for VET, while bringing into the national system a strongly local, flexible, market-driven and learner-centred approach to community-based delivery primarily to individuals.**

This role has two parts which we describe as the generic role and the value-adding role.



It is the dynamic interaction between the generic and the value-adding roles that creates the core role of the ACE sector in the national VET system.

### The Generic Role

One of the fundamental policy objectives behind the training market has been described as

*to maximise both the development of the common skill pool for Australian enterprises and the opportunities for individual Australians, by maximising the recognition and portability of skills.<sup>31</sup>*

The generic role of the ACE sector within the national VET system is the role of all other training providers in the formal VET system - to deliver outcomes against the objectives of the national VET system and within nationally agreed frameworks for VET.

In this generic role, the performance of ACE providers needs to be judged by the same measures of efficiency and effectiveness as are applied to all providers.

<sup>31</sup> Allen Consulting Group (1994a) *Successful Reform; Competitive Skills for Australians and Australian Enterprises: A Report to ANTA on the Review of the Implementation of National Training Reforms*, p.13

Our analysis indicates that, from a national perspective, community-based ACE providers are delivering against these outcomes.<sup>32</sup>

- ACE providers are making a valuable contribution to building a national VET system by entering the market as registered providers in a substantial way and thus diversifying supply and increasing competition in the training market.
- While the contribution of ACE providers by way of delivery of **accredited** programs in Streams 2000-4000 is still small, it is significant and expected to grow.
- ACE providers are delivering programs which primarily meet individual demand for VET, mainly in the categories of General Education and Training but, also, to a lesser extent, in Non-Industry-Specific Occupational Training and, in some instances, Industry-Specific Occupational Training.
- Where government funding is accessible, ACE providers are delivering VET programs to groups who have been identified in the national VET system as disadvantaged, most particularly those without adequate language and literacy skills and people from rural and remote communities.
- Meeting the needs of industry is not seen as a primary role although ACE providers do so in the context of local labour markets and the training needs of individual enterprises.
- VET programs delivered by ACE providers are opening new pathways for individuals to progress through the national VET system and between it and other sectors

However, these outcomes are not evenly spread throughout Australia. It would seem clear that this role for the sector in the national VET system develops only in those circumstances where public funds are used to support the sector's development and where public funds are available to the sector either on a grants basis or on a competitive basis.

## **Nationally Recognised ACE Providers**

Provider entry to the national VET system is conditional upon registration as a provider by the State or Territory Registration Authority under the National Framework for the Recognition of Training (NFROT). This condition applies equally to private, public and community-based VET providers.

- We estimate that there are about 180 ACE providers around Australia who are registered training providers.<sup>33</sup> From this we infer that around 18% of all registered training providers are from the ACE sector.

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<sup>32</sup> The findings described here are based on our analysis in Appendices 1-4. The statistical limitations of our analysis are described in Appendix 6.

- Market factors have influenced the decision of ACE providers to enter the training market. However, we estimate that probably no more than 15% of ACE providers nationally, are registered training providers,<sup>34</sup> although we note significant variations between States and Territories.
- A network of registered ACE providers, while emerging strongly, is unevenly developed around Australia.
- Costs of registration as a provider do not generally act as a barrier to entry to the training market by ACE providers. However, for some smaller ACE providers in certain circumstances, the relatively small level of cost associated with provider registration can be a significant burden and may actually prevent entry in some instances.
- Likely changes in the regulatory framework governing the national VET system may also act to encourage entry, making additional encouragement to ACE providers as a category of provider unnecessary. On the other hand, these changes may place additional quality assurance obligations on ACE providers.

## Delivering Nationally Recognised Programs

We take nationally recognised programs to be those in Stream 2000-4000 which have been accredited under the NFROT arrangements. Our analysis has been severely limited by the absence of comparable data. Nevertheless, our findings are as follows:

- Based on available information, we estimate that VET course activity by ACE providers within the 1996 State Training Profiles accounts for between 1.5% and 2% of national VET course activity (Government Funded Activity and Commonwealth Funded Growth Activity).<sup>35</sup> However, not all of this is accredited.
- In Victoria, community-based ACE providers are projected to deliver some 4% of the total projected Victorian Government funded activity in 1996 although not all of this is accredited.
- In NSW it is estimated that in 1996 ACE providers will deliver some 0.5% of the total NSW Government funded activity, all of which is accredited.

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<sup>33</sup> As at May, 1996, Victoria had over 90 community owned and managed providers registered to deliver vocationally specific VET courses. NSW has over 57 ACE Main Providers independently registered with the State Recognition Authority. S.A. has at least 3 registered ACE providers. Tasmania has at least one (delivering across 12 sites). In N.T. 14 community providers are registered. Statistics for other States and Territories are not readily available.

<sup>34</sup> This does vary significantly from State to State and is dependent in part on the State's structural arrangements for ACE sector. In NSW 55% of the 104 ACE Providers recognised by the NSW Board of Adult and Community Education are registered training providers. In Victoria, where the responsibilities of the Adult, Community and Further Education Board encompasses a broader group of around 500 providers, some 18% of these are registered training providers.

<sup>35</sup> Derived from Activity Tables for 1996 State Training Profiles - Annual Hours (Curriculum)

Slightly more data is available in relation to the provision of Adult Literacy under the ANTA Recurrent Literacy Program.

The demand from industry and individuals for programs to increase the literacy and numeracy levels of the workforce is considerable and it appears clear that ACE providers are responding effectively to these demands.

Using data supplied in State Training Profiles by all States and Territories excepting Tasmania and Northern Territory, we estimate that

- TAFE in 1995 delivered 57% of all Literacy training under the Commonwealth/ ANTA Literacy Funds while non-TAFE providers delivered 43% of the literacy hours. However, these proportions vary significantly from State to State.
- The proportion of literacy hours to be delivered by TAFE in 1996 will increase from 57% to 58% with a proportionate decrease in the literacy hours delivered by non-TAFE providers.
- In 1995 93% of all TAFE hours delivered through these funds were accredited while for non-TAFE providers this proportion was a little over 27%.
- The proportion of accredited hours delivered by non-TAFE providers is planned to rise from 27% in 1995 to 41% in 1998.
- The majority of the non-TAFE providers are community providers although it is not possible to determine from the available data exactly what proportion of the non-TAFE providers nationally could be described as ACE providers as distinct from private providers.
- In Victoria, 87% of the Recurrent Literacy Program Hours for 1996 will be provided by community-based providers.<sup>36</sup>
- ACE providers in some States and Territories also play an active part in delivering literacy and numeracy programs in the workplace under the Workplace English Language and Literacy (WELL) Program of the Commonwealth Government.

Estimated delivery by ACE providers of nationally recognised programs is depicted in the following table. Considerable caution must be exercised in interpretation because of the significant variations around Australia and between individual providers.

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<sup>36</sup> From data provided by the Adult, Community and Further Education (ACFE) Division of the Victorian Office of Training and Further Education in "1996 funds breakdown, 18/12/95".

**Table 2.1 : Estimated Delivery of Accredited Programs by ACE Providers by Program Category**

Program Category	Stream of Study	Accredited Under NFROT	Proportion of total national ACE Provider Effort
Industry-Specific Occupational Training	2000-4000	Usually	Likely to be less than 2%
Non-Industry-Specific Occupational Training	2000-4000	Mostly	Perhaps @ 10%
General Education and Training	2000-4000	Sometimes	Perhaps @ 20%
General Adult Education.	1000	No	Perhaps @ 60%

- By our reckoning, the delivery of **accredited VET courses** in Streams 2000-4000 by registered ACE providers would represent no more than around 15% of the total course activity of ACE providers nationally and probably a good deal less.<sup>37</sup> However, this proportion does differ markedly between individual providers and also between States and Territories

## Meeting the Needs of Industry

One of the objectives of the national VET system is to achieve close interaction between industry and VET providers, to ensure that the training system operates within a strategic plan that reflects industry's needs and priorities.

We have reviewed ACE provision against three program categories. These three categories are those used within the State Training Profiles. They are: Industry - Specific Occupational Training; Non- Industry -Specific Occupational Training; and General Education and Training.

<sup>37</sup> The only firm figure that we have located is for NSW ACE where, in the second half of 1994 some 6% of total SCH delivered by ACE providers were in accredited VET courses. This proportion increased in 1995 and again in 1996 as access to Commonwealth growth funds has been made possible. See Board of Adult and Community Education (1996), *ACE-VET: Is It Delivering?*, NSW Board of Adult and Community Education, p.24. For Victoria we have used figures which indicate that while 64% of total ACFE Board funded effort in 1995 was included in the VET State Training Profile, not all of this was delivered by community based providers and not all of this was accredited. Victoria generally estimates that General Adult Education (Stream 1000) provision constitutes 50% of ACFE Board provision by the College of Adult Education and community-based providers. Victoria also estimates that about 7% of the reported provision is not supported by ACFE Board. See Hartley, R. (1996), *General Adult Education: A Position Paper*, ACFEB, Victoria, p.18

## **Occupational Training (industry-specific and non-industry specific)**

- The current involvement of ACE providers in Occupational Training would appear to be very small.
- Where ACE providers deliver Occupational Training, it is Non-Industry Specific, principally in Business & Clerical and Computing.
- Where ACE providers are delivering Industry-Specific Occupational Training it appears to be mainly in the Community Services, Health & Education Industry, Primary Industry and Tourism & Hospitality Industry.
- The balance and mix of VET programs delivered by ACE providers varies significantly between States and Territories and indeed between providers themselves within a State or Territory in response to the demand from local enterprises and individuals.

## **General Education and Training**

- ACE providers play a significant role in the delivery of accredited and non-accredited Adult Literacy, Adult Basic Education and English as a Second Language (ESL) Programs.
- ACE providers are contracted by industries, enterprises and government VET agencies and providers to deliver accredited adult basic education programs<sup>38</sup>
- In some States, ACE providers deliver a range of preparatory programs from own-source funds which, in other States, TAFE is funded to provide. These include programs for target groups such as women's access programs.

## **The ACE sector VET profile**

- In our judgement, few industries believe the ACE sector has a significant role to play in relation to Industry Specific Occupational Training.

We consider the area of General Education and Training to be the comparative strength of the ACE sector within the national VET system, although its contribution to Non-Industry-Specific Occupational Training is not insignificant. We do not propose that the ACE sector, as a whole, makes a strong push into the area of Industry-Specific Occupational Training, although some individual providers may be in a position to do this.

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<sup>38</sup> Response: Corrections Industry Training Board, Victoria. See also our description of Workplace English Language & Literacy (WELL) provision in Appendix 1.

However, we are not convinced that the ACE sector, as yet, has yet been able to respond to the sorts of needs for flexible training expressed by some industries - training in which it would seem that ACE could play a valuable role. Primary Industry is the most obvious instance of this.

- There is a growing awareness within the ACE sector that communication between the sector and State Training Profile Planning arrangements need to be improved, (in some States and Territories more than others) and this needs to be encouraged and supported.
- There are fewer general advantages in close liaison between the ACE sector and individual ITABs although there are some advantages in some instances. Because of its footprint into rural and remote communities, there would be advantages from closer liaison between the ACE sector and those ITABs seeking to deliver in flexible ways in rural and remote communities. There are also advantages for individual ACE providers who deliver in areas where a specific industry has a strong presence to establish stronger links with the ITAB which has planning responsibilities for that industry.
- Through these mechanisms, ACE providers can remain close to local demand but identify where they could play a stronger role in a regional, state or national context.
- Most ACE providers of VET courses see that one of their competitive advantages is their ability to provide local solutions to training needs and to provide them quickly on demand and we would agree with this assessment.

ACE provision of VET programs can act as a "safety valve" for individual clients and businesses within the national VET system, capable of responding quickly to local needs as they arise, irrespective of whether they are identified as State/Territory industry priorities within the State Training Profile.

- The balancing act for ACE is to ensure that central planning processes do not overwhelm the local responsiveness to demand that has characterised so much of ACE providers' delivery of VET course.
- The consultations and responses to our discussion paper prompt us to suggest that in establishing closer relationships between the formal processes of the VET system to identify demand from industry, ACE providers and the ACE sector must ensure equity in these processes - both gender equity and bargaining equity.

## Small Business

Some studies indicate that ACE is playing an important role in developing small business and that this role could possibly be expanded<sup>39</sup> and certainly the consultations suggested this to be the case.

However, in our view there are no *a priori* reasons why ACE as a sector has a unique role in relation to small business. Whether individual ACE providers have any special advantage relative to private or public providers in this area will be a question settled in the marketplace for government funded and user-pays training.

If ACE providers are to establish a stronger market position in the area of small business training they will need to pay increased attention to competency based training, assessment of prior learning, promoting the benefits of national recognition and the growing role of industry peak bodies and associations in delivery of small business training.<sup>40</sup> This will then need to be combined with the traditional strengths of ACE delivery - flexibility, value for money and responsiveness to demand.

## Providing Learning Opportunities for Individuals and Groups

One of the objectives of the national VET system is to provide increased learning opportunities and improved outcomes for individuals and target groups, including school leavers, to enhance their employment outcomes.

ACE providers do not see their primary role in the national VET system as responding directly to the needs of industry although they do see that they have a small role in responding to the needs of local enterprises including small business.

Rather, most ACE providers see their primary role in the national system is to deliver against this objective of the national VET system. In saying this we do not intend to limit the scope and range of ACE provision of VET courses in the training market.

The client profile in the user-pays ACE sector is a reflection of the demand from individual clients (influenced by their capacity to pay), the demand from government (influenced by their willingness to buy from ACE providers) and the capacity of ACE providers to respond appropriately to these demands, including the capacity to reduce or waive fees for those individuals who are financially disadvantaged.

Recent studies<sup>41</sup>, provide sound quantitative evidence of successful employment, skill and educational outcomes from participation in ACE courses.

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<sup>39</sup> See for example McIntyre, J., Foley, G., Morris, R. & Tennant, M. (1995), *ACE Works, the Vocational Outcomes of Adult and Community Education Courses in New South Wales*, NSW Board of Adult and Community Education, Sydney.

<sup>40</sup> National Board of Employment, Education and Training, (1994) *The Shape of Things to Come: Small Business Employment and Skills*, AGPS, Canberra, pp.xvi-xvii

<sup>41</sup> See for example Adult, Community & Further Education Board (ACFE) (1995), *Outcomes & Pathways in Adult & Community Education*, ACFE Board, Victoria; McIntyre, J., Foley, G., Morris, R. & Tennant, M.(1995), *ACE Works: The Vocational Outcomes of Adult & Community Education Courses in New South Wales*, Board of Adult & Community Education, NSW,

A study undertaken by the authors of the student outcomes from accredited VET courses delivered by NSW in the second half of 1994 and the first half of 1995 indicated a remarkably high retention rate of 84.5%.<sup>42</sup>

In the final analysis, the client profile in ACE organisations is and will continue to be a reflection of market forces. The extent to which governments choose to purchase from the ACE sector or ACE providers VET programs for particular target groups is based on their assessment of the capacity of ACE to deliver.

### Meeting the Needs of Women

- From our analysis we conclude that ACE providers have a long-standing and proven capacity to deliver to many different groups of women. We are convinced that the content, learning style and the orientation embedded in much ACE provision generally strikes a chord with large numbers of women, accounting in part for the demand from them for programs delivered by ACE providers. In particular, ACE providers have demonstrated their capacity to respond to the scheduling needs of women with family responsibilities and to provide learning opportunities in an environment that women find supportive of and conducive to learning.
- However our attention has been drawn to some data suggesting that there may be differences between the overall participation by women in the ACE sector and their participation in VET courses delivered by the sector.

Consideration therefore needs to be given to the factors affecting the participation of women in VET courses within ACE. Particular attention could be paid to questions of whether the traditional learner-centred strengths of the ACE sector are being diminished by the structure of VET courses themselves, by the ACE approach to delivering them or by other factors.

### Meeting the Needs of Rural and Remote Communities

- While the exact size of the ACE sector footprint varies in each State and Territory, there is some indication that it extends into rural and remote communities where the publicly funded VET system does not reach or does not reach on a regular basis.
- There are strong arguments for increased use of learning technologies in rural and remote communities, and the need for closer cooperation between all providers to make this economically possible.

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Sydney, Ducie, V. (1994), *Opening Doors: A Report On Community Neighbourhood Houses & Learning Centres' Influence On Personal Development, Skills Development, Learning Outcomes*, Learning Centre Link, WA.

<sup>42</sup> Board of Adult & Community Education, NSW (1996), *op. cit.*, p.57.

However, without wishing to constrain ACE in their use of learning technologies, we consider the core strength of ACE provision in rural and remote communities lies in personalised and local solutions to complement the technology-based distance education solutions possible within the public sector.

- As with all other provision of VET, ACE providers are operating in the marketplace and continued success in delivering to rural and remote communities will be dependent on how market responsive they are relative to other providers and, perhaps more importantly, whether they can develop strategic alliances with other providers - public and private. However, smaller providers in rural and remote communities in particular may require public funds to assist them to enter the training market and thus increase or diversify the supply of training to such communities and local labour markets.

### **Meeting the Needs of Aboriginal and Torres Strait Island People**

The ACE sector as a network of providers is involved in delivering to Aboriginal and Torres Strait Island people, some of whom are Aboriginal community organisations.

Our Discussion Paper invited comment on ACE involvement in the delivery of VET courses and, in response, the Federation of Independent Aboriginal Education Providers quite properly reminded us that

*projects like this one, which investigate strategic and policy issues in 'mainstream' provision, need to be most careful not to 'tack on' some consideration of Aboriginal education needs, without first considering key policy settings and research which applies specifically to this sector.<sup>43</sup>*

The Federation went on to describe how, in its view, the national frameworks set by the national VET system constrain the development of Aboriginal education (as distinct from the mainstream education for Aboriginal people). They argue that

*... the move into the national VET system tends to compromise their community's rights, as indigenous people, to control their own education provision, a right which they should not have to 'trade-off' for either funding or recognition as legitimate VET providers.*

*These issues come to a head practically around registration, accreditation, competency standards, competency based training and funding ...*

**They also reject**

*... attempts by agencies and institutions within mainstream non-indigenous education to force its members and programs to*

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<sup>43</sup> Response: Federation of Independent Aboriginal Education Providers

*conform strictly to educational philosophies and structures for provision which [have] not been determined as appropriate by Aboriginal communities ...*

**This submission raises very complex matters, not only about the relationship between the ACE sector and community-based Aboriginal education but also about the relationship between Aboriginal education and the national VET system.**

**The views expressed by the Federation may or may not be shared by other Aboriginal organisations. We do not feel competent to make a judgement on this, nor do we consider it appropriate to do so. We believe these matters are best considered by Aboriginal and Torres Strait Islander people themselves.**

**We do however note that self-accreditation by providers will not resolve the problem if the policy intent is to maintain nationally recognised quality assurance systems.**

**We also note the Commonwealth government's requirement, under the Aboriginal Education Strategic Initiatives Program, that education providers be registered under the relevant State or Territory arrangements and that the Program's funds are only available for the delivery of accredited VET programs. The basis of these requirements, that quality assurance arrangements for Indigenous community education providers should be no less stringent than for non-Indigenous providers, is in our view sound.**

**However, we agree with the Federation and with the Commonwealth view that requirements for registration and accreditation should not impede the delivery of culturally appropriate programs to Indigenous communities by community-based providers.<sup>44</sup>**

**Further work is needed to clarify if and in what ways State and Territory recognition systems impede culturally appropriate delivery.**

**We suggest that the MCEETYA ACE Task Force consider this matter further, more precisely identifying the issues to be addressed and then refer them to the Aboriginal and Torres Strait Island Peoples Advisory Council of ANTA for advice.**

**Finally, we note the rapidly evolving policy environment in relation to Aboriginal and Torres Strait Islander Affairs and the directions of recent Commonwealth Government initiatives to foster more effective participation by local Aboriginal communities in education and training.<sup>45</sup>**

**If the concept of regional development is to have wider application in Aboriginal Affairs, then the local and regional capabilities of community-based Aboriginal education organisations are likely to form an invaluable resource which needs to be nurtured and supported.**

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<sup>44</sup> Correspondence from DEETYA in response to draft of Report, 13 August, 1996

<sup>45</sup> Response: DEETYA

## Meeting the Needs of People with Disabilities

There would not seem to be widespread provision to people with disabilities by the ACE sector, although we note again that this varies significantly from State to State.

