

TRAINING AND TERTIARY EDUCATION

Training and tertiary education outputs involve the provision of training and tertiary education services to the Victorian community through a number of programs and service providers:

- TAFE institutes and TAFE divisions within universities
- private providers of vocational education and training
- ACE organisations, including neighbourhood houses and community-based organisations
- adult education institutions – Adult Multicultural Education Services (AMES) and the CAE
- universities and private providers of higher education.

The VET system includes publicly and privately funded vocational education and training delivered by a wide range of training institutions and enterprises including TAFE institutes, private registered training organisations and ACE organisations. TAFE refers to the publicly owned aspect of the broader VET system.

FUTURE DIRECTIONS

The Minister for Education and Training released a major statement in June 2004: *Future Directions for Adult Community Education in Victoria* (ACE Ministerial Statement). This statement outlined the Government's strategies to foster a sustainable and innovative ACE sector for all Victorians. It complements existing Ministerial Statements on vocational education and training and higher education.

In 2003–04, the Department worked towards delivering on the commitments contained in these Ministerial Statements to support skills development in Victoria.

Continuing to reinvigorate training and further education

- Supporting the establishment of 15 Specialist Centres

- Establishing a TAFE Development Centre to foster the professional development of institute staff
- Managing the approval process for the delivery of degree programs offered by TAFE institutes.

Focusing on completion

- Implementing the apprentice and trainee Completion Bonus
- Increasing the number of students completing Year 12 or its equivalent in training and further education and adult community education.

Resource allocation

- Developing new resource allocation strategies to ensure public funds are directed towards areas of demand and to Victoria's skills development priorities

- Developing a framework that will secure the sustainability of the ACE sector
- Working in partnership with other governments to further Australian National Training Authority (ANTA) Agreement negotiations
- Consolidating and strengthening ACE, higher education and TAFE planning processes

OVERVIEW

The Department supports and manages the provision of training and further education and adult community education and provides higher education accreditation and monitoring services. The Department is responsible for the planning, regulation and delivery of education and training programs and services in Victoria.

These services are provided through:

- 19 TAFE institutes (including five universities with TAFE divisions)
- over 450 ACE organisations and two adult education institutions
- 1173 registered training organisations.

The regulation of this network is managed through two independent statutory authorities: the VLESC and the ACFE Board. Both have broad advisory, policy, regulatory and management functions.

The Department is responsible for overseeing the administration and coordination of programs for vocational education and training, adult community education and tertiary education in Victoria. It has responsibility for all matters relating to the VLESC as the State training agency, the ACE sector, the ACFE Board and higher education. Both the VLESC and the ACFE Board report separately to Parliament. Their annual reports provide additional information relating to training and tertiary education services.

General education and skills training is provided through:

- courses in basic literacy and numeracy
- basic preparation for work
- entry- or certificate-level training, including apprenticeships
- advanced vocational training, including training for paraprofessionals.

Higher education accreditation and monitoring services provided by the Department include negotiation of appropriate levels of Commonwealth resources, accreditation of higher education courses and the endorsement of higher education providers offering courses to international students.

TRAINING AND FURTHER EDUCATION

Training and further education places are provided by TAFE institutes and other registered training organisations in accordance with priorities set by Government, industry and the community.

The State Training System

The State Training System consists of TAFE institutes, ACE organisations and the apprenticeship/traineeship program. Training is also delivered by private registered training organisations under the priority education and training program. These organisations and programs operate in accordance with priorities set by Government, industry and the community.

Delivered training

In 2003–04, the State Training System provided over 112 million student contact hours of training to approximately 531,000 students, an increase of 3.7 per cent compared to 2002–03 delivery. Government-funded provision accounted for over 80.8 million of the reported contact hours, a decrease of 2.4 per cent on 2002. Better targeting of training needs and deployment of resources to areas of innovation and specialisation where outputs cannot be measured in terms of student contact hours is the reason for the decrease.