There are some ACE organisations which are owned and managed by communities of disabled people and some of these receive public subsidies through the ACE sector. For a wide range of educational, cultural and efficiency reasons, there is a persuasive case for greater involvement of such specialist ACE providers in accredited VET delivery.<sup>46</sup>

However, in the user-pays ACE sector, such provision is dependent on their access to funds allocated within the national VET system.

## Meeting the Needs of People from Non-English speaking backgrounds

The delivery by ACE providers of accredited VET courses to people from non-English speaking background varies significantly around Australia, depending on the State or Territory arrangements for the Adult Migrant English Program and on the extent to which ACE providers have access to either State recurrent funds or Commonwealth growth funds under the ANTA arrangements.

The participation of people from non-English speaking background in ACE provision would appear to be relatively low in those instances where such provision is not supported from public VET funds.<sup>47</sup> We assume this to be affected by the user-pays arrangements that underpin most ACE provision.

Where ACE providers receive public funds this pattern appears to change. One major study indicates that the proportion of non-English speaking background participants in ACE in 1992 reflected their representation in the general community and that they are primarily participating in programs to acquire English language skills and improve their literacy and numeracy skills.<sup>48</sup>

Studies also suggest a comparatively low participation rates of non-English speaking background participants for Vocational Education and General Adult Education.<sup>49</sup>

## Meeting the Needs of Unemployed People

There are strong indications that ACE providers have been effective and efficient in delivering vocational education and training programs to unemployed people.<sup>50</sup>

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<sup>46</sup> See Response: Adult Education Centre

<sup>47</sup> Ducie, V. (1994), *Op. cit.*, p.41

<sup>48</sup> ACFE (1995), *Op. cit.*, p.25

<sup>49</sup> *Ibid.*, p.25. See also Ducie, V. (1994), *Op. cit.*, p.41

<sup>50</sup> ACFE (1995), *op. cit.*, pp.27-28

Registered ACE providers appear to have been relatively successful in winning contracts for the delivery of accredited Labour Market Program training, particularly in non-Metropolitan regions and have been creatively linking training with other forms of assistance to jobseekers and with employment outcomes.

Our consultations suggest that reductions in public funding for Labour Market Programs tend to have a flow-on effect to ACE providers by increased demand from unemployed people for VET courses delivered by ACE providers.

## Improved Cross Sectoral Links

We agree with the view that

*Cross-sectoral co-ordination is the single most important factor which will improve access and participation in VET for country people ...*

*... Therefore, one of the key issues for ACE providers in non-metropolitan areas is what kind of linkages they have with other agencies to ensure that local and regional needs for VET are comprehensively identified and met.<sup>51</sup>*

We would however argue that the relevance of cross-sectoral links is not confined to rural Australians.

There are many ways in which cross sectoral links can be established.<sup>52</sup>

Those that we consider most relevant for the delivery of VET courses by ACE providers are Pathways, Cross-Sectoral Provision of Units of Study and Strategic Alliances.

There is evidence of each of these linkages between ACE providers of VET and other parts of the VET system and other educational sectors, sometimes at a sectoral level and other times at a provider-provider level.

Obviously in a market-oriented environment such as the VET system where ACE providers are fiercely independent, such partnerships cannot be mandated. However it is clear that a number of providers see value in this and have been working together to achieve this. In some States these linkages are supported and fostered by the State ACE coordinating body.

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<sup>51</sup> McIntyre, J. et al (1995), *op. cit.*, p.20

<sup>52</sup> National Board of Employment, Education and Training (1995), *Cross-sectoral Collaboration in Post-Secondary Education and Training*, pp. 9-11

## The Value-Adding Role

The "ACE is different" theme runs deep and strong though much of the literature on ACE in Australia. It recurred throughout our consultations and was a vigorous claim made in many of the responses we received to the Discussion Paper.

We have been particularly keen to penetrate the "ACE is different" rhetoric to try and pin down if ACE providers really are different in as far as they operate within the national VET system and, if so, in what precise ways and with what outcomes. In attempting to do this we are mindful of comments such the following

*It seems to me that the real difference is (possibly) in the environment of delivery and also in the nature and extent of supportive arrangements for students and staff. Delivery is far more likely to be done by sessional staff than is the case in TAFE institutions and the access to support structures may be very limited. These are hardly positive features of ACE provision, so I would have thought it was unwise for ACE to make too much of being different.<sup>53</sup>*

Even if it is demonstrated that "ACE is different", these differences need to be of value within the national VET system.

We start however from the basic proposition that ACE providers must deliver VET programs within the same regulatory and quality assurance frameworks applicable to private and public providers. There is in our view no public benefit in exempting ACE providers from these requirements and, indeed, to do so would undermine not only the objectives of the national VET system but the competitiveness of the ACE sector itself.

On our analysis, the ACE sector does and can play an additional role within the national VET system - a role which derives directly from a combination of its history, its experience beyond the provision of VET, its community base, its market-responsiveness, its organisational orientation and its locality - and which, when taken together, add into the national VET system some necessary ingredients.

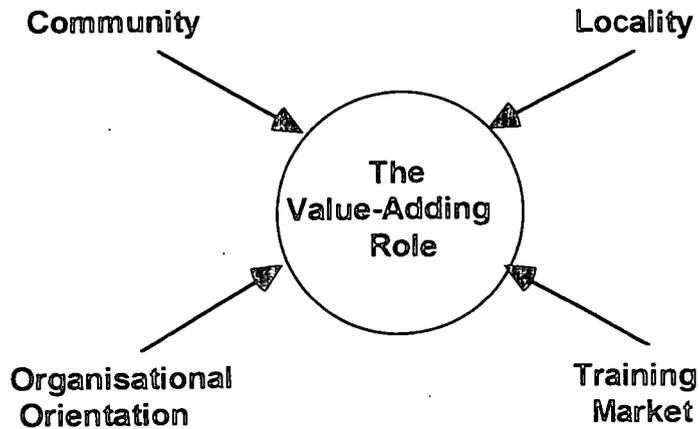
*It is widely recognised that the community providers of ACE collectively have some "distinctive competences" - there are some things that they can do distinctively well. They tend to be locality-based, learner-centred, flexible, responsive, economical, and friendly. They embody distinctive values concerning the worth of the individual learner, and the importance of creating warm and supportive learning environments. They do not of course have a monopoly of such values and competences.<sup>54</sup>*

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<sup>53</sup> Response: Wodonga Institute of TAFE

<sup>54</sup> Response: AAACE

## The Value Adding Role of ACE in the national VET system



### Training Market Value

The entry of increasing numbers of ACE providers into the training market is likely to contribute to the development of an effective and efficient training market by:

- increasing the quantity of training supplied
- diversifying the source of supply
- reducing the costs of supply
- diversifying methods of delivery
- delivering to particular groups or particular under-served localities

However, this training market value can also be delivered by the entry of private providers into the training market, and the mere presence of ACE in the market is not sufficient. We agree with the view of the AAACE, expressed in response to the Discussion Paper.

*If ACE is to add diversity and choice to the training market, and not just add to quantity, it is essential that these distinctive attributes are recognised and protected. This requires recognition in policy and planning of the value of community management and control in the ACE Sector - in spite of the complexity that this might add to relationships.*

*If as a result of policy, planning or resource allocation decisions, ACE providers begin to do the same things as other providers, in the*

*same way, we will have achieved expansion in the volume of VET at the cost of some distinctive qualities of value and style.<sup>55</sup>*

## **Locality Value**

Almost without exception, ACE providers are strongly focused on their local and regional labour markets and the demands for VET expressed within those.

The central planning processes which are necessary to underpin a national VET system serving the needs of state, national and global labour markets are simply not sensitive enough to pick up small scale and localised demand deriving from local circumstances and which may or may not coincide with the state or national demand.

It is in the broader public interest for the public provider to focus its activity on state and national demand, particularly given its commitment to ensure labour mobility, while of course remaining responsive to local demand.

The ACE sector also has a footprint which extends beyond that of any other type of private provider and into areas where the public provider does not have a standing presence.

*While TAFE (and to a lesser extent the universities) do provide learning opportunities at a large range of sites, I believe that many ACE providers exist in part because they can fill a locational vacuum. (Alternatively, their market niche is defined geographically rather than otherwise.) ...<sup>56</sup>*

## **Community Value**

Community-based ACE organisations open their doors because of community initiative and stay open while ever community support remains. Accountability is immediate and direct.<sup>57</sup> While contributing to adult education generally and to VET specifically, they also make a significant contribution to community development and self-reliance.

Community-based ACE providers - neither public nor private - are able to assist the effective integration of VET activities with other regional or local economic development activities which is, in turn, likely to lead to more dynamic and efficient VET strategies. They are also able to tailor-make VET strategies to address the specific problems of the community.

We share the view of the Federal Minister for Schools, Vocational Education and Training when he said recently that

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<sup>55</sup> Response: AAACE

<sup>56</sup> Response: National Training Market Research Centre

<sup>57</sup> ACFEB (1994), *op.cit.*

*Communities need to be empowered to decide for themselves on how their training needs, and the needs of their young people, can best be met.<sup>58</sup>*

Those communities which have established ACE provision are well-placed already to do this in relation to VET activity.

## Organisational Orientation Value

There are many individual providers within the VET system with a strong learner-focused orientation. However, we would argue that this is a central element of the organisational culture within the ACE sector as a whole. Indeed, it has been so strong in some instances that it has made some ACE providers reluctant to move into the more structured and relatively content-focused VET system.

*...while there is some anxiety about the identity and learning philosophy of ACE being lost by greater engagement with the national VET system ... it should also be recognised that this provides an **opportune point of departure from some of the more didactic and potentially less useful teaching methodologies promoted in the formal sector in the past.** By the same token it is important to encourage critical and reflective practice in the ACE sector to ensure that teaching and learning methodologies do actually achieve the (at times grand) claims made of less formal learning settings. Research is central to this issue and it is to be hoped that current ANTARAC research focussing on learning across settings (particularly the workplace) will continue to include the nature of ACE learning, how it promotes and enhances VET involvement and its particular characteristics.<sup>59</sup> [Our emphasis]*

The very principles of learner-centred adult education and lifelong learning which underpin the ACE sector are principles which need to be more deeply embedded in the national VET system.

## Conclusion

The ACE sector in some States and Territories has made considerable progress in entering and contributing to the national VET system in terms of the Generic Role.

It is our view that in doing so, some aspects of the Value-Adding Role may have been overlooked or not given sufficient emphasis or support and encouragement. This is a challenge and an opportunity for the sector at this point in its development.

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<sup>58</sup> Hon. Dr David Kemp (1996b), *op. cit.*

<sup>59</sup> Response: University of South Australia

## Chapter 3: Directions and Opportunities

Our analysis of the core role that the ACE sector currently plays within the national VET system leads us to offer some proposals for improvement in current arrangements. These proposals fall into two categories, although they are not necessarily mutually exclusive.

First, we identify some directions which we consider would have mutual benefit to both the national VET system and the ACE sector.

Second, we suggest some opportunities for ACE which the sector may wish to pursue in its own interests.

### Shared Directions at the ACE-VET Interface

There are a number of areas at the interface between the ACE sector and the national VET system where closer co-operation would have mutual benefit. These interface issues are best expressed as goals to which both the ACE sector and the national VET system could commit. Some of these goals should be pursued at the national level while others are more appropriately pursued at State and Territory level.

**GOAL 1 : To increase the proportion of national VET system funds which are accessible to registered ACE providers of VET programs.**

This seems to us the most fundamental goal of mutual benefit to both parties and it should not be confined to a proportion of Commonwealth growth funds but should extend to State recurrent funds.

For the national VET system it is a strategy to increase the quantity and diversity of VET provision and to support the development of a more open training market.

For the ACE sector it would encourage entry to the training market of ACE providers where there is an identifiable demand from individuals and enterprises.

It would require the Commonwealth government to insist that all or a greater proportion of Commonwealth growth funds are accessible to providers other than TAFE. It would require State and Territory governments to open a greater proportion of State recurrent funds to providers other than TAFE.

The more difficult issue is the terms and conditions under which such funds should be made accessible. Three options present:

- Option A:** National VET funds to be available to ACE providers on a competitive basis only for individual program delivery.
- Option B:** National VET funds to be available to the ACE sector on a 'preferred supplier' or contracted basis for a quantum of specified program delivery.
- Option C:** National VET funds to be available to the ACE sector for management, administration, minor equipment items and intellectual infrastructure such as curriculum development and professional development.

Each option has merit for different reasons and in different circumstances and we are reluctant to suggest a single option to apply across the national VET system.

Under perfect market conditions, Option A, the model which has underpinned many Labour Market Program training arrangements, would seem preferable. However, markets are not perfect and much of the demand for ACE provision of VET is for short modules with minimum lead-in times. It is unlikely that this demand can be captured in a timely way in a fully competitive process based on state-wide program tenders. It is also unlikely to be financially attractive to a large number of ACE providers given the quick-response nature of local demand. Also, as we have seen, State Training Profile processes have not yet been able to capture localised demand and are unlikely to do so effectively.

Option B, an alternative model of competitive arrangements, would be based on contracting out rather than competitive tendering. This has the advantage of government being able to specify required outcomes in the contract while giving the sector and providers more flexibility in when they deliver those outcomes. It would also provide greater continuity of provision.

Option C would have the effect of recognising the financial impact of VET delivery on communities, assisting non-profit ACE providers to enter the training market and providing some core funding for quality assurance.

In general, we consider a mix of Options B and C would have the most positive effect and still ensure a level of quality and quantity in the outcomes produced.

At the national level there needs to be agreement on the goal and perhaps agreement on a target. The strategies for achieving the goal is a matter for each State and Territory.

**GOAL 2 : To increase the ability of ACE providers to compete in the open training market**

We propose here that an ACE Provider Development Program be established under the auspices of ANTA to achieve this goal.

Again, States and Territories would be responsible for its implementation but there could be national agreement on the principles to underpin it and perhaps some key strategies.

Such strategies could include

- establishing on-going links with and support from the National Staff Development Committee
- establishing on-going links with and support from ACTRAC
- financial support to small ACE providers to assist with provider registration in those cases where costs of registration may inhibit entry to the training market
- administrative assistance to small ACE providers where there is a local demand for VET programs
- financial support to specific purpose ACE providers whose clients are under-represented in VET provision. Here we have in mind community-based disability organisations and community-based Aboriginal education organisations
- incentives to encourage ACE tutors to acquire the necessary level of competence to deliver VET programs. This is a particularly urgent need in non-metropolitan areas in most States and Territories and could also be targeted in specific occupational fields such as Primary Industry.

**GOAL 3 : To report on cross-sectoral collaboration between ACE provision of VET and other parts of the VET system and other educational sectors.**

We consider that there would be value in the ACE sector reporting annually to ANTA on developments in this area, identifying impediments to achieving this goal of the national VET system, and formally interacting with other parts of the VET system and higher education to maximise collaborative possibilities. In reporting, emphasis should be given to Pathways, Cross-Sectoral Provision of Units of Study and Strategic Alliances.

**GOAL 4 : To arrive at a nationally consistent approach to the programs which are delivered by ACE providers under national VET system arrangements and reported within State Training Profiles**

Proposed changes to the existing regulatory framework applying to all providers of VET may resolve the current problem of inconsistent treatment in the State Training Profiles of Stream 2000-4000 programs delivered by ACE providers.

However, we suggest that the following approach be adopted in the ANTA Guidelines for preparing State Training Profiles.

- Eliminate the use of the term "ACE courses" to describe General Adult Education (Stream 1000)
- Eliminate requirement to report on General Adult Education within the State Training Profiles
- Adopt consistent usage of "ACE provider" or "ACE sector" depending on the context
- Confine the term "ACE provider" to community-based providers of adult and community education, leaving to individual States and Territories the precise definition of "community-based provider" but excluding from the definition TAFE Institutes/systems and higher education institutions/sector.
- Non-accredited courses in Streams 2000-4000 to be excluded from the Activity Table within the State Training Profile. Where such courses are currently included, a phase-out period be determined to assist ACE providers to make the transition to delivering programs which are nationally recognised.

**GOAL 5 : To reduce the scope of the AVETMISS ACE Collection.**

Under the national VET system public funds are not made available for the delivery of General Adult Education courses (Stream 1000) and the ACE sector is not the only provider of General Adult Education to the community. We see no reasons to continue data collection at a national level of General Adult Education. National Surveys and ABS data are an alternative source.

The focus within the AVETMISS Collection on ACE, (taking into account the on-going costs of collection, the autonomy of community-based providers, the need for accountability for the use of public funds and the purposes to which the data can be put), needs to be on the delivery of nationally recognised courses in Streams 2000-4000 by community-based ACE providers.

Any national data collected beyond this scope would be a matter for Ministers to consider in the context of the National Policy on ACE and not in the context of the national VET system.

**GOAL 6 : To minimise any negative impact on General Adult Education from increased involvement of ACE providers in the delivery of VET programs.**

As discussed in Appendix 1, ANTA does not, in our view, have a direct role in relation to General Adult Education provision by the ACE sector. It does have responsibilities, together with the States and Territories and the ACE sector itself for ensuring that the operations of the national VET system do not unintentionally diminish General Adult Education. One strategy could involve more explicit commitment by all governments to support lifelong learning through General Adult Education, a commitment which could be expressed through revisions to the National Policy on Adult Community Education.

**GOAL 7 : To identify the desirable relationship between ACE provision of VET and Aboriginal education.**

We suggest that the MCEETYA ACE Task Force give further consideration to the question of if, and in what way, State and Territory recognition systems impede the delivery of culturally appropriate programs to indigenous communities by community-based providers. We suggest that the specific issues related to this question be identified and then referred to the Aboriginal and Torres Strait Island Peoples Advisory Council of ANTA for advice.

**GOAL 8 : To monitor the impact of and respond to changes in Labour Market Program arrangements on ACE providers**

Labour Market Programs are the responsibility of and are directly funded by the Commonwealth government. They lie outside the definition of the national VET system as we have defined it in this Report.

Nevertheless, because they are bound together by many policy settings, the issues at the ACE-VET interface are equally relevant to the ACE-Labour Market Program interface.

Currently, arrangements for Labour Market Programs are under review so definitive goals are difficult to establish at this time. Nevertheless, many of the VET trends identified in this Report are likely to find parallels in Labour Market Program trends. In particular we note comments from DEETYA that there is likely to be

- greater emphasis on employment outcomes;
- a role for organisations (including ACE bodies) who are able to effectively link training and assistance to jobseekers with employment outcomes;
- increased emphasis on being registered providers under NFROT and the provision of accredited training;

- a need for flexibility in relation to meeting the needs of rural and remote communities and particular groups;
- stronger emphasis on regionally based assistance to job seekers.

At the same time as the ACE sector is clarifying and developing its relationship with the national VET system, it needs to do the same in relation to Labour Market Programs to ensure consistency in its strategic focus and its policy direction.

Consequently, the ACE sector needs to position itself to respond effectively to changes in the area of Labour Market Programs as and when they occur.

At the same time, there are indications that reduced provision of these programs may accelerate the demands on ACE providers for VET programs. This may have the effect of cost-shifting from the Commonwealth government to local communities and careful monitoring is required to assess national trends and whether responses at national or State/Territory level are required.

**GOAL 9 : To ensure a more comprehensive input from the ACE sector on its involvement in the VET system**

Two particular strategies arose from the responses to the Discussion Paper that we think are worth pursuing at national level in relation to this goal.

The first was from the University of South Australia.

*There needs to be put in place a mechanism whereby these agencies are aware of each other's activities and responsibilities, share information and are, explicit about their differences. At the same time states vary in their ability to offer a coherent picture of what is happening across the range of ACE (and even VET) providers and what in particular are the issues around which they will gather. It could be quite fruitful to develop a mechanism for ensuring that key stakeholders have the opportunity to engage with local debates across a range of professional agencies and take the outcomes of these issues to national fora. This may involve the notion of state roundtables which inform national decisions. However the mechanism would need to find a way to ensure participation across provider and target interest groups as well as up/down within the hierarchies of organisations and professional agencies.<sup>60</sup>*

We think this suggestion of State roundtables provides a creative and non-bureaucratic approach to improving two-way communication between the ACE sector and the national VET system, recognising that not all States and Territories are yet able

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<sup>60</sup> Response: University of South Australia

to provide such interactive opportunities on a regular basis. Such an approach also broadens the input into the national VET system and consequently strengthens it.

The second suggestion came from AAACE.

*In recognition of the importance of aboriginal adult education, the [Federation of Independent Aboriginal Education Providers] (FIAEP) nominates two members to our Executive Committee, and we are in the process of assisting them to establish their own Secretariat within our Canberra office. NNHLCL is also explicitly represented on our Executive.*

*Both NOWinFE and ACAL evolved from within the then Australian Association of Adult Education, and have since set up their own associational structures.*

*In addition, the Universities of the Third Age (U3A), a growing and dynamic force, are continuing to explore at an informal level, options for some kind of national coordination.*

*AAACE is currently the best resourced of these bodies and accepts a major responsibility for ensuring that the needs and interests of the adult and community education movement as a whole are effectively represented to governments.*

*We believe that there may now be some significant mutual advantages in the building of a "national coalition" with these other bodies.<sup>61</sup>*

**This concept of a national coalition is, in our view, worth pursuing further. Many responses to the Discussion paper expressed support for the work of AAACE. However many also expressed concerns that the current representative arrangements did not allow for adequate input from other peak ACE bodies about directions at the ACE-VET interface at both national level and at state level.**

**In a climate where governments are seeking to streamline and simplify arrangements in the national VET system we do not wish to propose additional or alternative sources of advice to ANTA on the ACE-VET interface. Equally we are mindful that the ACE sector delivers only a small part, albeit an important part, of the national VET effort.**

**However, we are of the view that there is sufficient anxiety about current consultative and representative arrangements to warrant this matter being considered jointly by all national, State and Territory peak bodies representing ACE providers.**

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<sup>61</sup> Response: AAACE

State roundtables could be used among other purposes, to obtain views on the concept of a national coalition of ACE providers to act as a single source of advice to ANTA on ACE-VET interface issues.

**GOAL 10 : To review the continuing relevance of the National Policy on Adult and Community Education for the ACE-VET interface.**

Many of the issues identified in this Report are already embedded in the National Policy on Adult Community Education. While the delivery by ACE providers of VET programs should not overwhelm the broader mission of the ACE sector which is the focus of the National Policy, nevertheless the National Policy needs to be up-dated to take into account the developments at the ACE-VET interface since it was developed. In relation to provision of VET by ACE providers, the National Policy should reflect more accurately the relationship between the ACE sector and the national VET system, should place more specific emphasis on key directions and outcomes and should provide more strategic guidance. It should also explicitly encourage communities to take a greater role in and responsibility for training in local and regional labour markets.<sup>62</sup>

## **Critical Opportunities for the ACE Sector**

**OPPORTUNITY 1 : Position ACE providers to participate in new arrangements for MAATS.**

The development and implementation of MAATS is likely to have a fundamental impact on the national VET system and ACE providers will need to assess how they might contribute to it.

National arrangements for MAATS are intended to facilitate a system which is effective at regional, local and community level on the grounds that the development of workplace skills for employment are best developed at this level.

The Federal Minister for Schools, Vocational Education and Training has commented that

*We will establish **regional and community employment councils** which will plan delivery and promote small and medium business development in their regions. They will be employer-led, including representatives from the wider community (including young people and older unemployed).<sup>63</sup> [Our emphasis]*

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<sup>62</sup> Response: ACFE

<sup>63</sup> Hon. Dr David Kemp (1996a), *op. cit.*, p.8

These councils may draw on some of the experiences of the English Training and Enterprise Councils (TECs). These were first established in 1990 and within 3 years there were 82 TECs in England and Wales, together with a number of similar Local Enterprise Councils in Scotland.

One analysis of the English TECs has commented that

*The mix, character and quality of a TEC governing board is of the utmost importance. On the one hand, it is clearly important for the business community to assume ownership and hence responsibility for the operation of TECs...*

*On the other hand, other elements of the community have an interest and stake in training and enterprise matters ...<sup>64</sup>*

The ACE sector needs to find ways to actively participate in the development of MAATS at the national and State/Territory levels and ensure ACE involvement in its implementation at regional and local levels, building on the "value-adding" role it has in the national VET system derived from its local and regional focus.

**OPPORTUNITY 2 : To increase the emphasis on the "Value-Adding" role of ACE provisions within the national VET system.**

In Chapter 2 we suggested that the role of ACE within the national VET system has two parts - the generic role and the value-adding role.

In our view, the ACE sector needs to place greater emphasis on adding value to the national VET system by virtue of its organisational orientation, its impact on the training market, its operation in local and regional labour and training markets and its community-base. We support the view expressed in a response to the Discussion Paper.

*Throughout the Discussion Paper there is an implicit theme that the relationship between ACE and VET is a one way relationship - that ACE provides a pathway to VET. This does represent the current reality in terms of student pathways, and certainly resources are not of equal standing. However, in developing a National Strategy to consolidate provision between the two sectors it is important to address the learning to be gained from ACE and its approaches to education and training as much as it is important to emphasise ACE's supporting role to the wider VET system. These same issues face the VET and higher education sector as they move to a more competitive market <sup>65</sup>*

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<sup>64</sup> National Board of Employment, Education & Training (1994), *op. cit.*, Appendix C, "Training & Enterprise Issues in England and Sweden", report of R. Bluer, p.65

<sup>65</sup> Response: University of South Australia

**OPPORTUNITY 3 : To Improve communication between the ACE sector and State Training Profile process**

In Chapter 2 and Appendix 3 we identified this as a need, in some States and Territories more than others. This opportunity needs to be pursued at State and Territory level.

We also note that in the current climate of devolution, the medium to long-term importance of the State Training Profile processes may be re-assessed.

**OPPORTUNITY 4 : To co-operate with selected state and national ITABs to identify market niches where ACE providers could address industry demand**

As discussed also in Chapter 2 and Appendix 3, we do not consider a blanket approach to ACE-ITAB cooperation to be desirable. We propose instead a tightly targeted approach, based on the competitive advantages of the ACE sector both nationally and at State level and on the demand from selected ITABs.

Again we note that the decentralisation, deregulation and devolution which is strongly emphasised by a number of governments may impact on the role of ITABs in the national VET system in the medium to longer term and the ACE sector should monitor these developments carefully.

**OPPORTUNITY 5 : To increase the proportion of Steam 2000-4000 courses delivered by ACE which are nationally recognised.**

If the regulatory framework of the national VET system shifts, with a stronger emphasis on provider registration and a diminished emphasis on course accreditation, this opportunity may be realised sooner rather than later. However, such developments are likely to strengthen the importance of quality assurance by ACE providers. At State and provider level, systems will need to be put in place to ensure that the competitive advantages which have accrued to ACE delivery of VET from current NFROT arrangements are not diminished in a strongly deregulated environment.

**OPPORTUNITY 6 : To ensure that women's participation in VET programs delivered by ACE providers is not less than women's participation in ACE provision more generally.**

ACE providers have a strong claim to serving well the education and training needs of women. In the marketplace this represents a significant competitive advantage which must not be diminished as ACE providers offer more nationally recognised VET programs.

**OPPORTUNITY 7 : To increase the participation of people from non-English speaking background in a broader range of VET programs**

The learning opportunities for people from non-English speaking background undertaking ACE studies must extend beyond language and literacy programs to cover the full range of VET programs. ACE providers should give particular attention as to ways this can best be achieved.

**OPPORTUNITY 8 : To strengthen the position of the ACE sector in relation to training for small business**

In this Report we have noted that there are no *a priori* reasons why ACE providers are better able to meet the training demands of small business. Nevertheless, there are obvious synergies between ACE providers and small business. An ACE Small Business Strategy at State level, perhaps built on strategic alliances with industry associations or small business associations, would provide an opportunity for ACE providers to strengthen their contribution in this area.

## Appendix 1: General Adult Education

The National Policy: Adult Community Education describes General Adult Education programs as including

*... history, literature, languages, politics, philosophy, science, arts, crafts, health, personal development and many other subjects. This is the longest standing and best known form of ACE.*

*General adult education also makes a significant contribution to the development of work skills. Many participants cite vocational purposes as their reason for enrolling in these programs. Many more gain skills, confidence, knowledge and understanding from participating, which they then apply in their workplace or in seeking work or in further education and training.<sup>1</sup>*

General Adult Education courses are usually short term and are, by definition, not accredited under NFROT arrangements. In the VET statistical system, they are Stream 1000 courses but this descriptor is a TAFE-derived one which does not have currency or relevance in the ACE sector and so we prefer the descriptor General Adult Education.

An increasing number of existing General Adult Education programs with explicitly vocational outcomes which have been traditionally offered by ACE providers are being legitimately modified and accredited under NFROT arrangements as Stream 2000-4000 courses

While States and Territories are asked to report on the provision of Stream 1000 courses in the State Training Profile, ANTA specifically excludes non-accredited general adult education courses from the Activity Tables within the State Training Profiles. This is the case irrespective of whether the provider is TAFE, ACE or a private provider.

The consequence of specifically excluding General Adult Education courses from the State Training Profiles is that such courses cannot be counted as part of the State or Territory training effort and thus cannot attract Commonwealth growth funds. This has been a cause of continuing dissatisfaction for some in the ACE sector.

While some ACE providers and organisations continue to challenge the current policy boundaries between General Adult Education and vocational education and training, many, perhaps most, see merit in the current boundaries which limit the impact of the formal processes associated with an industry-led national VET system on general adult education.<sup>2</sup>

<sup>1</sup> MCEETYA (1993), *National Policy on Adult Community Education*, p.5

<sup>2</sup> Response: Adult, Community & Further Education (ACFE) Division, Office of Training & Further Education, Victoria

For most ACE providers General Adult Education is the core of their work although this does vary between providers. Enrolments with community providers and the Council of Adult Education in Victoria in 1995 for General Adult Education represented almost 54% of all enrolments with these providers. These enrolments generated 2.4 million SCH in General Adult Education representing 28.5% of their total SCH.<sup>3</sup>

In a study undertaken by the Australian Bureau of Statistics for the Adult, Community and Further Education Board of Victoria, participants in adult and community education courses in Victoria, NSW and South Australia in 1992 were surveyed. Of the 2,388 respondents, 55% were enrolled in General Adult Education, followed by 19% in Vocational Education.

Comparable data for other States and Territories was not available.

A small number of substantial research studies, reports and papers have been produced in and for the ACE sector in recent years, some with an explicit focus on the vocational dimensions of ACE provision, others focused on its other but connected dimensions such as its community development role, its access and equity role and its role in fostering personal growth and lifelong education.

Some of this work supports claims by some within the ACE sector to broaden the current definition of "vocational" to include non-accredited General Adult Education courses.<sup>4</sup>

However, the recent review of the ANTA Agreement concluded:

*The argument put forward by the sector that the stated intent of a course to be vocational or non-vocational is not necessarily reflected in the immediate motivations of the students enrolled in it or in the long term uses to which the skills and knowledge gained from it will be put by those students is accepted by the Review. However, the Review does not consider that this provides a justification for abandoning the current distinction between vocational and non-vocational courses being made for funding purposes. [our emphasis]*

*The Review supports the continuation of funding to ACE for vocational courses. The Review would not support any weakening of the current funding criteria being applied for access by this sector to vocational education and training funds.<sup>5</sup>*

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<sup>3</sup> Derived from Adjusted Final ACFE Division 1995 Statistical Report, *Victorian Summary of Student Contact Hours & Enrolments by Funding Source, across Program Category (Excluding TAFE Colleges)*, 16.4.96

<sup>4</sup> See for example: McIntyre, J., Foley, G., Morris, R. & Tennant, M. (1995), p.11; ACFEB (1995), *Outcomes and pathways in adult and community education*, Adult, Community and Further Education Board, Victoria, p.xii

<sup>5</sup> Commonwealth of Australia (1996), *Review of the ANTA Agreement*, AGPS, Canberra, p.160

Most (but not all<sup>6</sup>) stakeholders we consulted in the course of this study consider that the current policy and funding distinction between General Adult Education and Vocational programs should remain.

Most stakeholders within both the VET system and the ACE sector now accept that while General Adult Education may or may not contribute to the national skills pool, depending on its content, orientation and clientele, its core focus is not vocational and it is not nationally recognised under the NFROT and, as a consequence, does not explicitly fall within the national VET system and therefore attract national VET funds.

*General adult education (Stream 1000), whether provided by TAFE institutes, private providers, or ACE providers does make a contribution to the VET system but this contribution is less direct and impossible to quantify. It is not appropriate for Governments to seek policy intervention in relation to the market forces which currently determine its content and delivery.<sup>7</sup>*

**The Australian Association of Adult and Community Education takes the following position.**

*The Association accepts that for practical purposes the meaning of "vocational" in "VET" has to be delimited in some administratively feasible way, and that large areas of work appropriate and important to ACE providers will continue to fall outside any such definition. Those who design and implement the national VET strategy will continue to focus their interest on the capability of ACE as a provider of VET courses, as they have defined them ...*

*Rather than continuing to debate the semantics of "vocational" and "non-vocational", it will be more productive for the ACE Sector to participate forcefully in the on-going efforts to specify clearer, and agreed outcomes for the VET system. The Taylor Review concluded that the current four Key Performance Measures suffer from problems of ambiguity and inconsistent interpretation between States and providers (Taylor p.112). We sincerely hope that ACE will be directly involved in work to further refine the KPM's and appropriate outcome indicators.*

*At the same time, the Association will of course maintain its strong commitment and advocacy in relation to the full spectrum of lifelong learning needs and interests of all adults, and not just those in the workforce.<sup>8</sup>*

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<sup>6</sup> Response: H.Gardiner, NOW in FE, U3A, ACT Council of Adult Literacy among others

<sup>7</sup> Response: Adult, Community & Further Education Division, Office of Training & Further Education, Victoria

<sup>8</sup> Response: AAACE

While for policy, planning and consequently funding purposes we see it necessary to distinguish between General Adult Education on the one hand and Vocational Education and Training on the other, it is important to understand the linkages between the two.

The most important linkage is the pathway that General Adult Education can provide into VET courses.

*Hence if one of the core objectives of the VET system is to increase provision of accredited courses, the supply line of students from informal (non accredited) programs needs to be maintained.<sup>9</sup>*

This supply line is essential not only to allow student passage, but also to allow the innovation, creativity and learner-centred education which is the focus of General Adult Education to flow through and enrich what can be, at times, excessive instrumentalism in VET.

### Unintended Consequences

We consider it vital to re-affirm the social and economic value of General Adult Education in its own right. Its exclusion, for policy, planning and resource purposes, from the national VET system must not imply that it is in any way less valuable than VET.

As the brief required, we have focused on the role of the ACE sector in the national VET system. However, we believe it is essential to recognise that ACE providers have additional roles and responsibilities in relation to adult and community education and also at the interface between adult education and community and health services.

The delivery of outcomes against the goals of the national VET system and within nationally agreed frameworks for VET is a relatively small albeit significant part of the ACE sector effort around Australia.

The ACE sector's heartland lies elsewhere - in the provision of a broad range of (non-accredited) general adult education to meet the needs of individuals and communities.<sup>10</sup>

It is the experience of autonomous ACE providers in this community heartland that needs to be brought into the national VET system.

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<sup>9</sup> Response: Adult Education Centre for Deaf and Hearing Impaired Persons Inc.

<sup>10</sup> In its Response to the Discussion Paper, the AAACE wrote that *Generically, adult and community education is open access, non-accredited (this is changing), short cycle, user pays education and training for adults, usually locally based and deploying part-time, or hourly paid tutors, with an explicit focus on the learner as a whole person, and on the quality of the learning process.*

Consequently, while ANTA does not, in our view, have a direct role in relation to the General Adult Education provision by the ACE sector, it does have responsibilities, together with States and Territories and the ACE sector itself, to ensure that the operations of the national VET system do not unintentionally diminish General Adult Education or draw it too far from its broad social, cultural, personal and vocational purposes.

The second danger is that, despite the rhetoric about lifelong learning, in many States and Territories, General Adult Education does not receive the policy or financial recognition that its contribution to the goal of lifelong learning warrants. While many would agree that the actual costs of delivery should continue to be borne on a user-pays basis, there are sound arguments for providing some funds by way of infrastructure or management support to assist such programs to be organised and delivered.

Without supporting policies at State and Territory level, and without some, albeit small level of subsidisation to ACE providers for the delivery of General Adult Education, it is inevitable that this important dimension of lifelong learning will wither as ACE providers, driven by government purchasing priorities, pursue the public dollar within the national VET system. This outcome would be desirable neither for the national VET system nor for lifelong learning.

## Appendix 2: Nationally Recognised Providers and Programs<sup>1</sup>

One of the objectives of the national VET system, as specified in the ANTA Act 1992 is to promote

*a national vocational education and training system, with agreed objectives and priorities, assured funding arrangements, consistent national strategies and a network of providers delivering high quality, nationally recognised programs at State and Territory level;*

In this paper we describe the extent to which ACE providers have become part of the national VET system by becoming registered training providers and delivering accredited programs.

The regulatory framework of the national VET system is under review. Arising from the recent Review of the ANTA Agreement and the development of the Modern Australian Apprenticeship and Traineeship System (MAATS), it is highly likely that there will be changes in the regulatory arrangements which would see registration of providers as a quality assurance process rather than the current strong focus on course accreditation. In this context, the barriers that may have impeded entry to the training market by some providers (and enterprises) are likely to be removed.

### Nationally Recognised ACE Providers

Provider entry to the national VET system is conditional upon registration as a provider by the State or Territory Registration Authority under the National Framework for the Recognition of Training (NFROT). This condition applies equally to private and public providers.

Precise figures on the number of ACE providers who are now registered training providers are difficult to establish, partly because of the definition problems attached to the category "ACE provider".<sup>2</sup> However, we estimate that there are about 180 such providers around Australia.<sup>3</sup> Assuming that there are some 1000 registered providers

<sup>1</sup> In analysing the involvement of ACE providers in the national VET system and considering the programs they offer, we have been limited by the availability, reliability and comparability of data. We are also mindful that outcomes which are classified as "ACE" in some States or Territories (such as those from Women's Access courses) are regarded as TAFE outcomes in others.

<sup>2</sup> In this Report we have tried to confine the term "ACE provider" to those providers which are community-based providers, appreciating that statistics do not necessarily allow an adequate analysis in these terms.

<sup>3</sup> As at May, 1996, Victoria had over 90 community owned and managed providers registered to deliver vocationally specific VET courses. NSW has over 57 ACE Main Providers independently registered with the State Recognition Authority. S.A. has at least 3 registered ACE providers. Tasmania has at least one (delivering across 12 sites). In N.T. 14 community providers are registered. As at May 1995, there were 44 Skillshare and Community Providers registered to deliver accredited courses (for estimate purposes we have assumed that at least 10 of these would be regarded as ACE providers). Statistics for other States and Territories are not readily available.

of VET across Australia, it can be inferred that around 18% of all registered training providers are from the ACE sector.

A number of factors have influenced ACE providers to become Registered Training Providers.<sup>4</sup>

- Many have entered the training market via contracting with the Commonwealth Employment Service (CES) for the delivery of Labour Market Programs in which the provision of accredited training by registered providers is an essential specification of the contract.
- Others have entered it in order to be eligible for funding or competitive for tendering for the delivery of training funded under Commonwealth growth funds.
- Yet others have entered it in response to demands from clients for quality assurance.

While these market factors have influenced the decision of ACE providers to enter the training market, this is a relatively small proportion of ACE providers around Australia. We estimate that probably no more than 15% of ACE providers nationally, are registered training providers.<sup>5</sup>

In NSW 55% of the 104 ACE Providers recognised by the NSW Board of Adult and Community Education are registered training providers, the high proportion being a mix of market factors combined with a decision to apply public VET funds to subsidise provider registration costs in the user-pay registration system.

In Victoria, where the responsibilities of the Adult, Community and Further Education Board encompass a much broader group of around 550 providers, some 18% of these are registered training providers.

Comparable figures for other States and Territories were not available to this study but it would seem reasonable to assume that they are unlikely to be higher than those of NSW. We therefore conclude that a network of registered ACE providers, while emerging strongly is unevenly developed around Australia.

Factors which influence the decision of ACE providers not to offer VET courses (and by inference not to become registered providers) include:

- desire to maintain effort in General Adult Education courses
- lack of funding

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<sup>4</sup> See Board of Adult and Community Education (BACE) (1996), *ACE-VET: Is It Delivering? An Evaluation of vocational education and training in NSW adult and community education, 1992-1996*, for a fuller discussion of the reasons for entry.

<sup>5</sup> This does vary significantly from State to State and is dependent in part on the State's structural arrangements for ACE sector. In NSW 55% of the 104 ACE Providers recognised by the NSW Board of Adult and Community Education are registered training providers. In Victoria, where the responsibilities of the Adult, Community and Further Education Board encompasses a broader group of around 500 providers, some 18% of these are registered training providers.