In 2003–04, TAFE institutes delivered 63.7 million student contact hours, with the remainder delivered by ACE and private registered training organisations.

Priority Education and Training program

The Priority Education and Training program provides funding to private registered training organisations. Training is purchased to provide people and regions experiencing skills shortages with expertise and competencies identified as priorities by industry and the Government. Program funding is not available to apprentices or trainees. The program is a mechanism for responding to industry demands, providing value-added training and reinforcing the Government's goal of increased contributions from industry.

In 2003, the program budget was \$12.5 million, corresponding to more than 2.1 million student contact hours. Similar outcomes are expected in 2004.

Apprenticeship/Traineeship Training program

The Apprenticeships/Traineeships Training program provides predominantly young people with the opportunity to engage in meaningful employment while receiving formal training towards a nationally recognised qualification. In 2003, 242 private registered training organisations offered over 22,000 new apprenticeship and traineeship places. In 2004, \$61 million was allocated to 245 registered training organisations for 24,400 places. These include Jobs for Young People placements in local government. A further 1000 places are reserved for integrated school-based new apprenticeships and traineeships.

Fee-for-service activity

In addition to their government-funded profile delivery, TAFE institutes delivered 23.96 million student contact hours of fee-for-service vocational and further education in 2003, and 7.3 million student contact hours were delivered to full fee-paying overseas students. Over 1.7 million student contact hours in personal enrichment programs were also delivered to approximately 64,000 students.

Ministerial Statement

In June 2002, the Minister for Education and Training released the Ministerial Statement *Knowledge & Skills for the Innovation Economy*, a comprehensive plan for addressing Victoria's future skills requirements. In 2003–04, significant progress was made towards implementing the initiatives contained in the statement.

Reinvigorating TAFE

The Ministerial Statement outlines a series of strategies to reinvigorate TAFE institutes as a public provider of vocational education and training.

Specialist Centres

The Ministerial Statement announced the allocation of \$5 million seed funding for Specialist Centres. These centres assist providers to deliver specialist training to industry clients and to foster closer relationships between training providers and industry. Fifteen Specialist Centres have been funded and are fully operational. Their focus ranges from new manufacturing to primary industries and environmental technology design. Two feasibility projects arising from the industrial application of biotechnology and the synchrotron were also funded.

Design initiative

The Department, in partnership with the Department of Innovation, Industry and Regional Development, jointly managed the Government's investment of \$10.2 million over two years from 2002–03 to position Victoria as an international centre of excellence in applied design. A centre for excellence in digital design *lab.3000* has been established and is fully operational.

Over 900 secondary school and TAFE teachers received funding for the development of design skills and innovative thinking. A further 1000 staff are expected to be funded by the end of 2004.

Transforming the workforce

In 2003–04, Staff Development Grants totalling \$2 million were provided to TAFE institutes. The Department also continued implementation of a statewide TAFE workforce development strategy. This was given effect through the provision of an e-recruitment system for TAFE institutes and a set of initiatives to strengthen human resource practices in institutes.

Design and development work for the establishment of a TAFE Development Centre was completed. The Centre will facilitate the professional development of TAFE institute staff. Starting in early 2004–05, programs improving the quality of initial teacher training and ongoing professional and leadership development will be in place. This includes opportunities for non-teaching staff.

Industry liaison agents

Industry liaison agents were established to stimulate demand and promote delivery of manufacturing training to small- and medium-sized enterprises. A total of \$1.7 million in funding was allocated to the Australian Manufacturing Technology Institute Limited, the Australian Industry Group, the Victorian Employers' Chamber of Commerce and Industry, Swinburne University of Technology (TAFE Division), Kangan Batman Institute of TAFE and the City of Greater Bendigo.

VET products for the innovation economy

The Ministerial Statement outlines the goal for providers to move towards new approaches to design, development and delivery.

Degrees in TAFE

In 2004, Box Hill Institute of TAFE and Northern Metropolitan Institute of TAFE gained Ministerial approval to offer higher education degrees in applied music and applied aquaculture.