- administrative requirements
- lack of appropriate equipment and/or staff.<sup>6</sup>

## Few Reservations

Some ACE providers and ACE organisations expressed reservations to us about the trend for ACE providers to seek registration, believing that

*ACE (is) being forced to comply with ANTA's agenda of registration and accredited courses in order to access funding.<sup>7</sup>*

However, these views were in the minority. Through our consultations and the responses to the Discussion Paper, most respondents expressed positive views about provider registration, reflected in the following comment.

*AAACE supports the goal of expanding the number of ACE registered providers, and accepts that such registration is an essential step for formal participation in the national VET system.<sup>8</sup>*

## Costs of Registration

A number of ACE providers have raised the problem of costs of registration as a training provider. Costs of registration may act as a barrier to entry to the training market of some providers and thus limit the quantity and diversity of supply. However, we do not consider registration costs per se to be a significant element in the package of cost-related decisions about whether to enter the market. Nor do we consider that the actual registration costs set by State Recognition Authorities to be excessive.

*There are joint and sub registration mechanisms already in existence which can be utilised at low or no costs to the benefit of ACE and VET.<sup>9</sup>*

Costs of registration as a provider do not generally act as a barrier to entry to the training market by ACE providers. However, for some smaller ACE providers in certain circumstances, the relatively small level of cost associated with provider registration can be a significant burden and may actually prevent entry in some instances.

Where costs of registration may be a barrier to ACE provider entry to the training market at least two remedies are available.

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<sup>6</sup> See BACE (1996), *op. cit.*, p.51

<sup>7</sup> Response: ACT Council of Adult Literacy

<sup>8</sup> Response: AAACE

<sup>9</sup> Response: ACTU Queensland

The first is to subsidise the costs of registration for small ACE providers in specific communities where the local training market is poorly developed or local training provision is insufficient and there would be wider community benefit in supporting a community-based non-profit training provider. By being specific about the reasons for subsidising certain ACE providers and the circumstances under which such subsidisation occurs, rather than establishing blanket subsidisation, governments would not be intervening unnecessarily in the training market.

A second policy option is for the ACE sector itself to encourage greater collaboration within the ACE sector to achieve cost-sharing.

*Given the complexity of the recognition systems and the financial burden this imposes on small ACE providers some mechanism may be needed to support them through the recognition process. Collaboration between registered ACE providers and those ACE providers seeking registration would seem to be a possible means of providing support.<sup>10</sup>*

and

*smaller providers could develop cooperative arrangements to achieve registration ... such as a shared identity as a provider.<sup>11</sup>*

Changes in the regulatory framework may also act to encourage entry, making additional encouragement unnecessary.

## **Delivering Nationally Recognised Programs**

The Guidelines for the Development of the 1996 State Training Profiles issued by ANTA state:

*... it is important the Profiles provide a total picture of Government funded activity in the State/Territory. To this end, it is expected that Stream 2100-4500 activity delivered through the ACE sector that is funded under the ANTA arrangements would be included in the main activity tables.*

The Activity Tables provide a basis for identifying training being delivered by systems against broad categories. They also provide information that is used in assessing maintenance of effort intentions. They form the core of State Training Profiles.

While Commonwealth Growth Funds can only be applied to Stream 2000-4000 courses and these must be accredited, there is no clear rule as to how non-

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<sup>10</sup> Response: Adult Migrant Education Service, NSW

<sup>11</sup> Response: Eastern Suburbs Regional Evening College, NSW

accredited Stream 2000-4000 courses which have been funded from State Recurrent funds are to be treated in the Activity Tables.

This leads to different reporting from States and Territories. One State or Territory can, for example, include in the Activity Table, and have counted for the purpose of the State's maintenance of effort, non-accredited courses in Stream 2000-4000 which have been funded from the base of VET funding. Another can interpret the rules to mean that these courses are excluded.

Using data contained within the 1996 State Training Profiles, the following table summarises the contribution of ACE providers to the respective State and Territory Profiles through the delivery of Stream 2000-4000 courses. This data does not include

- the ANTA Literacy Programs which are funded separately and reported separately within most of the State Training Profiles.
- the accredited training delivered by registered ACE providers from sources of funds other than within the ANTA scope (i.e. all fee-for-service);

State/ Territory	Stream 2000-4000 Activity delivered by ACE providers and included within the State Training Profile
ACT	The proportion of Stream 2000-4000 SCH delivered by ACE providers cannot be calculated from the State Training Profile data.
NSW	It is estimated that in 1996 ACE providers will deliver around 540,000 SCH to the NSW Profile, all of which are in accredited courses, representing some 0.5% of the total NSW Government funded activity in 1996.
NT	The proportion of Stream 2000-4000 SCH delivered by ACE providers cannot be calculated from the State Training Profile data. All NT registered training providers have the opportunity to access all of the available Commonwealth growth funds, subject to their capacity to deliver.
QLD	At present, Queensland does not have a data base which would identify the quantum of Stream 2000-4000 delivered by community-based ACE providers and such providers are represented within the Profile only in so far as they have access to the competitive tendering processes.

SA	Absence of data sophistication in the ACE sector has resulted in some variability in the statistics related to provision by ACE providers. In 1996 it is projected that ACE providers will deliver some 554,242 SCH which may include non-accredited, preparatory and operative courses. Registered ACE providers in 1996 have access on a competitive basis to Commonwealth growth funds.
TAS	The Institute of Adult Education has access to Commonwealth growth funds. Other ACE providers can apply for growth funds if they deliver accredited courses. To date, none have applied. The proportion of Stream 2000-4000 SCH delivered by ACE providers cannot be calculated from the State Training Profile data.
VIC	In 1996, community based ACE providers are projected to deliver a total of 2,677,144 SCH to the Victorian State Training Profile at an average recurrent cost of \$5.83 per SCH. This represents some 4% of the total projected Victorian Government funded activity in 1996. Not all these SCHs are in accredited courses.
WA	The proportion of Stream 2000-4000 SCH delivered by ACE providers cannot be calculated from the State Training Profile data.

Based on this information, it is reasonable to estimate that course activity by ACE providers within the 1996 State Training Profiles accounts for between 1.5% and 2% of total course activity (State Government Funded Activity and Commonwealth Funded Growth Activity)<sup>12</sup>

### Adult Literacy and Basic Education Programs

The demand for programs which address the language, literacy and numeracy needs of the workforce and the community is clear.

A consistent theme of the Industry Vocational Education and Training Plans produced by each Industry Training Advisory Body for the period 1995-97 was the need to increase the literacy and numeracy levels of the workforce.

*"It is estimated that three quarters of (Food) industry workers have literacy difficulties which would limit their access to further training."*<sup>13</sup>

*"The introduction of new workplace practices and systems present particular issues for workers with poor language skills. The (Textile,*

<sup>12</sup> Derived from Activity Tables for 1996 State Training Profiles - Annual Hours (Curriculum)

<sup>13</sup> ANTA (1995), "Training Priorities of National Industry Training Advisory Bodies- Food Industry" in *Guide to Training Priorities of National Industry Training Advisory Bodies, 1995-1997*, ANTA, May, p. 57

*Clothing and Footwear ) sector of the new ITAB will integrate the (Workplace English Language and Literacy) WELL Program into training programs and workplace assessment.*"<sup>14</sup>

As the National Strategy for Vocational Education and Training indicates, some 1.3 million Australians are estimated to have insufficient literacy skills to participate in community life, including entering or progressing within the workforce.<sup>15</sup> The National Strategy has identified increasing English language, literacy and numeracy skills as a priority area within the national VET system.

Under the National Collaborative Strategy for English Language, Literacy and Numeracy (NCAELLS), endorsed by Commonwealth and State Ministers in 1993, each State and Territory has established a State Implementation Group involving the key funding agencies (Department of Education, Employment, Training and Youth Affairs, Department of Immigration and Ethnic Affairs and the State Training Agency).

### **ANTA Recurrent Literacy Program**

ANTA distributed \$7 million of Commonwealth funds in 1996 for adult literacy initiatives under its Recurrent Literacy Program. In most cases, the State and Territory allocations are divided between TAFE and ACE providers on a 75%:25% ratio. In some cases such as South Australia, a proportion of these funds are retained for infrastructure support such as professional development and curriculum development for both TAFE and non-TAFE providers. The actual and planned training delivery outcomes are shown in Table A2.1.

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<sup>14</sup> ANTA (1995), *op. cit.*, "Training Priorities of National Industry Training Advisory Bodies- Textile, Clothing & Footwear Industry", p.101

<sup>15</sup> ANTA (1994), *Towards a Skilled Australia: A National Strategy for Vocational Education and Training*, ANTA, p.23

**TABLE A2.1: Actual & Planned Literacy Activity, 1995-1998<sup>16</sup>**  
**(Commonwealth/ANTA Literacy Funds)**

State/ Territory	Year	TAFE Student Contact Hours		Non-TAFE Student Contact Hours		Total Contact Hours
		Accredited	Non-Accredited	Accredited	Non-Accredited	
<b>ACT</b>	Revised 1995	0	18,360	0	4,000	22,360
	Planned 1996	19,440	0	0	4,000	23,440
	Planned 1997	19,872	0	0	4,000	23,872
	Planned 1998	21,600	0	0	4,000	25,600
<b>NSW</b>	Revised 1995	177,500	0	0	79,400	256,900
	Planned 1996	186,400	0	0	83,400	269,800
	Planned 1997	195,800	0	0	87,500	283,300
	Planned 1998	205,590	0	0	91,900	297,490
<b>QLD</b>	Revised 1995	127,000	0	0	45,000	172,000
	Planned 1996	127,000	0	20,000	25,000	172,000
	Planned 1997	127,000	0	45,000	0	172,000
	Planned 1998	127,000	0	45,000	0	172,000
<b>SA</b>	Revised 1995	43,300	0	0	47,100	90,400
	Planned 1996	43,300	0	5,200	45,100	93,600
	Planned 1997	46,000	0	10,400	41,400	97,800
	Planned 1998	46,000	0	17,100	40,000	103,100
<b>VIC</b>	Revised 1995	104,466	20,000	107,982	40,564	273,012
	Planned 1996	104,466	20,000	107,982	40,564	273,012
	Planned 1997	104,466	20,000	107,982	40,564	273,012
	Planned 1998	104,466	20,000	107,982	40,564	273,012
<b>WA</b>	Revised 1995	39,412	0	0	71,426	110,838
	Planned 1996	48,810	0	0	69,377	118,187
	Planned 1997	50,000	0	0	69,800	119,800
	Planned 1998	52,500	0	0	70,000	122,500
<b>Sub total 1995</b>		<b>491,678</b>	<b>38,360</b>	<b>107,982</b>	<b>287,490</b>	<b>925,510</b>
<b>% of total hours 1995</b>		<b>53</b>	<b>4</b>	<b>12</b>	<b>31</b>	<b>100</b>
<b>Sub total 1996</b>		<b>529,416</b>	<b>20,000</b>	<b>133,182</b>	<b>267,441</b>	<b>950,039</b>
<b>% of total hours 1996</b>		<b>56</b>	<b>2</b>	<b>14</b>	<b>28</b>	<b>100</b>
<b>Sub total 1997</b>		<b>543,138</b>	<b>20,000</b>	<b>163,382</b>	<b>243,264</b>	<b>969,784</b>
<b>% of total hours 1997</b>		<b>56</b>	<b>2</b>	<b>17</b>	<b>25</b>	<b>100</b>
<b>Sub total 1998</b>		<b>557,156</b>	<b>20,000</b>	<b>170,082</b>	<b>246,464</b>	<b>993,702</b>
<b>% of total hours 1998</b>		<b>56</b>	<b>2</b>	<b>17</b>	<b>25</b>	<b>100</b>

<sup>16</sup> In reading the table it needs to be borne in mind that each State and Territory delivers additional literacy provision from other funding sources. For example, in Victoria, the total target for community-based providers of Adult Literacy and Basic Education within the 1996 Victorian State Training Profile is 529,110 hours of which 248,619 are supported through the ANTA Literacy program. Queensland will provide an additional 120,000 SCHs for language and literacy training, of which 60,000 will be provided through competitive tendering.

State/ Territory	Year	TAFE Student Contact Hours		Non-TAFE Student Contact Hours		Total Contact Hours
		Accredited	Non-Accredited	Accredited	Non-Accredited	
NT <sup>17</sup>	Revised 1995	0	0	0	0	2,700
	Planned 1996	0	0	0	0	4,200
	Planned 1997	0	0	0	0	4,200
	Planned 1998	0	0	0	0	4,200
		ALL Accredited		ALL not Accredited		
TAS.	Revised 1995	16,000		39,000		55,000
	Planned 1996	16,000		39,000		55,000
	Planned 1997	16,000		39,000		55,000
	Planned 1998	16,000		39,000		55,000
<b>TOTAL 1995</b>						<b>983,210</b>
<b>TOTAL 1996</b>						<b>1,009,239</b>
<b>TOTAL 1997</b>						<b>1,028,984</b>
<b>TOTAL 1998</b>						<b>1,052,902</b>

Source: State Training Profiles for each State and Territory, 1996

Using the figures supplied by all States and Territories excepting Tasmania and Northern Territory, this table indicates that

- TAFE in 1995 delivered 57% of all Literacy training under the Commonwealth/ANTA Funds while non-TAFE providers delivered 43% of the literacy hours. However, these proportions vary significantly from State to State. Using the data above, the following table illustrates these differences.

TABLE A2.2

State/Territory	% of literacy hours to be delivered by non-TAFE providers as a proportion of total literacy hours delivered under Commonwealth/ANTA Recurrent Literacy Program	
	1995	1996
ACT	17.89	17.06
NSW	30.91	30.91
QLD	26.16	26.16
SA	52.10	53.74
VIC	54.41	54.41
WA	64.44	58.70

Note: All non-TAFE providers in South Australia, NSW, ACT are ACE providers.

<sup>17</sup> In the course of this study, NT supplied additional data indicating that all Non-TAFE student contact hours for 1995-98 were accredited. However, because this table was based on 1996 profiles, and because the additional NT data was not compatible with the profile, the additional data has not been included here.

- The proportion of literacy hours to be delivered by TAFE in 1996 will increase from 57% to 58% with a proportionate decrease in the literacy hours delivered by non-TAFE providers.
- In 1995 93% of all TAFE hours delivered through these funds were accredited while for non-TAFE providers this proportion was a little over 27%.
- The proportion of accredited hours delivered by non-TAFE providers is planned to rise from 27% in 1995 to 41% in 1998.
- The majority of the non-TAFE providers are community providers although it is not possible to determine from the available data exactly what proportion of the non-TAFE providers nationally could be described as ACE providers as distinct from private providers.
- In Victoria, of the projected total of 283,142 Recurrent Literacy Program Hours for 1996, 246,619 or 87% will be provided by community-based providers.<sup>18</sup>

### **Workplace English Language and Literacy (WELL) Program**

ACE providers in some States and Territories also play an active part in delivering literacy and numeracy programs in the workplace under the Workplace English Language and Literacy (WELL) Program of the Commonwealth Government as the following examples from NSW illustrate.

#### **Examples of workplace programs delivered by ACE providers in NSW**

- WEA Hunter (Full time enterprise-based teacher of literacy and numeracy integrated with dangerous foods licence training, report writing etc. for Brambles Industrial Services)
- Singleton Leisure Learning Centre (on-site small group literacy tuition arranged to suit rotating shifts for Warkworth Coal Mine)
- Central West Community College (enterprise-based teacher working as permanent part time 3.5 days per week. Program comprises (a) integrated support of accredited training by industry trainer and (b) workplace customised literacy & numeracy training for Australian Cement Ltd, Kandos)
- Central West Community College (site-specific customised literacy and numeracy for Uncle Ben's Australia, Bathurst)

<sup>18</sup> From data provided by the Adult, Community and Further Education (ACFE) Division of the Victorian Office of Training and Further Education in "1996 funds breakdown, 18/12/95".

In the course of this study our attention was drawn on a number of occasions to the way the management of the language, literacy and numeracy fields may provide a model for a wider ACE-VET relationship.

*"The language, literacy and numeracy fields have received significant attention during the past 6-8 years as a result of attention from International Literacy Year and the subsequent awareness and call to improve these skills for social, economic and industrial progress. There is significant debate about whether literacy alone will improve life chances. However the fact remains that these fields have developed a number of strategic and collaborative mechanisms at the Federal level and they may well provide examples of how wider ACE/VET collaboration can be progressed. The National Collaborative Strategy for English Language, Literacy and Numeracy (NCAELLS) draws on collaborative arrangements between fields of practice (ESL, literacy and numeracy) as well as State/Commonwealth relations. At the state level State Implementation Groups (SIGS) are charged with ensuring implementation of NCAELLS. Both of these mechanisms rely on cooperative arrangements and significant information sharing between stakeholders. It is fair to say success has depended on the actual collaboration involved in implementing the mechanisms."*<sup>19</sup>

However, given the increasingly competitive environment of the national VET system, we were not convinced that similar collaborative arrangements could work in other discipline or occupational fields.

Estimated delivery by ACE providers of nationally recognised programs is depicted in the following table. Considerable caution must be exercised in interpretation because of the significant variations around Australia and between individual providers.

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<sup>19</sup> Response:, University of South Australia School of Education

**Table A2.3 : Estimated Delivery of Accredited Programs by ACE Providers by Program Category**

Program Category	Stream of Study	Accredited Under NFROT	Proportion of total national ACE Provider Effort
Industry-Specific Occupational Training	2000-4000	Usually	Likely to be less than 2%
Non-Industry Specific Occupational Training	2000-4000	Mostly	Perhaps @ 10%
General Education and Training	2000-4000	Sometimes	Perhaps @ 20%
General Adult Education	1000	No	Perhaps @ 60%

By our reckoning, the delivery of accredited VET courses in Streams 2000-4000 by registered ACE providers would represent no more than around 15% of the total course activity of ACE providers nationally and probably a good deal less.<sup>20</sup> However, this proportion does differ markedly between individual providers and also between States and Territories

## Conclusion

From this analysis, limited though it is, we conclude that the ACE sector is making a very useful contribution to building a national VET system by entering the registered provider market in a substantial way and, while their contribution by way of delivery of accredited programs in Streams 2000-4000 is still small, it is significant.

<sup>20</sup> The only firm figure that we have located is for NSW ACE where, in the second half of 1994 some 6% of total CH delivered by ACE providers were in accredited VET courses. This proportion increased in 1995 and again in 1996 as access to Commonwealth growth funds has been made possible. See BACE (1996), *op. cit.*, p.24. For Victoria we have used figures which indicate that while 64% of total ACFE Board funded effort in 1995 was included in the VET State Training Profile, not all of this was delivered by community based providers and not all of this was accredited. Victoria generally estimates that General Adult Education (Stream 1000) provision constitutes 50% of ACFE Board provision by the College of Adult Education and community-based providers. Victoria also estimates that about 7% of the reported provision is not supported by ACFE Board. See Hartley, R. (1996), *General Adult Education: A Position Paper*, ACFEB, Victoria, p.18

## Appendix 3: Meeting the Needs of Industry

One of the objectives of the national VET system is to achieve close interaction between industry and VET providers, to ensure that the training system operates within a strategic plan that reflects industry's needs and priorities.

We start from the knowledge that there is little hard data on the role the ACE sector actually plays in meeting industry needs.<sup>1</sup>

The only complete way of looking at whether ACE providers are delivering programs which reflect industry needs would be to match the State Training Profiles against ACE program profiles - a task beyond the scope of this study.

However, within the State Training Profiles, programs are broadly grouped into three categories:

- Category A: Industry-Specific Occupational Training
- Category B: Non-Industry-Specific Occupational Training
- Category C: General Education and Training

The balance and mix between these three categories of VET programs delivered by ACE providers varies significantly between States/Territories and indeed between providers themselves within a State or Territory in response to the demand from industry and individuals.

A closer look at Victoria and NSW (where the ACE sector contribution to the State Training Profile is identifiable) indicates the current balance and mix.