The capacity of TAFE institutes to offer degrees will increase student access to higher qualifications in specialist and niche areas.

Learning pathways

Victoria assists ANTA to develop training package implementation guides for national use. Training packages describe the skills and knowledge needed to obtain a qualification and work effectively in particular industries. A review of these packages led to the inclusion of transition arrangements, qualifications and apprenticeship/traineeship pathways. In 2003–04, the Department facilitated the development and endorsement of three new training packages and reviewed 15 others.

Innovation Fund

The Innovation Fund was established to enable TAFE institutes to trial new initiatives in innovation and leveraged flexible delivery. In 2004, 59 initiatives with a value of \$5.3 million were endorsed for implementation across 14 TAFE institutes and have been incorporated into Performance and Funding Agreements for 2004. In 2003, 44 initiatives with a value of \$8.2 million were completed.

Lifelong learning

The Ministerial Statement notes the central role of vocational education and training in lifelong learning, through entry-level vocational education and training for the existing workforce, and pathways to higher education.

Options for young people

Over 70,000 young people aged 15–19 undertook vocational education and training in government-funded programs in TAFE institutes and with ACE and private registered training organisation provides in 2003. In 2003, two innovative programs for young people aged 15–17 seeking alternative education options were funded at Box Hill Institute of TAFE and South West Institute of TAFE. These programs provide opportunities for early school leavers to continue in education and improve their career and employment options. More information on the expanded range of programs for early school leavers is detailed in the section on the Youth Pathways program.

School-based apprenticeships and traineeships

Traineeship and apprenticeship pathways for senior school students continued to expand. In 2003–04, 1935 school students undertook a part-time traineeship or apprenticeship as part of a program of study that combined the VCE or VCAL with a nationally accredited training

certificate and employment. The goal is to increase this number to 3000 students by 2005.

The VLESC Action plan to increase school-based new apprenticeship opportunities includes a support program that funds a statewide network of local coordinators. These coordinators provide information, support and links to employment to students choosing a school-based new apprenticeship pathway.

VET in Schools

The VET in Schools program provides certificates for school students interested in vocational training, enabling them to work in a broad range of industries. For many students, VET in Schools involves attending a TAFE institute for vocational training. In 2003, more than one-third of all VET in Schools activity was provided by TAFE institutes through partnership arrangements with schools.

References to the VLESC

Establishing priorities for vocational education and training

In December 2002, the VLESC approved a framework for assessing demand and establishing priorities for vocational education and training in Victoria. The framework includes a comprehensive research program, consultation with stakeholders and processes for resource allocation. The implementation of the framework has led to the development of priorities for government funding for vocational education and training.

In 2003, the Department prepared reports on priority training for government funding in 48 industry sectors. During 2004, the priority reports were further revised. In October 2003, the VLESC endorsed extension of the priorities work program to include priorities at a regional level. The outcomes of the priorities work will inform the allocation of government funding in the Victorian VET system. It also has the capacity to:

- comprehensively address training demand and supply issues
- influence the training purchased from public and private training providers
- inform workforce and capital infrastructure planning.

Industry advice on training

The Ministerial Statement flagged new industry advisory arrangements to be introduced in 2003. It included a reference to the VLESC providing comprehensive advice on priorities for public expenditure on vocational education and training in an innovation economy.

Since the 2002 VLESC Review of Industry Advice on Training, significant progress has been made towards developing a robust industry advisory system by:

- engaging a wider range of key stakeholders to inform Victoria's VET policy and resource allocation processes
- increasing cooperative relationships, particularly between government and industry, to allow for strategic and streamlined industry advice to be provided to the VLESC
- implementing transparent and customised contractual arrangements for the Victorian Industry Training Advisory Bodies Network and continuing to contribute to their long-term viability
- continuing to develop greater synergies between state and national industry skills development.