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<sup>1</sup> McIntyre, J., Foley, G., Morris, R. & Tennant, M. (1995), *ACE Works: The Vocational Outcomes of Adult and Community Education Courses in New South Wales*. NSW Board of Adult & Community Education, p.18

**TABLE A3.1<sup>2</sup>: Activity Table: Adult, Community & Further Education (ACFE)  
Component of Victorian Training Profile, 1996 (Projected)**

Category/Occupational Group		ACFE supported Course Activity (SCH)	Course Activity (% of all ACFE supported SCH)	Sub-Total %
<b>Category A: Industry-specific occupational training</b>				
01	Arts, Entertainment, Sports & Recreation	63,721	1.86	
02	Automotive	0	0.00	
03	Building & Construction	1730	0.05	
04	Community Services, Health & Education	102,668	3.00	
05	Finance, Banking & Insurance	0	0.00	
06	Food processing	0	0.00	
07	Textile, Clothing, Footwear & Furnishings	38,514	1.13	
08	Communications	756	0.02	
09	Engineering and Mining	523	0.02	
10	Primary Industry	70,232	2.05	
11	Process manufacturing	0	0.00	
12	Sales & Personal Services	31,887	0.93	
13	Tourism & Hospitality	136,788	4.00	
14	Transport & Storage	1,185	0.03	
15	Utilities	1,447	0.04	13.15
<b>Category B: Non-industry-specific occupational training</b>				
16	Business & Clerical	321,303	9.40	
17	Computing	245,798	7.19	
18	Science & Technical	29,744	0.87	17.46
<b>Category C: General Education and Training</b>				
19	General Education & Training #	2,371,774	69.39	69.39
	<b>TOTALS</b>	3,418,070	100.00	100.00
<b>Source: ACFE Division, 20/2/96</b>				
# The General Education and Training component includes Adult Literacy and Basic Education, ESL, the Victorian Certificate of Education, General Access Programs and Vocational Education programs.				

<sup>2</sup> This table for the Adult, Community & Further Education (ACFE) component of the Victorian Training Profile includes the provision by community-based providers, the College of Adult Education and Adult Migrant Education Service (AMES). This accounts for the difference between the total SCH of 3,418,070 SCH identified here and the 2,677,144 SCH identified earlier which represents only the contribution of community-based providers to the Profile. Community based providers are projected to deliver some 78% of the total course activity.

Comparable data for NSW ACE sector in 1996 was not available. However, the following table from a survey of ACE providers delivering accredited VET courses in 1995 in NSW is indicative of the balance and mix of provision within the ACE sector.

**Table A3.2 : NSW ACE: Student Contact Hours by Field of Study, Semester 1, 1995<sup>3</sup>**

Field of Study	BACE supported Course Activity (SCH)	Course Activity (as % of total BACE supported SCH)
Agriculture	0	0
Arts, Humanities & Social Sciences	9,117	4.90
Business, Administration & Management	61,054	32.84
Education	3,240	1.74
Health & Community Services	38,045	20.46
Services, Hospitality, Transportation	993	0.53
Multifield - Other	5,647	3.03
Multifield - Certificate of Spoken & Written English	50,808	27.33
Multifield - Certificate of General Education for Adults	16,997	9.14
<b>TOTALS</b>	<b>185,901</b>	<b>100.00</b>

From consideration of these tables, the responses to the Discussion paper and the consultations we have come to the following conclusions.

### Occupational Training

- The current involvement of ACE providers in Occupational Training would appear to be very small.
- It would seem that where ACE providers deliver Occupational Training it is Non-Industry-Specific, principally in Business & Clerical and Computing.
- Where ACE providers are delivering Industry-Specific Occupational Training it appears to be mainly in the Community Services, Health & Education Industry, Primary Industry and Tourism & Hospitality Industry.

<sup>3</sup> From survey undertaken by authors for NSW BACE in 1995 and reported in BACE (1996), *ACE-VET: Is It Delivering? An evaluation of vocational education and training in NSW adult and community education, 1992-1995*, p.56

- The balance and mix of VET programs delivered by ACE providers varies significantly between States/Territories and indeed between providers themselves within a State or Territory in response to the demand from local enterprises and individuals.
- It would seem that the current outcomes of registered ACE providers active in the area of Occupational Training lie principally in the Non-Industry Specific Occupational Training and, to a lesser extent, in enterprise specific occupational training.

## General Education and Training

- ACE providers play a significant role in the delivery of accredited and non-accredited Adult Literacy, Adult Basic Education and English as a Second Language (ESL) Programs.
- ACE providers are contracted by industries, enterprises and government VET providers to deliver accredited adult basic education programs<sup>4</sup>
- In some States, ACE providers deliver a range of preparatory programs from own-source funds which, in other States, TAFE is funded to provide. These include programs for target groups such as women's access programs.

## Views on the ACE sector VET profile

Some would view this as the appropriate type of profile for ACE to develop within the VET system.

*The Institute recommends that ACE continues to service the recreational and bridging needs of local communities. This would leave TAFE to focus primarily on bridging programs related to industry and vocational outcomes. In any event, in the final analysis, it is the customer's right to choose and it is up to TAFE and ACE to assess and address this demand.*<sup>5</sup>

However, some industries believe the ACE sector has a role to play in relation to industry specific occupational training.

*There would seem to be an important role for the ACE sector in the provision of national competency based VET for the Agriculture and Horticulture Industry. The Industry has made its position clear on a number of issues relevant to ACE involvement. These include:*

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<sup>4</sup> Response: Corrections Industry Training Board, Victoria. See also our description of Workplace English Language & Literacy (WELL) provision in Appendix 2.

<sup>5</sup> Response: Kangan Institute of TAFE

- a. Providers are required to deliver training based on national industry endorsed competency-based curriculum with minimal regional modification.
- b. Training is to be available on-farm/at-home with minimal requirement for residential-type activity: such activity, where essential, to be confined to one or two day workshops or similar.
- c. Enrolment is to be flexible in form, varying from single modules to full "course".
- d. RPL is to be conducted under Industry guidelines.

... there are a number of potential students who will find private study and self paced learning difficult and who would benefit from face-to-face tuition and coaching. For a variety of reasons TAFEs are unable to provide services to many such people and we have been looking for alternate ways of providing this personalised service - particularly in rural and isolated areas.

Options include the use of local people with an interest in training and with some reputation in communication skill who could be put through a train-the-trainer course but there are a number of practical difficulties involved including identification, registration as providers, payment, and ability to handle the subjects. Perhaps a more satisfactory option would be to build on the ACE network. However we would still need assurances on quality control, adherence to national curriculum modules, flexible timings to suit the needs of students and skills and knowledge appropriate to the subject matters.<sup>6</sup>

**We certainly consider the area of General Education and Training to be the comparative strength of the ACE sector within the national VET system, although its contribution to Non-Industry-Specific Occupational Training is not insignificant. We do not wish to advocate that the ACE sector, as a whole, makes a strong push into the area of Industry-Specific Occupational Training, although some individual providers may be in a position to do this.**

**However, we are not convinced that the ACE sector, as yet, has yet been able to respond to the sorts of industry needs for flexible training identified above by the Rural Training Council of Australia - needs which are entirely compatible with a learner-centred philosophy.**

**There are perhaps two reasons for this. First the low level of involvement of the ACE sector in State Planning Processes and, more specifically, the relationship between the ACE sector and ITABs.**

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<sup>6</sup> Response: Rural Training Council of Australia Inc.

## **Involvement in State Training Profile Processes**

**A persistent criticism of the national VET system has been its tendency to adopt a what is seen as a central planning model for expressing industry training needs.**

**There is growing recognition within both the ACE sector and the VET system that trying to massage all VET courses delivered by ACE providers into a narrowly expressed State-wide planning model under-estimates the significance and value of local labour markets and could limit the ability of registered ACE providers to respond quickly and flexibly to client need.**

**Most ACE providers of VET courses see that one of their competitive advantages is their ability to provide local solutions to training needs and to provide them quickly on demand.**

*local industry needs is a particular strength of ACE, and is consistent with the objectives of the national framework and cannot be emphasised too greatly.<sup>7</sup>*

**ITABs recognise the limitations of the State Training Profile and in many States and Territories they have been considering how best to incorporate regional and local training priorities within the State Training Profile.**

**ACE provision of VET programs can act as a "safety valve" for individual clients and businesses within the national VET system, capable of responding quickly to local needs as they arise, irrespective of whether they are identified as State/Territory industry priorities within the State Training Profile.**

**However, given that the State Training Profile is a key planning instrument within the national VET system, local ACE course provision has to connect with it in some way. This is particularly the case when the State Training Profile forms the basis of negotiation for funding to each State and Territory and consequently to providers to deliver VET courses.**

*ACE can play a key role in the VET system by providing local solutions to local training needs. However, to play this role in the system ACE must be a part of the system and participate in the processes of the system. This should not be seen as necessarily contrary to the principles of ACE. The key to placing and keeping local training needs on the agenda of the VET system is a well-developed communication mechanism with key VET agencies, with ITABs in particular.<sup>8</sup>*

**There is a growing awareness within the ACE sector that communication between the sector and State Training Profile Planning arrangements need to be improved, in**

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<sup>7</sup> Response: Public Administration Industry Training Council, WA

<sup>8</sup> Response: NT Employment & Training Authority

some States and Territories perhaps more than others as the following responses from two States suggest.

*In Tasmania the relationship between industry/enterprises and ACE is growing. The entree into this arena was essentially through the provision of literacy and numeracy programs. However, industry is now recognising the value in ACE provided programs and we are starting to receive requests for the extension of that provision. ... the Director of this Institute is a member of the State Profile Advisory Committee and there has been tangible benefit to the sector from this participation.<sup>9</sup>*

*Neither the State Training Profile process nor ITABs are accessible to ACE providers ...<sup>10</sup>*

**Improved communication between the ACE sector and State Training Profile processes may have particular benefits.**

*Because of their closer community ties and networks ACE providers should be involved in feeding information, particularly from rural areas, regarding training provision and needs to state training agencies for the development of the various state training profiles. ACE providers can capture information from market sources that could be overlooked by TAFE and other VET providers. This includes data regarding training needs and provision for groups such as women and students from non-traditional occupations.*

*Because of the traditional role ACE providers have fulfilled in communities they are client driven and responsive to and aware of community needs. It is essential to capture this data for the state training profiles and there needs to be more formal mechanisms put in place to ensure communication between ACE providers and both state and federal ITABS.<sup>11</sup>*

**In a survey undertaken in 1995 of ACE providers delivering accredited VET programs in the first half of 1995, providers were asked to indicate what methods they used to assess demand.**

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<sup>9</sup> Response: Institute of Adult Education, Tasmania

<sup>10</sup> Response: Learning Centre Link, WA.

<sup>11</sup> Response: Adult Migrant Education Service, NSW

**Table A3.3 : Method of Assessing Demand for VET courses<sup>12</sup>**

Methods of Assessing Demand for VET courses	Number of respondents reporting usage (n = 43) (Multiple responses allowed)
State Training Profile	30
Networking among providers	27
Logging & Analysing Course Inquiries	27
Advertising in local bulletins/newspapers	26
Talking to employers/employer groups	25
Cross-representation on Committees	24
Client Satisfaction Surveys	22
Targeted Advertising	19
Community Surveys	14
National Strategy for VET	11
ACE-TAFE Regional Planning	8
Other	8
Student Destination Surveys	6
Enterprise Surveys	5
ITAB Industry Training Plans	2

The balancing act for ACE is to ensure that central planning processes do not overwhelm the local responsiveness to demand that has characterised so much of ACE providers delivery of VET course. One suggestion for improvement with considerable merit comes from NSW.

*Undoubtedly there would be advantages for the sector, and for the VET system as a whole, for ACE providers to systematise their methods for assessing demand and this would include articulating and, where necessary, establishing regional/local industry networks for planning purposes. Through these local planning processes, the sector may become more involved in State Training Profile processes. If the NSW Board of Adult and Community Education, as the ACE broker, is to become more involved in State Training Profile processes, adequate time must be provided to allow for realistic consultation with the sector thereby mirroring the consultation which currently occurs with the major public provider and ITABs at the state level.<sup>13</sup>*

<sup>12</sup> See BACE (1996), *op. cit.*, p.38

<sup>13</sup> Response: Department of Training & Education Coordination, NSW

## Relationships with ITABs

As part of this study, copies of the Discussion Paper were sent to 57 National, State and Territory ITABs, to peak employer groups and unions and responses were received from 5 ITABs and ACTU Queensland. Of the 73 people who attended the consultations, one was from an ITAB.

One reading of this low response is that such industry groups are not so much concerned with who provides VET courses as with what courses are provided. However, a key theme running through much industry concern with current delivery is that it lacks the flexibility needed by industry. So another reading is that industry groups are not aware of the contribution to flexible delivery of accredited VET courses that ACE providers could make and that ACE providers have not established working relationships with ITABs. Some would still have reservations about a closer engagement.

Whatever the precise reason, it is fair to conclude from this and the consultations that improvements are required if the ACE sector is to deliver outcomes against this goal.

*Since the ITABs role is to identify industry training needs and to assist with the development of training which offers career pathways, many of them have extensive knowledge of the range of entry points to training in different sectors of their industries. These entry points, at whatever level, may in fact follow on from ACE training, both accredited and non-accredited. Many VET providers also share this knowledge.*

*A closer relationship between the ACE sector and ITABs, particularly where VET courses are delivered, can only be mutually beneficial.<sup>14</sup>*

**One ACE provider was prepared to go further.**

*the value of ITAB input to course development is immense. The role of ITABs is likely to grow with current restructuring of TAFE industry training divisions. Therefore where the ACE sector seeks to obtain funding for the delivery of courses, it is both likely and desirable that industry, via the ITABs, should help determine funding priorities.<sup>15</sup>*

**We should add that these generally positive views of a closer engagement between ITABs and ACE providers are not shared by all parts of the ACE sector, seeing the ITAB processes as complementary to ACE planning processes.**

*ITAB's have been formed to provide an industry focus and to concentrate on industry needs. In doing so they are oriented to large organisations with specific VET needs. The needs of smaller*

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<sup>14</sup> Response: NT Employment & Training Authority

<sup>15</sup> Response: Eastern Suburbs Regional Evening College

*operators tend not to be catered for except where they coincide with larger organisations. ACE providers have always been market driven hence they are user friendly, customer oriented and can service quickly and efficiently the specific needs of smaller organisations or businesses.* <sup>16</sup>

The consultations and responses to the discussion paper prompt us to suggest that in establishing closer relationships between the formal processes of the VET system to identify demand from industry, ACE providers and the ACE sector must ensure equity in these processes - both gender equity and bargaining equity. As one response reminded us:

*ACE providers may benefit from becoming more involved in the State Training Profile processes, however, this can only occur if the consultations become real and not token. An equitable system needs to be developed so that ACE priorities are not competing against the ITAB/industry priorities as the latter are far more powerful and lobby more effectively in each state. A proper consultation process needs to be developed (such as is outlined in a recent project on consultation with women and state training profiles).*<sup>17</sup>

## **Small Business**

Throughout Australia, governments are looking for ways and means of supporting and developing the small business sector of the economy.

Encouraging participation in vocational education and training is generally seen as a key part of small business strategies and ANTA has established a Small Business Forum to consider this question amongst others.

It is widely recognised that capturing the training needs of small businesses, especially in rural and remote localities, within the State Profile and ITAB processes is a major challenge.

One major study commissioned by the Queensland Department of Tourism, Small Business and Industry but which is still in progress<sup>18</sup> suggests that:

- despite common statements to the contrary, small business does undertake training to develop its management skills but it does this through non-formal adult education rather than through the formal VET system;

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<sup>16</sup> Response: College of Adult Education, Victoria

<sup>17</sup> Response: NOWinFE

<sup>18</sup> We thank David Milstein from the Qld Department of Tourism, Small Business and Industry for the opportunity to discuss his work with him.

- accredited courses are not a significant consideration in small business training decisions;
- small business training choices are more value sensitive than price sensitive. That is, small businesses are prepared to invest in training if they can see the value for money;
- small business needs to be presented with a range of learning styles which include non formal adult education and not simply formal institutional provision; and
- from a small business perspective, the national VET system has probably focused too much on content of courses and not enough on the client and their preferred learning style.

Some studies indicate that ACE is playing an important role in developing small business and that this role could possibly be expanded.<sup>19</sup>

The following comments made during our South Australian consultations are typical of the views about ACE and the demand from small business.

- *ACE supports local business requirements but "fills gaps" that TAFE doesn't cater for, rather than competing for the same market.*
- *ACE is a significant contributor to small business in computing - it is quick, easy to enrol, clients are usually from 3-5 person businesses - few are one-person operations*
- *WEA knows from the high proportion of invoicing that it is reaching small business. Only funded employees can pay by invoice.*

We have concluded that where ACE providers are

- delivering accredited courses
- to local communities and the businesses which are part of them
- in ways which are responsive to local need, and
- provide value for money

they are clearly contributing to the goals of the national VET system.

There are no *a priori* reasons why ACE as a sector has a unique role in relation to small business. Whether individual ACE providers have any special advantage relative to private or public providers in this area will be a question settled in the marketplace for government funded and user-pays training. As one response to the

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<sup>19</sup> See for example McIntyre, J., et al. (1995), *op. cit.*

## Discussion Paper indicated

*The Ace sector is no better positioned to deal with small business training than any other VET providers.*

*If local VET providers are not reflecting local needs, then a window of opportunity exists for ACE providers to address the need.<sup>20</sup>*

However, there are some indicators that the ACE sector should consider further this window of opportunity.

The 1994 study by the Employment and Skills Formation Council on small business employment and skills identified deficiencies in the dominant non-industry specific model of small business training, and noted the increased attention to competency based training, assessment of prior learning, the benefits of accreditation and a growing role of industry peak bodies and associations in delivery of small business training.<sup>21</sup> If ACE providers are to establish a market position in the area of small business training, these are just some of the matters they will need to consider.

## Conclusion

In closing this Appendix on ACE and the needs of industry, our conclusions are best expressed by one of the responses to the Discussion Paper.

*Obviously the ACE sector can bid for funds for accredited programs and will always be in a stronger position if its proposals are meeting industry needs and have industry support. The ACE sector often does have a balancing act to manage where the role as community-based and controlled deliverers might sometimes be compromised by the demands and requirements of participating in the VET system. However, ANTA funding arrangements exist to guarantee industry and vocational outcomes. Where general adult education programs are currently funded they are accredited and have industry support.<sup>22</sup>*

We believe there are advantages for the ACE sector and the national VET system from closer involvement of the ACE sector in the State Training Profile processes and this needs to be encouraged and supported.

There are fewer general advantages in close liaison between the ACE sector and individual ITABs. There are however some advantages in some instances. Because of its footprint into rural and remote communities, there would be advantages from closer liaison between the ACE sector and those ITABs seeking to

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<sup>20</sup> Response: South Metropolitan College of TAFE, WA

<sup>21</sup> National Board of Employment, Education and Training, (1994) *The Shape of Things to Come: Small Business Employment and Skills*, AGPS, Canberra, pp.xvi-xvii

<sup>22</sup> Response: NT Employment & Training Authority

deliver in flexible ways in rural and remote communities. There are also advantages for individual ACE providers who deliver in areas where a specific industry has a strong presence to establish stronger links with the ITAB with planning responsibilities for that industry.

Through these mechanisms, ACE providers can remain close to local demand but identify where they could play a stronger role in a regional, state or national context.

## Appendix 4: Providing Learning Opportunities for Individuals and Groups

One of the objectives of the national VET system is to provide increased learning opportunities and improved outcomes for individuals and target groups, including school leavers, to enhance their employment outcomes.

ACE providers do not see their primary role in the national VET system as responding directly to the needs of industry although they do see that they have a small role in responding to the needs of local enterprises including small business.

Rather, most ACE providers see their primary role in the national system is to deliver against this objective of the national VET system, a view acknowledged by the Employment and Skills Formation Council.

*... A number of TAFE systems are moving away from the 'further education' element of their work. In some States clear alternatives exist, for example, through adult and community education. This sector is variously structured and funded and much of its work conducted on a user pays basis. Nevertheless, it makes a very substantial contribution to individual and social needs and in some cases has supplanted the role of TAFE in the area of further education.<sup>1</sup>*

In Appendix 2 we referred to the quantum of accredited VET course activity being delivered by ACE providers, expressed as Student Contact Hours. In the absence of better data and performance measures, that data serves as indicators of the quantity and range of provision of VET courses by ACE providers.

In this paper our concerns are to consider the individuals who enrol in VET courses delivered by ACE providers and what learning opportunities are provided to them.