Financing skills development

A key objective identified in the Ministerial Statement requires the VLESC, in the context of increased demand for VET programs, to develop options to improve the long-term financial sustainability of the VET system.

In response to this objective the Department undertook a number of policy reviews in 2003–04, the results of which are under consideration. These included:

- a review of how TAFE institutes use government funds to 'leverage' contributions from industry
- a costing project to ascertain the relative cost of providing VET courses
- a review of VET student fees and charges.

Australian National Training Authority

ANTA is a Commonwealth statutory authority established to provide a national focus for vocational education and training.

New National VET strategy 2004–10

The ANTA national strategy for vocational education and training, *Shaping Our Future*, is a commitment by all Australian governments to work in partnership with industry, training providers and other stakeholders to develop vocational education and training.

The vision for vocational education and training is that:

- VET works for Australian businesses – making businesses internationally competitive

- VET works for people – giving Australians world-class skills and knowledge
- VET works for communities – building inclusive and sustainable communities.

ANTA Agreement

The ANTA Agreement reinforces the commitment of all Australian governments to a strong, national, industry-led VET system and establishes funding, planning, reporting and accountability arrangements. By the end of 2003, when the ANTA Agreement was to expire, the Commonwealth, State and Territory governments were unable to reach a new agreement. The 2001–03 Agreement was rolled over into 2004 and financial penalties were applied to the States and Territories by the Commonwealth Government.

In June 2004, Ministers agreed to recommence ANTA Agreement negotiations in order to finalise an agreement for 2005 onwards that would contain a coordinated training response to address current and future skills needs nationally.

Apprenticeships and traineeships

New entrants to apprenticeships and traineeships increased by 14.6 per cent to 71,229 in 2003–04. A further 29,661 existing employees also commenced apprenticeships and traineeships for total commencements of 100,890. The total number of apprentices and trainees in training was 151,042, of whom 105,107 were new entrants.

Apprenticeship and traineeship completions for 2003–04 increased to 30,328, an increase of 25.53 per cent (excluding existing workers). The increase in completions reflects the greater number of apprenticeship and traineeship commencements in previous years, as well as greater efficiencies in data collection and registration practices.

Quality in apprenticeships and traineeships

In 2003–04, several initiatives supporting quality in apprenticeships and traineeships were introduced.

In the 2003–04 State Budget, the Victorian Government, as an incentive for employers to support apprentices and trainees to complete their training, announced a commitment of \$65.3 million over four years to the new Apprentice Trainee Completion Bonus scheme.

During 2003–04, 7542 apprentice and trainee employers qualified for Completion Bonus payments, of which 1827 were employed by not-for-profit group training organisations.

Administrative improvements

Databases maintained by the Victorian and Commonwealth governments containing information about apprentices, trainees and their employers were linked electronically in 2003–04. Aided by a revised national training contract, the consolidated database allowed for electronic lodgements of training contracts and significantly streamlined the registration process. This permitted New Apprenticeships Centres to register most training contracts within 24 hours of lodgement. A project to develop the electronic linkage was also initiated.

A joint review of more than 20,000 traineeships emerged from an intensive registered training organisation marketing strategy and was conducted by the State and Commonwealth Governments. The review focused on employers' understanding of their contractual obligations in the provision of supervision and training. As a result, 7803 training contracts were cancelled and 8980 were transferred to more suitable traineeships. In partnership with the Commonwealth Department of Education, Science and Training, the Department undertook more intensive monitoring of registered training organisations and employers who recorded high growth in training numbers. Apprenticeship Field Officers had a significant role in the implementation of monitoring actions.

Flexible learning

Victoria has a lead role in the implementation of the Australian Flexible Learning Framework 2000–04, which aims to develop flexible and online learning nationally. The Flexible Learning Advisory Group, chaired by the Deputy Secretary, Office of Training and Tertiary Education, Victoria, is responsible for overseeing the annual implementation of the framework.

Providers across the State Training System develop practices to address the training and employment needs of disadvantaged groups and people living in rural and remote areas.

Improving learner access

To maximise the involvement of Koorie communities in decisions about the planning and delivery of training, the Wurreker strategy is being progressively implemented in 2004.

The strategy ensures that TAFE delivery and support services respect and value Koorie culture. In 2003, 4207 students identifying as Koorie were enrolled in VET programs.

The Victorian Government is continuing a review of services and opportunities for students with disabilities to participate in vocational education and training as part of the national implementation of the Bridging Pathways strategy. A Disability Agenda for the VET sector in Victoria is also being developed for implementation in 2005.

The Department provided all TAFE institutes with supplementary funding of \$1.7 million through the Disability Support Fund so that institutes could provide extra support for students with disabilities. This allowed TAFE institutes to meet their statutory obligations under the *Disability Discrimination Act 1992*.

Work continued on specific initiatives to improve the access of women to training and further education, including:

- provision of funding to the Equity Research Centre for advice on training needs and opportunities for women, particularly in emerging and non-traditional industries
- reports on the ongoing implementation of the Government's Valuing Victoria's Women: Forward Plan 2000–03, which details access strategies to be implemented across and between departments.

In July 2004, a total of \$11 million over four years was committed to the Parents Returning to Work program. The initiative provides grants of up to \$1000 to parents who have been out of the workforce for two or more years and have children requiring care. The grant may be used to cover course fees, child-care while undertaking training, or other costs. Grants totalling 2875 were issued for use in 2003–04, with a further 1142 allocated for use in 2004–05.

Skill Up program

The Skill Up program is a component of a whole-of-government approach to address labour market restructuring issues. The Department of Education & Training liaises with the Department of Innovation, Industry and Regional Development and the Department of Victorian Communities to ensure that the program dovetails with Government initiatives addressing skills and labour shortages and community needs.

The Skill Up program provides \$5 million over four years for a rapid response program to retrain and support workers made redundant

because of a major industry downturn or workplace closure, and so improve their employment prospects.

Training under the program is currently delivered by six TAFE institutes in metropolitan Melbourne and regional Victoria. Retrenched workers of all ages are eligible. Recipients are funded for an average of 80 hours training (valued at \$1000) and are exempt from normal tuition fees. As at June 2004, funding had been approved for 730 retrenched workers.

Youth Pathways program

The Youth Pathways program provides customised education and support to young people aged 15–19 years who have not completed Year 12.

In 2003, over 2300 young people participated in the program at TAFE institutes. All participants received MIPs support and were tracked by a survey undertaken six months after exiting the program.

The tracking survey demonstrates that participants achieve very positive outcomes, with almost two-thirds of the students continuing with studies or training. Around 30 per cent secured employment, including 11 per cent who successfully obtained an apprenticeship or traineeship.

VCE and VCAL

Over the past three years, there has been a coordinated effort to increase opportunities for young people who have left school to achieve their VCE or VCAL.

More than half of Victoria's TAFE institutes offered VCE and VCAL programs in 2003 with 3763 students participating in VCE programs and 850 undertaking the VCAL. A significant proportion of participating students (2900) received support and MIPs plans as part of their education program.

Review of TAFE governance

TAFE institutes are governed by Councils responsible to the Minister for Education and Training, who appoints half of their membership. Councillors give their time voluntarily to attend meetings and to represent their institute in their communities.

In response to significant changes in the sector during the last ten years, including the fact that TAFE institutes now generate 21.7 per cent of their earnings from commercial activities, the

Department reviewed the governance of TAFE institutes. While the review did not recommend any changes in the current governance structures, it identified a need to enhance the governance practices within the existing framework.

A reference group was formed to implement the recommendations of the review and best practice governance documentation is being developed, including a governance charter, delegations of authority and a risk management framework for subsidiary companies. Training will also be developed and delivered as part of an induction process for new members and further training provided for more experienced members.

Quality assurance

The Department works to ensure that vocational education and training in Victoria is delivered to a high standard.