The two most comprehensive analyses of outcomes from participation in courses which are delivered by ACE providers are the *Outcomes and Pathways in Adult and Community Education*<sup>2</sup> and *ACE Works*.<sup>3</sup> For our purposes in this Report, the major limitation is that neither made a statistical distinction between learners enrolled in accredited courses and those enrolled in non-accredited courses. But these recent studies, together with others such as the Western Australian study by Ducie<sup>4</sup>,

<sup>1</sup> National Board of Employment, Education and Training (1993), *Raising the Standard: Middle Level Skills in the Australian Workforce*, AGPS, Canberra, pp.78-79

<sup>2</sup> Adult, Community & Further Education Board (ACFE) (1995), *Outcomes & Pathways in Adult & Community Education*, ACFE Board, Victoria

<sup>3</sup> McIntyre, J., Foley, G., Morris, R. & Tennant, M. (1995), *ACE Works: The Vocational Outcomes of Adult & Community Education Courses in New South Wales*, Board of Adult & Community Education, NSW, Sydney.

<sup>4</sup> Ducie, V. (1994), *Opening Doors: A Report On Community Neighbourhood Houses & Learning Centres' Influence On Personal Development, Skills Development, Learning Outcomes*, Learning Centre Link, WA.

provide sound quantitative evidence of successful employment, skill and educational outcomes from participation in ACE courses. We refer the reader to these for a more detailed picture of the learning opportunities and outcomes provided by the ACE sector.

A study undertaken by the authors of the student outcomes from accredited VET courses delivered by NSW in the second half of 1994 and the first half of 1995 indicated a remarkably high retention rate of 84.5%.<sup>5</sup>

## The Client Profile

In describing the participants in VET courses delivered by ACE providers we wish to stress that our intent in doing so is not

*to assume that we can in some way 'carve up' the population into specific categories and let particular provider sectors 'own' them. [!d] Like to see that work in practice!.*<sup>6</sup>

Nor is it to limit the future scope of the client base that ACE providers may wish to serve.

*Victoria has identified women as ACE's major client group and increasing attention is being given to understanding more about the reasons why this client group predominates and how its needs can be better met. It is also true to say that ACE is providing in particular ways for special groups such as rural communities, Koories and older people.*

*However, the act of specifying these client groups in itself may limit the capacity of ACE. Preliminary market research in Victoria indicates that only 23% of the adult community has ever participated in Government-funded ACE, including that general adult education which is subsidised by the Victorian Government.<sup>7</sup>*

Rather our intent is to provide some rough indication of whether ACE providers and the ACE sector are delivering against this goal of the national VET system.

The client profile in the user-pays ACE sector is a reflection of the demand from individual clients (influenced by their capacity to pay), the demand from government (influenced by their willingness to buy from ACE providers) and the capacity of ACE providers to respond appropriately to demand, including reducing or waiving fees for individuals who are financially disadvantaged.

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<sup>5</sup> Board of Adult & Community Education, NSW (1996), *ACE-VET: Is it Delivering? An evaluation of vocational education and training in NSW adult and community education, 1992-1995*, p.57.

<sup>6</sup> Response: Wodonga Institute of TAFE

<sup>7</sup> Response: Adult, Community & Further Education Board, Victoria

*In demand driven, community based education and training, ACE provision is reflecting shifts in the population profile. Our members' experience supports a view that providers are actually remaining with the central notion of meeting local demand for learning and the shift [to VET courses] is a reflection of our societal changes. Such things as women's return to the workforce has been reflected in the increased demand for accredited courses through their local ACE providers.<sup>8</sup>*

**The Commonwealth Department of Employment, Education, Training and Youth Affairs (DEETYA) commented in relation to its purchase of Labour Market Programs (LMPs)**

*When it is required tender specifications can recognise the needs of clients for a non-threatening learning environment or for culturally appropriate training provision and could specify that to be successful the tender should demonstrate the provider's capacity to assist a specific client group (such as women or mature age workers). Tender specifications can also set out DEETYA needs for flexible delivery when this is required. In summary ACE providers' ability to compete for vocational training business in the LMP area will be determined in the tender process.<sup>9</sup>*

**In the final analysis, the client profile in ACE organisations is and will continue to be a reflection of market forces.**

**Women**

**We start by acknowledging the obvious - that women are not a homogenous group. The needs of Aboriginal or Torres Strait Islander women in inner cities may or may not be the same as those in rural and remote communities. The needs of women with disabilities may or may not be the same as those of non-disabled women. The needs of women from non-English speaking backgrounds running small businesses may or may not coincide with those of women running a farm. The needs of women working in the community services industry may or may not coincide with those of women working in manufacturing. The needs of older women may or may not coincide with those of women who have just left school.**

**The type of learning needed depends on the particular group of women learners and their particular circumstances. ACE providers would generally claim that this is one of their comparative strengths - the ability to flexibly tailor learning to particular clients and particular circumstances.**

**The National VET Statistics collection shows that women made up 45% of enrolments in vocational courses in 1994. Other VET data shows that in 1994,**

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<sup>8</sup> Response: Evening & Community Colleges Association, NSW

<sup>9</sup> Response: Commonwealth Department of Employment, Education, Training & Youth Affairs

female students make up less than 50% of enrolments although they do make up 55% of graduates.<sup>10</sup>

Women comprise around 75% of all participants in ACE and this proportion has remained steady for some 75 years or more.<sup>11</sup> In NSW, 75% of all participants are employed in the paid workforce<sup>12</sup> although this may vary from State to State.

We do not doubt that the content, learning style and the orientation embedded in ACE provision generally strikes a chord with women, accounting in part for the demand from them for programs delivered by ACE providers.

*There is much discussion in the academic and other literature around the ways in which women and men learn and whether ACE courses are different from other forms of education. Without addressing these specific questions, we have seen from our research (see Women's Education Matters) that ACE provides a style of learning different from other more formal educational contexts. This style includes learner-directed learning, contextualised learning, student autonomy, interactive learning, peer and self-assessment, gender and culturally appropriate teaching, and counselling and support. ACE also provides affordable and appropriate child care (usually on-site) and local support and outreach. In attempting to make learning a positive and empowering experience, ACE goes beyond the actual content of the subject being taught and addresses matters of self esteem, confidence and ability to enter the workforce. All of these matters can be evaluated and measured - but with difficulty. However, some of the many funds the VET system spends on measuring TAFE effort could be used to measure ACE provision.<sup>13</sup>*

The exact proportion of women who participate in VET courses delivered by ACE is not clear. However our attention has been drawn to some data suggesting that there may be differences between the overall participation by women in the ACE sector and their participation in VET courses delivered by the sector.

*The 75% participation rate of women in adult education is evident generally across WEA Sydney's traditional adult education program. However, 1995 figures for computer and training courses (which include accredited VET programs) show a remarkably higher participation rate for men - 36.8% of computer enrolments were male, and 37.3% of training enrolments were male.<sup>14</sup>*

and

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<sup>10</sup> Commonwealth of Australia (1996a), *Review of the ANTA Agreement*, AGPS, Canberra, p.146

<sup>11</sup> ACFEB (1996b), *Women's Participation in Adult Education in the Community*, Adult, Community and Further Education Board, Victoria

<sup>12</sup> McIntyre J. et al (1995) *op. cit.*, p.10

<sup>13</sup> Response: NOWinFE

<sup>14</sup> Response: WEA Sydney

*The CAE has found that participation varies considerably with the nature of the class being attended. For example, in Business and Computing classes appropriately 61 per cent of participants are female and 39 per cent male, while for the Fashion Industry Program the participation rate is about 90 per cent female and 10 per cent male.<sup>15</sup>*

The experience of WEA Sydney and CAE Victoria seem to be indicative of a wider pattern.<sup>16</sup> Consideration therefore needs to be given to the factors affecting the participation of women in VET courses within ACE. Particular attention could be paid to the question of whether the traditional learner-centred strengths of the ACE sector are being diminished by the structure of VET courses themselves, by the ACE approach to delivering them or by other factors.

We feel it important mention here the intersection between individual women as clients in the ACE sector and women workers within the Community Services industry. More than a third (38%) of ACE participants in NSW work in community services<sup>17</sup> and we were disappointed that the Community Services and Health ITABs did not make a response to the Discussion Paper or attend the consultations. Closer relations between this ITAB and the ACE sector would appear to be warranted.

Learning Centre Link, WA has also reminded us that many ACE providers with a strong volunteer base and which provide a range of community services apart from the adult and community education services are part of the community services industry, at least to some extent, and are therefore part of a poorly resourced industry with little history of formal VET. This would be a further reasons for closer relationships with the ITAB.

## **Rural and Remote Communities**

While the exact size of the ACE sector footprint varies in each State and Territory, there is some indication that it extends into rural and remote communities where the publicly funded VET system does not reach or does not reach on a regular basis.

ANTA has commissioned research to analyse the issues affecting access to vocational education and training for people who live in distant and remote communities and to identify relevant priority training issues. This work, being undertaken by Techsearch, University of South Australia is due to be completed in July 1996.

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<sup>15</sup> Response: CAE, Victoria

<sup>16</sup> Discussion with the consultants working on the ANTA project Access and equity for rural and remote communities within the national vocational education and training system suggests that women are more highly represented in General Adult Education (Stream 1000) courses than in other courses, which would support the experience of WEA Sydney and CAE Victoria described here. The Outcomes and Pathways study commissioned by ACFE also indicates that of respondents surveyed across three states, 26% of the male respondents were enrolled in Vocational Education courses compared to 17% of females. ACFE (1995) p.21. McIntyre et al (1995) also reports gender and occupational differences in participation in ACE. p.58

<sup>17</sup> McIntyre J. et al (1995) *op. cit.*, p.46

Discussions with the researchers for this project suggest that ACE plays a vital role in such communities both as an educational provider and as a community organisation actively supporting community development.

This research will inform future VET provision in rural and remote communities and provide an indication of the extent to which ACE providers are currently delivering vocational outcomes to these communities.

In view of this work, we have not considered in detail the outcomes for individuals in rural and remote communities from participation in VET programs delivered by ACE providers.

However there are some points arising from the consultations and responses to the Discussion Paper that can be usefully made here.

First, there are strong arguments for increased use of learning technologies in rural and remote communities, and the need for closer cooperation between providers to make this economically possible.

*The extension of the telecottage models further into rural areas especially in association with existing rural centres could well advance VET provision. Most of the recent reports researching delivery into remote rural areas have advocated the use of technology as a solution. Yet little has been achieved principally due to cost. Promotion of a collaboration between ACE Centres and the TAFE distance education providers in the provision of ACE VET programs in rural remote areas may certainly provide cost effective answers.<sup>18</sup>*

Without wishing to constrain ACE providers in their use of such technologies, the following comments remind us that the core strength of ACE provision in rural and remote communities lies in personalised and local solutions to complement the advanced technology-based distance education solutions possible within the public sector.

*One important role ACE providers can play is to avoid the excessive reliance on technology as a quick fix for isolated learning. While technology certainly has a role here (for example, computer based learning and telecentres), it does not remove the need for learners to gather together and provide support and learning in group environments. Many skills are best learned in interactive environments. In many isolated areas of WA, there are neighbourhood houses offering a range of learning opportunities to the local community. These groups, however, may not yet have explored the range of possibilities of working with more formal VET providers to deliver training.<sup>19</sup>*

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<sup>18</sup> Response: Continuing Education Centre, Wodonga

<sup>19</sup> Response: Learning Centre Link, WA

This view was supported by the response of the Rural Training Council of Australia to the Discussion Paper, described in Appendix 3.

Our second point relates to the question of quality assurance in the delivery of VET in rural communities. In 1991 the National Board of Employment, Education and Training developed a number of Policy Principles to guide provision of education and training in rural Australia. One of these principles is especially relevant here:

***Principle 2:** Non-metropolitan communities are entitled to quality assurance in program development, provision and delivery ...*<sup>20</sup>

Many factors influence the quality of provision but it seems to us that the quality assurance processes which underpin the national VET system are a way of ensuring this in rural provision of VET. However, there are additional cost burdens which need to be recognised and

*... issues of quality provision must address the trade-off between equity and efficiency, to determine what is a fair and reasonable quality of service within all types of communities.*<sup>21</sup>

We consider there may be grounds for additional support for small rural and remote ACE providers to assist them to actively participate in the quality assurance processes which underpin the national VET system.

However, as with all other provision of VET, ACE providers are operating in the marketplace and continued success in delivering to rural and remote communities will be dependent on how market responsive they are relative to other providers and whether they can develop strategic alliances with other providers.

*Since Rural and Remote communities feature as a priority for VET delivery the ACE sector may well be able to assist. However to some extent, public VET providers currently use some community facilities in remote areas. In the NT two large providers have a network of facilities in remote and regional areas. The Training Network NT has been established within NTETA to play a brokerage and facilitation role in the delivery of VET in rural and remote areas. This work includes negotiating the establishment, in some cases refurbishment, of community based to support training delivery by a range of providers and to provide appropriate technologies for this delivery.*<sup>22</sup>

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<sup>20</sup> National Board of Employment, Education & Training (1991), *Towards a national Education & Training Strategy for Rural Australians*, AGPS, Canberra, p.61

<sup>21</sup> *Ibid.*, p.62

<sup>22</sup> Response: NT Employment & Training Authority

## Aboriginal and Torres Strait Island People

The ACE sector as a network of providers is involved in delivering to Aboriginal and Torres Strait Island people. These providers include:

- the five community-based providers of Aboriginal Education who belong to the Federation of Independent Aboriginal Education Providers and are registered training providers under the NFROT arrangements;
- some 44 Koori providers registered with the Adult, Community and Further Education Board of Victoria, representing 7.5% of the total number of community providers;
- other Aboriginal or Torres Strait Islander community organisations, which may or may not be primarily concerned with adult and community education, but which nevertheless deliver VET programs to Aboriginal and Torres Strait Island communities; and
- other individual ACE providers around Australia who have developed and are delivering specialist programs for Aboriginal and Torres Strait Island people in their local community as part of their general program.

The Discussion Paper invited comment on ACE involvement in the delivery of VET courses and, in response, the Federation of Independent Aboriginal Education Providers quite properly reminded us that

*projects like this one, which investigate strategic and policy issues in 'mainstream' provision, need to be most careful not to 'tack on' some consideration of Aboriginal education needs, without first considering key policy settings and research which applies specifically to this sector.<sup>23</sup>*

They went on to describe how, in their view, the national frameworks set by the national VET system constrain the development of Aboriginal education (as distinct from the mainstream education for Aboriginal people).

*As community-based providers, with a very narrow funding base, and with students with special needs, the Federation's members have faced many of the same problems as have 'mainstream' ACE providers in 'interfacing' with the national VET system, despite the fact that until the very recent and heavily subsidised move by traditional TAFE colleges into Aboriginal education, they were THE main providers of VET to Aboriginal people in their respective states and territories. They fulfilled, and continue to do so, a NATIONAL need, and all of them have students from other states and territories where there were no such Aboriginal community-controlled adult*

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<sup>23</sup> Response: Federation of Independent Aboriginal Education Providers

*education providers. The Federation's members have the added problem, on top of those being experienced by the so-called ACE sector, that the move into the national VET system tends to compromise their community's rights, as indigenous people, to control their own education provision, a right which they should not have to 'trade-off for either funding or recognition as legitimate VET providers.*

*These issues come to a head practically around registration, accreditation, competency standards, competency based training and funding ...*

**and**

*The Federation is based on the fundamental right of indigenous peoples to control their own education. Part of this is a rejection of attempts by agencies and institutions within mainstream non-indigenous education to force its members and programs to conform strictly to educational philosophies and structures for provision which have not been determined as appropriate by Aboriginal communities*

*...*

**and**

*The question, therefore, is not how should Aboriginal education 'add value' to the national VET system, but how can the national VET system in the first place properly recognise the contribution the Aboriginal community-controlled sector is already making, and secondly, ensure that it does not do anything further to diminish the value of an Aboriginal education system which has grown out of the experiences of literally thousands of generations of learning in the world's oldest surviving culture.<sup>24</sup>*

**This submission raises very complex matters. The views expressed by the Federation may or may not be shared by other Aboriginal organisations. We do not feel competent to make a judgement on this, nor do we consider it appropriate to do so. We believe these matters are best considered by Aboriginal and Torres Strait Islander people themselves.**

**We also note the Commonwealth government's requirement, under the Aboriginal Education Strategic Initiatives Program, that education providers be registered under the relevant State or Territory arrangements and that the Program's funds are only available for the delivery of accredited VET programs. The basis of these requirements, that quality assurance arrangements for Indigenous community education providers should be no less stringent than for non-Indigenous providers, is in our view sound.**

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<sup>24</sup> Response: Federation of Independent Aboriginal Education Providers

However, we agree with the Federation and with the Commonwealth view that requirements for registration and accreditation should not impede the delivery of culturally appropriate programs to Indigenous communities by community-based providers.<sup>25</sup>

Further work is needed to clarify if and in what ways State and Territory recognition systems impede culturally appropriate delivery.

We suggest that the MCEETYA ACE Task Force consider this matter further, more precisely identifying the issues to be addressed and then refer them to the Aboriginal and Torres Strait Island Peoples Advisory Council of ANTA for advice.

Finally, we note the rapidly evolving policy environment in relation to Aboriginal and Torres Strait Islander Affairs and the directions of recent Commonwealth Government initiatives such as the one advised by DEETYA.

*The educational initiatives announced by the Government as part of its policy on regional development include commissioning a study of best practice in community involvement in the education of ATSI students with a view to informing future policy development and fostering more effective participation by local communities.<sup>26</sup>*

If the concept of regional development is to have wider application in Aboriginal Affairs, then the local and regional capabilities of community-based Aboriginal education organisations are likely to form an invaluable resource.

### **People with Disabilities**

Little is known about the patterns of participation by people with disabilities in ACE courses generally and even less about their participation in specifically VET courses. Consequently, we are unable to comment with any authority of the extent to which ACE is delivering to diverse grouping of individuals with disabilities in ways consistent with the goals of the national VET system.

Judging from the lack of comment in either the consultations or the responses to the Discussion Paper, there would not seem to be widespread provision to people with disabilities by the ACE sector. At one consultation we were advised that because such provision often requires specialist facilities or intensive teaching methods, it was considered to be an area more suited to publicly funded provision through TAFE.

We note however that Victoria has developed a draft Disability Policy for ACE.

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<sup>25</sup> Correspondence from DEETYA in response to draft of Report, 13 August, 1996

<sup>26</sup> Response: DEETYA

We also note that there are some ACE organisations which are owned and managed by communities of people with disabilities and some of these receive public subsidies through the ACE sector.

It would seem financially impossible for ACE providers of VET programs for people with disabilities to deliver appropriate programs unless they receive some form of public subsidy. For example, the Adult Education Centre for Deaf and Hearing Impaired Persons Inc. (AEC) has been providing VET programs to Deaf people in NSW since 1994, supported through Commonwealth Growth Funds allocated by NSW BACE.

VET programs currently offered by the AEC are either at Certificate 1 level, or Statements of Competency, bridging into TAFE which has a quality support service for Deaf students mainstreamed within the system. In 1995 they delivered 1689 VET curriculum hours in 44 VET modules, enrolling 263 Deaf people for 11851 Student Contact Hours at an average cost per SCH of \$15.36 which includes teacher, communication (interpreting) support, rent, coordination, resources costs.

For a wide range of educational, cultural and efficiency reasons, they make a persuasive case for greater involvement of such ACE providers in accredited VET delivery.

*Specialised ACE organisations should be able to provide access to lower level AQF VET for their client groups. In turn, this would provide learners with a bridge articulating into higher level AQF VET programs such as those provided by TAFE.*

*This would provide a smoother transition for learners who access specialised ACE programs informally, into enrolling in an ACE VET program, then continuing into a TAFE program.<sup>27</sup>*

However, in the user-pays ACE sector, such provision is dependent on access to funds allocated within the national VET system.

### **People from Non English speaking backgrounds**

The National Strategy for Vocational Education and Training, *Towards a Skilled Australia*, identifies the need to target people with non-English speaking backgrounds and people without adequate English language, literacy and numeracy skills.

The *Outcomes and Pathways* study across three States showed that the proportion of non-English speaking background participants in ACE in 1992 reflected their representation in the general community; that they are primarily participating in programs to acquire English language skills and improve their literacy and numeracy skills. The report also noted comparatively low participation rates of Non-English

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<sup>27</sup> Response: Adult Education Centre

Speaking Background participants for Vocational Education and General Adult Education.<sup>28</sup>

A WA Report on participants in Community Neighbourhood Houses and Learning Centres indicates that the majority of participants are women from English-speaking backgrounds but that in recent years there has been a slight increase in those from non-English speaking background.<sup>29</sup>

In NSW, the Adult Migrant Education Service advised us that

*People from non-English speaking background make up a sizeable group of ACE clients. While the NSW Board of Adult and Community Education has not yet completed its analysis of 1995 ACE participants data, Board officers advise that there are significant numbers of non-English speaking background people participating in ACE courses in the Sydney Metropolitan area and NSW coastal areas. This is supported by the high number of language and literacy courses being offered by ACE providers. These courses, which include both accredited and non-accredited courses, are variously funded by BACE and ANTA.<sup>30</sup>*

The delivery by ACE providers of accredited VET courses to people from non-English speaking background varies significantly around Australia, depending on the State or Territory arrangements for the Adult Migrant English Program and on the extent to which ACE providers have access to either State recurrent funds or Commonwealth growth funds under the ANTA arrangements.

It would also seem that participation rates of people from non-English speaking background in VET courses other than English as a Second Language and other language and literacy programs are likely to be relatively low.<sup>31</sup>

## Unemployed People

There are strong indications that ACE providers have been effective and efficient in delivering vocational education and training programs to unemployed people.

The Outcomes and Pathways study indicated that of 1119 respondents to a survey of ACE participants in the core program of ACE providers in Victoria, NSW and South Australia,

- 9% of the participants were unemployed (compared to 7% in the Australian population at that time)

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<sup>28</sup> ACFE (1995), *op. cit.*, p.25

<sup>29</sup> Ducie, V. (1994), *op. cit.*, p.41

<sup>30</sup> Response: Adult Migrant Education Service

<sup>31</sup> ACFE (1995), *op. cit.*, p.25. See also Ducie, V. (1994), *op. cit.*, p.41

- 18% of those in Vocational Education courses were unemployed
- a greater proportion of unemployed participants (35%) were enrolled in Vocational Education courses than any other course type
- over a quarter of ESL students were unemployed
- unemployed participants made up only 4% of participants enrolled in General Adult Education courses.<sup>32</sup>

Registered ACE providers appear to have been relatively successful in winning contracts for the delivery of accredited Labour Market Program training although statistics on categories of provider winning such contracts are difficult to find. In NSW as at 11.6.96, ACE providers were delivering at least 37 separate literacy programs under the Special Intervention Program of the CES. Of these, 24 were in rural areas outside the Wollongong/Sydney/Newcastle regions.

## Improved Cross Sectoral Links

One objective of the national VET system is concerned to strengthen cross-sectoral links between schools, vocational education and training and higher education. If the ACE sector is added to the mix, the picture becomes a little more complicated.

The significance of such cross-sectoral linkages, particularly in rural and remote communities has long been recognised. One of these principles put forward in 1991 by the National Board of Employment, Education and Training remains relevant:

**Principle 3:** *The most appropriate organisational structure for education and training in non-metropolitan areas is one based on co-ordinated cross-sectoral provision (i.e. schools, TAFE, higher education, adult education and industry-based training).*<sup>33</sup>

There is wide acceptance that

*Cross-sectoral co-ordination is the single most important factor which will improve access and participation in VET for country people*

...

*... Therefore, one of the key issues for ACE providers in non-metropolitan areas is what kind of linkages they have with other agencies to ensure that local and regional needs for VET are comprehensively identified and met.*<sup>34</sup>

<sup>32</sup> ACFE (1995), *op. cit.*, pp.27-28

<sup>33</sup> National Board of Employment, Education & Training (1991), *op. cit.*, p.62

<sup>34</sup> McIntyre, J. et al (1995), *op. cit.*, p.20

The National Board of Employment, Education and Training has identified seven types of cross-sectoral links occurring at the vocational education and training sector-higher education-industry interface.<sup>35</sup>

- Pathways
- Joint courses
- Cross-sectoral provision of units of study
- Co-location and joint developments
- Cross-sectoral institutions
- Specialised education and training institutions
- Strategic alliances

While the ACE sector as a whole may have an interest in all or some of these links, they are not all relevant to that part of the ACE sector which engages with the national VET system. Those that we consider most relevant, based on the consultations and responses to submissions are Pathways, Cross-Sectoral Provision of Units of Study and Strategic Alliances.

### **Pathways**

One of the goals of the National Policy on ACE is to provide learning pathways. The most fundamental way in which students in VET courses delivered by ACE providers can move into study at university or TAFE is by ensuring that courses delivered by ACE providers are nationally recognised under NFROT.

Beyond this, pathways can be built by credit transfer arrangements. Our attention was drawn to a number of States where considerable progress has been made in formally building credit transfer arrangements with TAFE, although sectoral agreements do not always flow into local arrangements for individuals to gain credit transfer.

### **Cross-Sectoral Provision of Units of Study**

One example was drawn to our attention illustrating how, in effect, one provider has contracted the ACE sector to deliver programs to non-English speaking people in rural and remote localities which would not otherwise be viable.

*For many years NSW AMES has had an arrangement with BACE for the delivery of Adult Migrant English program (AMEP) courses by ACE providers in country areas where there are no NSW AMES centres. The Adult Migrant English Program, which is funded by the Department of Immigration and Multicultural Affairs, is for newly arrived migrants who do not have a functional level of English. Under this arrangement, AMEP eligible clients scattered in country areas*

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<sup>35</sup> National Board of Employment, Education and Training (1995), *Cross-sectoral Collaboration in Post-Secondary Education and Training*, pp. 9-11

have the choice of either accessing the NSW AMES Distance Learning Program or classroom-based tuition offered by an ACE provider. ACE providers are able to provide classroom-based AMEP tuition for those clients who are not suited to, or do not wish to study English by distance learning mode. ACE providers are well positioned to offer these courses on behalf of NSW AMES because of their location in rural and isolated areas and their ability to deliver to smaller groups of people than would be viable for NSW AMES.

At a regional level, networks involving NSW AMES, TAFE and ACE personnel meet to exchange information, strengthen articulation and student pathways and to work on joint projects.<sup>36</sup>

Such examples of public and community collaboration need to be encouraged, especially in rural and remote communities where the ACE sector has a presence.<sup>37</sup>  
**Strategic Alliances.**

These can be achieved at either sectoral level or provider level.

There are a number of examples where strategic alliances or joint ventures have been established between ACE providers and TAFE providers. The alliance between Sydney Institute of Technology and the Sydney Community College is but one of these.

*I don't think most TAFE providers of VET are really interested in seeing their relationships with the ACE sector in a national context either. The challenge for them is to build the partnerships within their own state or local contexts and if both TAFE and ACE are playing by the same rules of accreditation, provider registration etc. that will create good pathways and partnerships.<sup>38</sup>*

Obviously in a market-oriented environment such as the VET system where ACE providers are fiercely independent, such partnerships cannot be mandated. However it is clear that a number of providers see value in this and have been working together to achieve this.

We note that in some States, there are very positive efforts to foster closer interaction between ACE and TAFE. The joint TAFE/Learning Centre Link project in Western Australia, for example, seeks to:

- 1) facilitate joint ACE/TAFE cooperation through the provision of information packages about both systems;
- 2) lead students into TAFE through the ACE doorway by offering formal TAFE courses in the familiar setting of a Learning Centre; and to

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<sup>36</sup> Response: Adult Migrant Education Service, NSW

<sup>37</sup> Response: Adult Migrant Education Service, NSW

<sup>38</sup> Response: Wodonga Institute of TAFE

- 3) facilitate pathways between ACE (Stream 1000) courses and formal vocational education and training by encouraging RPL and credit transfers.<sup>39</sup>

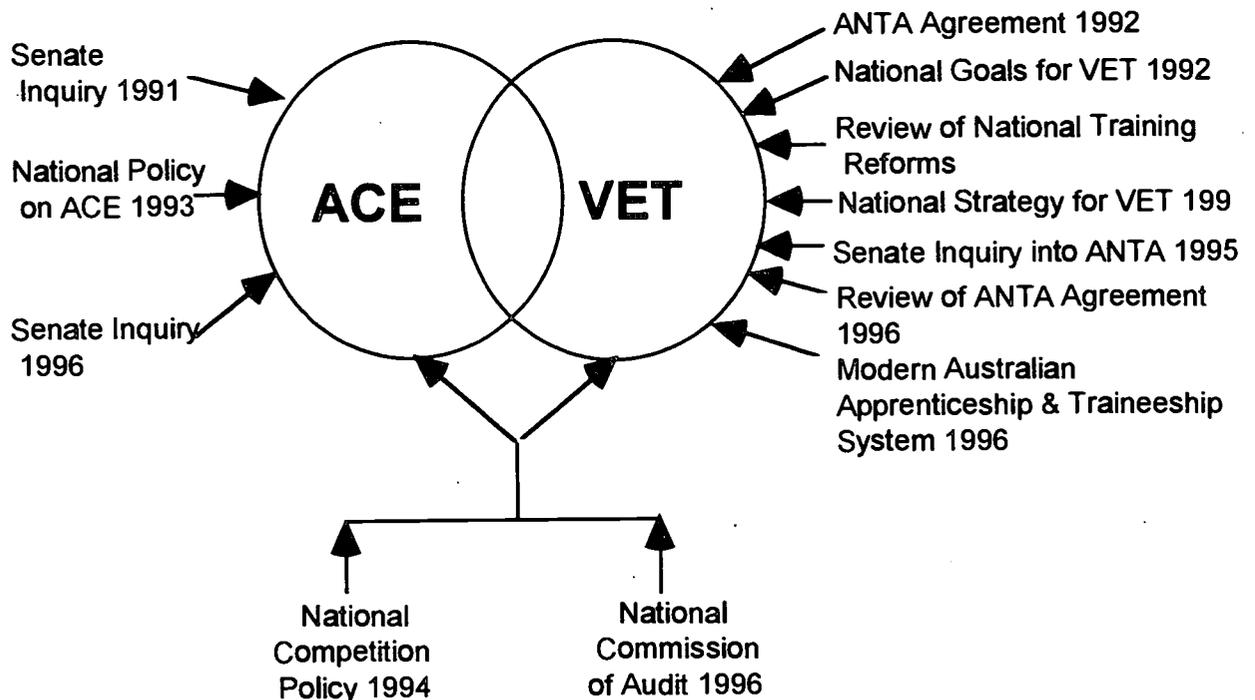
However we believe strategic alliances at the sectoral level may be of less significance than such alliances at the provider level. In addition, the ACE sector needs to ensure its product is better differentiated from the TAFE product. Nevertheless there may be specific issues for which strategic alliances between the TAFE system and the ACE sector might have benefit. The most obvious of these would be strategic alliances on the shared use of learning technologies.

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<sup>39</sup> Response: Midland College of TAFE, WA.

## Appendix 5: Policy Context

### National Policy Environment of ACE and VET 1991-1996



#### Senate Inquiry into Adult and Community Education, 1991<sup>1</sup>

In November 1991 the Senate Standing Committee on Employment, Education and Training reported on its wide-ranging inquiry into adult and community education.

Its report, *Come in Cinderella: The emergence of Adult and Community Education*, (pre-dating the establishment of the national VET system) provided a comprehensive overview of the development and nature of adult and community education in Australia which it described as the fourth sector of education. The Committee made 30 Recommendations including the development of a national policy on adult and community education; State and Territory arrangements for co-ordinating and monitoring policy on adult and community education and standardised national statistics on participation in adult and community education. The focus of the Inquiry was on the whole of the adult and community education sector and did not focus unduly on its vocational dimensions. Nevertheless the Committee was convinced of its potential as a major source of education and training provision and argued that governments should support a

<sup>1</sup> Senate Standing Committee on Employment, Education & Training (1991), *Come in Cinderella: The emergence of Adult & Community Education*, Parliament House, Canberra.

*flexible and pervasive network of adult and community education providers.*

*Such support entails:*

- *recognising the sector as a major contributor to skills formation and general education*
- *taking the sector properly into account in national education and training policy and in the establishment of national competency frameworks, credit and articulation arrangements; and*
- *increasing the level and stability of funding to the sector.<sup>2</sup>*

**Many of the current debates about the ACE-VET interface have these three dimensions of government support as their focus.**

### **The ANTA Agreement, 1992<sup>3</sup>**

In July 1992 the Heads of Government agreed on a national co-operative system for managing training in Australia. The outcome was the National Vocational Education and Training System (NVETS) embodied in the ANTA Agreement.

The ANTA Agreement has six major objectives.

- **a national vocational education and training system, with agreed objectives and priorities, assured funding arrangements, consistent national strategies and a network of providers delivering high quality, nationally recognised programs at State and territory level;**
- **close interaction between industry and vocational education and training providers, to ensure that the training system operates within a strategic plan that reflects industry's needs and priorities;**
- **an effective training market with public and private provision of both high level, advanced, technical training and further education opportunities for the workforce and for the community generally;**
- **an efficient and productive network of publicly funded providers that can compete effectively in the training market;**
- **increased opportunities and improved outcomes for individuals and target groups, including school leavers, to enhance their employment outcomes; and**

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<sup>2</sup> *Ibid.*, p.9

<sup>3</sup> Schedule to the *Australian National Training Authority Act 1992*

- improved cross-sectoral links between schools, higher education and vocational education and training.

ANTA and the State Training Agencies are responsible for ensuring that VET priorities, strategies and associated funding arrangements are directed towards achieving these objectives.

There has been a good deal of discussion since 1992 on the extent to which the ACE sector falls within the scope and boundaries of the ANTA Agreement. There is no reference to ACE providers, ACE courses or the ACE sector in the ANTA Act 1992. ANTA maintains that the ACE sector is properly included in the Agreement only in so far as it delivers vocational courses. Consequently, much vigorous debate has occurred around what exactly constitutes vocational courses.<sup>4</sup>

### National Goals for Vocational Education and Training in Australia, 1992<sup>5</sup>

Later in 1992 the Commonwealth, State and Territory Ministers responsible for vocational education and training endorsed a set of National Goals and Objectives for vocational education and training reflecting their intent to build a nationally consistent system which allows for the competencies relevant to the workplace to be recognised around Australia.

These goals are:

- 1 A National Training System
- 2 Quality
- 3 Opportunities and Outcomes for Individuals
- 4 The Needs of Industry
- 5 Equity
- 6 Training as an Investment

### National Policy: Adult Community Education, 1993<sup>6</sup>

In December, 1993 the Commonwealth, State and Territory Ministers endorsed a National Policy on Adult Community Education. The National Policy provides a framework for government activity to recognise, enhance and support ACE. We agree with the submission from Training and Employment, Queensland that it

*... establishes the nature and extent of Government responsibility for ACE.<sup>7</sup>*

<sup>4</sup> This matter is explored in Appendix 1

<sup>5</sup> Department of Employment, Education and Training (1992), *National Goals for Vocational Education and Training in Australia*, AGPS, Canberra

<sup>6</sup> Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA), (1993), *National Policy: Adult Community Education*, Melbourne

<sup>7</sup> Response: Training and Employment, Queensland.

As the AAACE submission notes,

*The process of formulating the policy, and its subsequent implementation and monitoring by the MCEETYA ACE Task Force has been one of the most significant outcomes of the 1991 Senate Committee Report.<sup>8</sup>*

The policy has six general goals, supported by broad outcomes and strategies.

- 1 To realise the potential of ACE
- 2 To achieve access and equity
- 3 To provide diverse opportunities and outcomes for lifelong learning
- 4 To provide learning pathways
- 5 To ensure quality
- 6 To strengthen partnerships of community with government, industry and other education sectors

ANTA has no formal responsibilities for its implementation which is a matter for each State and Territory. Recently, States and Territories have reported to MCEETYA on their progress against the goals of the National Policy for the period 1994-96.

The Ministers also agreed in the policy that

*The contribution of ACE to vocational education and training is recognised at the national level by the inclusion of ACE in ANTA's area of responsibility.<sup>9</sup>*

and that

*This policy recognises that adult community education is an educational provision that exists in its own right. It also complements the core provision of the school, TAFE and higher education systems and may provide alternative access to those systems.<sup>10</sup>*

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<sup>8</sup> Response: AAACE

<sup>9</sup> MCEETYA (1993), *op. cit.*, p.7

<sup>10</sup> *Ibid.*, p.3

## Review of National Training Reforms<sup>11</sup>

In 1994 ANTA commissioned the Allen Consulting Group to review the implementation of national training reforms and their subsequent report, *Successful Reform* proposed a number of key directions for the national training system. In response, Ministers agreed on a set of proposals designed to make the implementation of national training reforms more effective. Those most relevant in the context of this Study include:

- refocus national training reforms on the demand side with the introduction of "User Choice"
- establish a stronger role for industry within the system
- provide greater responsiveness to the needs of enterprises
- achieve effective national recognition of training
- rationalise and simplify national structures supporting the national VET system
- emphasise quality assurance rather than regulation
- enhance the role of ITABs
- establish clear roles and responsibilities of all stakeholders

Most particularly, *Successful Reform* laid down three fundamental planks which are relevant to a consideration of the role of ACE in the national VET system.

- There are clear benefits to enterprises, industries, regions and nations arising from the development of a deep, diverse and dynamic *national skills pool*.<sup>12</sup>
- The ultimate *objectives* of national training reform are to lift the competitive performance of Australian enterprises and to maximise the development of the common skill pool for Australian enterprises and the opportunities for individual Australians, by maximising the recognition and portability of skills.<sup>13</sup>
- A major government role in training is justified on both social and economic grounds.
  - To achieve *social* objectives, government has a role in relation to entry level training, training to assist the unemployed to become employable and special measures to ensure access by disadvantaged groups.

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<sup>11</sup> Allen Consulting Group (1994a), *Successful Reform: Competitive Skills for Australians and Australian Enterprises*. Report to the Australian National Training Authority.

<sup>12</sup> *Ibid.*, p.9

<sup>13</sup> *Ibid.*, p.13

- To achieve *economic* objectives, government has a role in minimising impediments to enterprises and individuals engaging in training including industrial relations policy, industry policy and competition policy.<sup>14</sup>

### **National Strategy for Vocational Education and Training, 1994**

A National Strategy for VET was one of the Key Planning Instruments identified under the ANTA Agreement. It is intended to set strategic directions for the national VET system over the medium term (3 to 5 years) consistent with agreed national goals, objectives and priorities.

The National Strategy produced in 1994 identified a range of strategies to give effect to the national goals and objectives, organising these under four themes: greater responsiveness; enhanced quality; improved accessibility and increased efficiency.

ANTA is currently consulting on and developing the next National Strategy for Vocational Education and Training which is expected to focus more on "big picture" strategies, leaving operational matters to be settled at State/Territory level.

### **Senate Inquiry into ANTA, 1995<sup>15</sup>**

In November 1995, the Senate Employment, Education and Training References Committee reported on its inquiry into the Australian National Training Authority. Two specific recommendations are relevant to this study.

- *Recommendation 14* The Committee recommends that the ANTA's funding guidelines be amended to provide for a more inclusive interpretation of 'vocational purpose' and thereby designate a broader range of educational offerings as eligible for funding

This recommendation would support the argument put by some within the ACE sector that General Adult Education courses (Stream 1000) are vocational in their purpose and should be included within State Training Profiles for planning and therefore funding purposes.

- *Recommendation 15* The Committee recommends that, in the interest of equity, all providers, whether TAFE, ACE or private, receive supplementary funding where provision occurs in remote regions and/or to groups with specific needs which are underrepresented in vocational education and training.

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<sup>14</sup> *Ibid.*, p.12

<sup>15</sup> Senate Standing Committee on Employment, Education and Training (1991), *op. cit.*,

## **Review of the ANTA Agreement, 1996<sup>16</sup>**

In August, 1995 Prime Minister Keating, on behalf of Heads of Government, established this Review which was undertaken by R.M.Taylor.

The Report of the Review completed in February 1996, made a case for

- Better management and clearer roles of ANTA, the ANTA Board, the ANTA CEOs group and the Commonwealth Department of Employment, Education and Training;
- Improvements in funding arrangements including a rationalisation of National Programs and National Projects, a review of ANTA National Committee arrangements, a high priority to VET data and agreement on the key performance measures for the national VET system;
- Better resource allocation arrangements including a national policy on competition in VET and improvements at State/Territory level in ensuring a better market regulation environment and promoting competition and other 'market-like' mechanisms;
- Better national recognition including reduction in the points of central regulation and a shift in the regulatory focus away from course accreditation to provider recognition; and
- Improved access and equity arrangements and cross sectoral links including a business plan to improve access to vocational education and training for key target groups and greater encouragement of the school sector to expand provision of recognised vocational education and training studies in their senior years.

## **Modern Australian Apprenticeship and Traineeship System, 1996**

An important element of the Federal Government's election platform was the introduction of the Modern Australian Apprenticeship and Traineeship System (MAATS).

The MAATS agenda for change is broad ranging, encompassing industrial relations reform and sweeping change to how the national VET system actually works. The Australian Vocational Training System (AVTS) Transition Program, co-ordinated by ANTA during 1995 and 1996 will be subsumed by the development of MAATS.

The Commonwealth Minister for Schools, Vocational Education and Training, Dr Kemp, recently spoke of the Federal Government intent in relation to MAATS:

*While we recognise the importance of a national framework, national standards and nationally recognised qualifications, ultimately the*

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<sup>16</sup> Commonwealth of Australia (1996a), *Review of the ANTA Agreement*, AGPS, Canberra

*Government wants to produce a system which will deliver according to the needs of local communities.*

*We want communities to take a leadership role in ensuring training is integrated with regional development.<sup>17</sup>*

While ACE providers are not generally involved in the existing apprenticeship or traineeship systems, some registered providers have won contracts to provide the training associated with traineeships, so MAATS, has some relevance to the ACE-VET question, especially in the framework of the Federal Government's commitment to

*...work to empower regional communities.*

and to

*... devolve responsibility for delivering training to local TAFE Colleges and other training providers at the local level so that businesses and enterprises can get the training they need.<sup>18</sup>*

### **Senate Inquiry into Adult and Community Education, 1996**

On 20 June 1996, the Senate referred to the Senate Employment, Education and Training References Committee the matter of adult and community education. The inquiry is to report by 26 November 1996.

One of its terms of Reference is to describe the structural and policy changes at Commonwealth level in adult education since 1991, and to assess the impact these have had on the delivery of adult education in the community.

### **Beyond Vocational Education and Training**

These policies and Inquiries within the education and training environment at a national level provide the context for the trends at the ACE-VET interface.

There are of course policy issues beyond education and training which need to be taken into account in an analysis of the ACE-VET interface. Two are particularly relevant to the focus of this report.

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<sup>17</sup> The Hon. Dr David Kemp (1996c), "Closing address" to ANTA Small Business Forum on Vocational Education & Training Issues, Melbourne, 31 May, p.8

<sup>18</sup> The Hon. Dr David Kemp (1996a), Address to MTIA National Personnel & Industrial Relations Conference, Canberra, 2 May, p.8

## National Competition Policy

On 24 February 1994 the Council of Australian Governments (COAG) agreed to the principles of competition policy articulated in the report of the National Competition Policy Review, commonly known as the Hilmer Report.<sup>19</sup> The Report states that

*National Competition Policy aims to promote and maintain competitive forces to increase efficiency and community welfare, while recognising other social goals.<sup>20</sup>*

These principles addressed the six elements of a national competition policy, namely

- 1 limiting anti-competitive conduct of firms
- 2 reforming regulations which unjustifiably restrict competition
- 3 reforming the structure of public monopolies to facilitate competition
- 4 providing third-party access to certain facilities that are essential for competition
- 5 restraining monopoly pricing behaviour
- 6 fostering 'competitive neutrality' between government and private businesses when they compete.

COAG has also made clear its intention to achieve consistent and complementary competition laws and policies which will apply to all businesses in Australia regardless of whether they are publicly or privately owned.

On 11 April 1995 COAG members agreed on a National Competition Policy package. This package included an Agreement to Implement the National Competition Policy and Related Reforms which provides for 'competition payments' to the States if agreed reforms are implemented.

Under this Agreement, Governments agreed to publish policy statements on competitive neutrality, legislative review and the application of the Competition Principles Agreement to Local Government by June 1996

Governments throughout Australia are still working to clarify the implications of the National Competition Policy for all areas of government business. Initial attention has been focused in the area of public utilities. It is therefore too early to be definitive about how and in what ways the National Competition Policy will impact on the structure and conduct of the national VET system. There is however little doubt that the principles do apply.

*It is not obvious that any of the six Hilmer principles should not apply at all to the publicly funded vocational education and training sector. On the contrary, while there are complexities, the principles appear to be widely applicable to the supply side of the VET sector<sup>21</sup>*

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<sup>19</sup> Independent Committee of Inquiry into a National Competition Policy, 1993, *National Competition Policy*, (Prof. F.G.Hilmer, Chairman), (Hilmer Report) AGPS, Canberra, p.xvii

<sup>20</sup> *Ibid.*, p.9

<sup>21</sup> Allen Consulting Group 1994, *Establishing an Effective Australian Training Market*, Final Report to the Victorian Office of Training and Further Education, p.188

Throughout Australia those Governments which have not to date strongly embraced service competition are now moving in that direction. The introduction of greater competition to the general government sector is inevitable. By identifying and market testing suitable activities currently performed in-house by direct employees and, where there are clear benefits - in terms of cost, access and quality - Governments can contract with other parties to provide the services. This has greatest implications for the provision of services by the publicly owned VET provider - TAFE- and consequently for other competitive suppliers of VET products and services such as ACE providers.

### National Commission of Audit, 1996

The National Commission of Audit was established by the Federal Government soon after it won government, and the Commission released its report on June 24, 1996. The themes of the Commission's report echo many of the themes running through the national VET system over the past 5 years.

- *Where possible, program beneficiaries should be given **choice**: ... students and parents should be able to choose which school, university or vocational education institution to attend.*
- *Governments as far as possible should operate as funders of programs, with funding **separate** from the actual delivery of the services involved ...*
- *Service delivery should be as **competitive** as possible. Service providers, whether public or private, should be required to tender or otherwise compete for the right to deliver government services ...<sup>22</sup>*  
[our emphases]

The Commission has also recommended that the Commonwealth should be responsible for VET and that State funding of VET and higher education should be transferred to the Commonwealth.

These broad directions proposed by the Commission, although they do not constitute Commonwealth Government policy, combined with a strong commitment to reduce the Federal Budget deficit, provide a backdrop against which future Commonwealth financial contribution to the national VET system will be considered.

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<sup>22</sup> Commonwealth of Australia (1996), *Report of the National Commission of Audit: Executive Summary*, AGPS, Canberra, as provided through Australian Financial Review WWW site.

## Appendix 6: Statistical issues<sup>1</sup>

In undertaking this analysis of the role of the ACE sector within the national VET system, we have been limited by the lack of good quality and comparable data at the national level on almost all aspects of the ACE sector generally and, for the purposes of this Report, on the participation of ACE providers in the national VET system. We are aware that these problems beset the national VET system as a whole, that they have been a long-running concern within the system and that steps have been and are being taken to achieve significant improvements in the data and the Key Performance Measures to ensure good planning, management and accountability.<sup>2</sup>

In relation to the specific question of participation of ACE within the national VET system we have been limited by significant data differences between States and Territories arising from the extent to which they

- distinguish between ACE providers (i.e. community-based providers) and other providers, private or public
- coordinate provision by ACE providers in the State or Territory
- fund provision by ACE providers in the State or Territory
- regard ACE as Stream 1000 courses
- collect data on other than TAFE Stream 1000 courses
- distinguish between ACE provision of accredited courses and ACE provision of non-accredited courses in Streams 2000-4000
- include ACE provision of other than Stream 1000 courses within the State Training Profile

For these reasons, statistics used in this report must be treated with a good deal of caution and should be regarded as indicative only.

Also for these reasons we have been over-reliant on two sources of data:

- Data produced by Victoria and NSW respectively on the ACE sector in that State. Even though these data were not comparable and did not necessarily make a distinction between accredited and non-accredited VET courses, they did allow some tentative conclusions to be drawn. Consequently, many of our

<sup>1</sup> We are grateful to Paul Davis, National ACE Project Officer, National Centre for Vocational Education Research for his input on this matter. The conclusions are however our own.

<sup>2</sup> Through, for example, the Australian Committee on VET Statistics (ACVETS); the review by the Boston Consulting Group for ANTA and the *Review of the ANTA Agreement*, 1996.

quantitative conclusions are based on these two States and inferences are then made about the national position. We readily acknowledge that the situation applicable in those States is not necessarily replicated in all others.

- States Training Profiles for 1996. Even in these however, there is virtually no single data item on the ACE sector that is truly comparable nationally or which allows much more than an inferential conclusion.

The decision to establish an AVETMISS ACE Collection from 1995 was a positive step. However, the scope of the ACE Collection is based on current boundaries operating in each State and Territory.<sup>3</sup>

The current boundaries do not distinguish between ACE as a course (i.e. Stream 1000 courses) and ACE as a network of providers, nor do they distinguish between community-based providers and TAFE (or other) providers.

This problem is illustrated in the extracts below from the 1996 State Training Profiles. In response to the section on ACE Courses (Stream 1000) referred to earlier, States and Territories provided the following information.

**Table A6.1 : State/Territory Overview of definition of ACE (Stream 1000) courses<sup>4</sup>**

State/ Territory	Information provided in State/Territory Training Profile, 1996
ACT	Comprises estimates from a survey sample of community providers and provision by CIT Solutions, a separately administered commercial arm of Canberra Institute of Technology (CIT) which ACT considers to be within the ACE sector
NSW	Comprises provision by community providers only
NT	Provides information on institutional provision by TAFE & Casuarina Senior College only
QLD	Comprises provision by TAFE Queensland only
SA	Comprises provision by community providers and TAFE SA

<sup>3</sup> The current scope is defined as *Adult Community Education and Training Providers registered or recognised by the nominated State or Territory Agency, or its ACE unit or equivalent*

<sup>4</sup> Derived from State/Territory Training Profiles, 1996

<b>State/ Territory</b>	<b>Information provided in State/Territory Training Profile, 1996</b>
<b>TAS</b>	Comprises provision by the Institute of Adult Education but not other community providers
<b>VIC</b>	Comprises information on Community Providers and TAFE providers
<b>WA</b>	Comprises information on TAFE provision only

Leaving aside the not insignificant question of the value and purpose of requesting and providing such inconsistent and incompatible data, and recognising that some improvements in some States/Territories will be achieved through the implementation of AVETMISS, it would seem that in some instances TAFE is regarded as part of the ACE sector and in others it is not. Greater clarity is required if sensible debate on common ground is to occur.

It is argued that to narrow the scope of the collection could stifle initiatives for ACE collection in some States and Territories.

While we accept that the AVETMISS ACE Collection may encourage the collection of data on ACE that would not otherwise be done by the State or Territory, we do not consider this sufficient reason to continue the current scope of the collection. The fundamental question is the purpose to which the data is to be put.

Under the national VET system public funds are not made available for the delivery of General Adult Education courses (Stream 1000) and the ACE sector is not the only provider of General Adult Education to the community. We see no reasons to continue collection at a national level of General Adult Education. National Surveys and ABS data are an alternative source.

The focus within the AVETMISS Collection on ACE, (taking into account the on-going costs of collection, the autonomy of community-based providers, the need for accountability for the use of public funds and the purposes to which the data can be put), needs to be on the delivery of nationally recognised courses in Streams 2000-4000 by community-based ACE providers.

National data collected beyond this scope would be a matter for Ministers to consider in the context of the National Policy on ACE and not in the context of the national VET system.

## **Appendix 7: Consultancy Brief**

### **An analysis of the role of Adult and Community Education in the implementation of a national system for Vocational Education and Training**

#### **1. Purpose of the Project**

- To undertake an initial analysis of the role of Adult and Community Education in the implementation of VET which will chart the critical opportunities for ACE within the National Strategy
- To provide a report to ANTA as the basis of further decision by Ministers on strategies for States and Territories and the Commonwealth in relation to Adult and Community Education.

#### **2. Project Outcomes**

The final deliverable for the project will be a report to ANTA which addresses the following issues:

- links between ACE and national VET programs and initiatives
- treatment of ACE effort in State Training Profiles
- implications for ACE-VET of the Taylor Inquiry and Senate Inquiry
- views of VET stakeholders and State Training agencies on the current and future role of ACE in the implementation of VET
- views of ACE stakeholders on any extended role for ACE in the implementation of VET and the current relevance of the National ACE Policy to VET
- role of ACE in the training market especially in small business and rural communities
- delivery of accredited Stream 2000+ vocational courses by the ACE sector
- delivery of Labour Market Program training by ACE
- relationships between ACE and industries and enterprises and workplace delivery
- costs of ACE-VET

## Appendix 8: Responses to Discussion Paper

ACE-North Coast Inc.  
ACT Council of Adult Literacy  
ACTU, Queensland Branch  
Adult Community Education Council, SA  
Adult Education Centre for Deaf & Hearing Impaired Persons Inc.  
Adult Migrant Education Service, NSW  
Adult, Community and Further Education Board, Victoria  
Australian Association of Adult and Community Education Inc.  
Australian National Training Authority  
Central Metropolitan College of TAFE, WA  
Continuing Education Centre, Wodonga  
Corrections Industry Training Board, Victoria  
Council of Adult Education, Victoria  
Department of Employment, Education, Training & Youth Affairs  
Department of Vocational Education & Training, Tasmania (Training Operations Division)  
Eastern Suburbs Regional Evening College Inc.  
Evening & Community Colleges Association, NSW  
Federation of Independent Aboriginal Education Providers  
Geraldton Regional College of TAFE, WA  
Goulburn Ovens Murray Regional Council of Adult, Community and Further Education,  
Victoria  
Hawthorn Community House, Victoria  
Henry Gardiner, Wagga Wagga  
Institute of Adult Education, Tasmania  
Kangan Institute of TAFE, Victoria  
Learning Centre Link, WA.  
Midland College of TAFE, WA  
National Centre for Vocational Education Research  
National Public Administration Industry Training Advisory Body Ltd.  
National Training Market Research Centre  
Network of Women in Further Education Inc.  
North Metropolitan College of TAFE, WA.  
Northern Territory Employment and Training Authority (Strategic Services Branch)  
NSW Department of School Education (Vocational Education Directorate)  
Public Administration Industry Training Council of WA Inc.  
Rural Training Council of Australia Inc.  
South Metropolitan College of TAFE, WA  
Sydney Institute of Technology with Sydney Community College, NSW (Joint Submission)  
TAFE Queensland  
Training & Employment Queensland, Department of Training & Industrial Relations  
U3A Network - Victoria Inc.  
University of South Australia (School of Education)  
University of Technology, Sydney. (Jumbunna, Centre for Australian Indigenous Studies,  
Education & Research)  
WEA Sydney  
Western Sydney Institute of TAFE, NSW (Foundation Studies Training Division)  
Wodonga Institute of TAFE, Victoria

## Appendix 9: Consultations Attendees

### Tasmania

Chris Adams, Project Officer, Institute of Adult Education  
Max Bahrfieldt, Computer Training Coordinator, Institute of Adult Education - South  
Louanne Barker, Adult Literacy Coordinator, Institute of Adult Education - South  
Sue Bayly-Stark, Senior Planning Officer, Institute of Adult Education  
Maggie Champion, Adult Education Officer, Institute of Adult Education - South  
Leo Cini, Regional Principal, Institute of Adult Education - South  
Judy Cox, Disabilities Coordinator, Institute of Adult Education - South  
Annette Dallas, A/Assistant Director, Planning Branch, DVET  
Kathi Eland, A/Senior Consultant, Curriculum Branch, DVET  
Jan Febey, Senior Consultant, Curriculum Branch, DVET  
Hugh Fielding, Senior planning Officer, Planning Branch, DVET  
Anne French, Senior Operations Officer, Operations Policy, Access & Equity, DVET  
Barbara Gilbert, OIC Adult Migrant English, Department of Immigration and Multicultural Affairs  
Jean Grosse, Consultant, ACE  
Lesley Hamison, Lecturer, University of Tasmania  
Adrian Howard, Executive Officer TAREC, Tasmanian State Training Authority  
Barbara Mitchell, Research/Project Officer, PA,F&BS ITAB  
Kip Muller, Director, Drysdale Institute of TAFE  
Greg Peart, Project Officer, Institute of Adult Education  
Jill Taylor, Director, Institute of Adult Education  
John Upton, Director, Hobart Institute of TAFE  
Maree Watts, Adult Education Officer (Literacy), Institute of Adult Education - South

### South Australia

Denis Binnion, Executive Officer, WEA of SA Inc  
Graham Clark, Teacher, Tao Phung Indo Chinese Elderly Association of SA  
Garry Coombes, Associate Director, Onkaparinga Institute of TAFE  
Miriam Daley, Assistant Director, Access and Equity, DETAFE  
Paul Davis, National ACE Project Officer, ACVETS  
Terry Hancock, Executive Officer, DEETYA  
Denise Janek, Manager, State Training Profile Consultations, DETAFE  
Kirsten King, Coordinator, Junction Community Centre  
Shirley Manser, ACE Manager, Onkaparinga Institute of TAFE  
Patricia Natt, Secretary/Coordinator, Southern Yorke Peninsula SYP Youth Care Inc.  
Van Manh Nguyen, Coordinator, Tao Phung Indo Chinese Elderly Association of SA  
Thérèse O'Leary, Manager, Adult Community Education Unit  
Jan Peterson, Regional Coordinator (Central West), Community Language & Literacy Programs  
Sue Ross, Project Manager, SA NATMISS Data Collection  
Mary Ann Sabine, Lecturer, University of South Australia  
Michael Sachsse, Director, Torrens Valley Institute of TAFE  
Mairi Spedding, Coordinator, Eastwood Community Centre  
Anne Woodcock, Industry Liaison Officer, VET, DEETYA

## **New South Wales**

D.J. Ah Kee, Executive Officer, NSW AECG Inc  
Andrew Batchelor, Western Institute Of TAFE  
Jack Beetson, Director, Tranby College  
Sue Bishop, Manager VET, BACE  
Leah Brown, Intern, Tranby College  
Tony Brown, Lecturer, UTS  
Judy Byrne, Director Educational Development, TAFE  
Max Caddy, Coordinator Registration, Vocational Education Directorate, DSE  
Greg Chapman, Curriculum Strategy Unit, TAFE  
Pam Christie, A/Director Vocational Training Services, DTEC  
Christine Erskine, Metropolitan LLN Coordinator, BACE  
Bob Frew, Assistant Director, Sydney Institute of Technology  
Susan Hogan, Manager Language and Literacy, BACE  
Elizabeth Jensen, A/Senior Policy Officer, Policy Unit, TAFE  
Christine Kerr, Research Assistant, Tranby College  
Scott Kimbley, Director Computer Programs, Parramatta Evening College  
Robyn Maher, Training and Support Coordinator, ECCA  
Roger McAdam, Western Institute of TAFE  
Roger Morris, Associate Professor, School of Adult Education, UTS & Secretary, NSW Branch  
AAACE  
Maggie Orum, VET Field Officer, BACE  
Marie Persson, Director, VET Policy, DTEC  
Lisa Sensale, Intern, Tranby College  
Hazel Smith, Principal, Central West Community College  
Sam Thomas, Director, BACE  
Garry Traynor, Principal, Sydney Community College  
Sueellen Young, Senior Manager, Central West Community College

## **Victoria**

Allie Clemans, NOWinFE, Lecturer, Monash University  
Nel Cook, Associate Director, Foundation and Language Studies, Western Melbourne Institute  
of TAFE  
Helen Gribble, Manager, Policy and Research, ACFE Division  
Hugh Kieran, Planning Officer, ACFE - Eastern Region  
Pam O'Neil, Manager, Planning and Review, ACFE Board  
Lance Peters, Research Officer, Council of Adult Education  
Graham Stevenson, Director, Council of Adult Education

## **Appendix 10: List of individuals interviewed in the course of the project**

### **AAACE Executive members**

**John Allsopp  
TAFE NSW**

**Kaye Bowman  
ANTA**

**Tom Brennan  
Commonwealth Department  
Employment, Education, Training &  
Youth Affairs**

**Elaine Butler, Kate Lawrence, Barb  
Kempnich  
University of Adelaide  
Consultants to National Project on  
Vocational Education and Training in  
Rural and Remote Communities**

**Perce Butterworth  
NSW Department Training & Education  
Co-ordination**

**Helen Gribble  
Adult, Community & Further Education  
Board, Victoria**

### **MCEETYA ACE Task Force members**

**Darcy McGuarr  
Tasmanian Department Vocational  
Education & Training**

**David Milstein  
Qld. Department Tourism, Small  
Business & Industry**

**Peter Noonan  
ANTA**

**Pam O'Neill  
Adult, Community & Further Education  
Board, Victoria**

**Helen Parker  
Consultant to Qld Department of  
Training & Industrial Relations**

**Jenny Samms  
Adult, Community & Further Education  
Board, Victoria**

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