In 2003–04, under the delegation of the VQA, the Department performed the following functions:

- registration of training organisations to deliver nationally recognised training
- approval of training organisations to provide courses to overseas students
- ongoing performance monitoring of training organisations
- participation in annual reviews of Victoria's performance and delivery of services in accordance with the ANTA Performance Agreement.

The Department also provides a report on its registration and audit activity to each meeting of the VQA Board.

Australian Quality Training Framework

During 2003–04, the Australian Quality Training Framework (AQTF) Standards for registered training organisations were established across more than 1170 organisations in Victoria. The AQTF Standards provide a benchmark for registering and monitoring the performance of training organisations and ensuring a nationally consistent, high-quality VET system. The Department registers and monitors registered training organisations in accordance with these standards.

Risk assessment

In managing its annual audit program, the Department has developed a risk management strategy that addresses key risk areas including:

- the high number and/or seriousness of verified complaints against registered training organisations

- apprenticeships and traineeships delivered by exclusive (full-time in a workplace) pathways
- priority interface areas as defined by a State or Territory that may include providers in receipt of government funds, unsatisfactory statistical returns and/or particular courses and qualifications.

During the second half of 2003, 131 registered training organisations were audited for compliance with the AQTF Standards. During the first half of 2004, an additional 232 registered training organisations were audited, including 72 organisations in receipt of government funding. The audit program for the second half of 2004 will include a further 222 registered training organisations.

Strategic industry audits

Strategic industry audits were conducted to identify compliance and quality issues in specific industry areas or training market sectors. They provide a basis for making systematic improvements in the quality of training delivery. The selection of industry areas includes those:

- with a recent strong growth in training
- of importance to the Victorian economy
- with a short history of participation in recognised training.

Strategic audits are also conducted in industry areas where concerns have been raised about the quality of training.

A strategic industry audit of Certificate IV in Assessment and Workplace Training in the implementation of the AQTF Standards was conducted during the second half of 2003. Other strategic audits undertaken in 2003–04 included education services to overseas students, schools operating as registered training organisations, the delivery of the Certificate II in Security (Guarding) and nationally recognised first aid training. A national strategic audit of training in the transport industry also commenced in 2004 in collaboration with other States and Territories.

Group training organisations

Thirty-two organisations in Victoria have been approved as meeting the national standards for group training organisations and are included on the National Register of Group Training Organisations. In the first stage of an ongoing audit review program, audits of two of these organisations were carried out in 2003–04. Both demonstrated continuing compliance with the national standards.

Matched State and Commonwealth Government funding of \$5 million was provided to 24 not-for-profit group training organisations under

the Joint Group Training program in 2003–04. Commencement, progression and completion outcomes were purchased with these funds, with increased payments outcomes against managing diversity equity groups, skills shortage vocations and for school-based new apprenticeships.

In November 2003, the ANTA Ministerial Council determined that, over a three-year period, 15 per cent of funding for group training organisations would be provided under 'open market conditions'. Following consultation with Group Training Australia (Victoria), the Group Training – Innovation Fund program was established. This program will allow group training organisations to open up new markets – particularly in industry sectors or regions where group training has not had a strong presence.

Capital resources

Asset management

The TAFE Asset Portfolio is made up of over 1000 buildings worth approximately \$2.1 billion. The age of the asset portfolio ranges from new to over 100 years old. The average age of the building stock is approximately 22 years.

Asset management includes both the acquisition and the disposal of properties. This approach ensures that the overall use of TAFE building stock is maximised.

VET infrastructure development

Following the introduction of new directions in TAFE capital infrastructure in 2002–03, greater emphasis is being placed on improving the TAFE asset base. This involves deploying resources to improve the built environment for teaching and student services. Asset rationalisation is a component of the review. Facilities that are underused are being considered for closure and disposal.

The 2003–04 Victorian State Budget allocated \$12 million in new capital infrastructure funding, specifically the replacement of TAFE teaching equipment. This allowed TAFE institutes to keep pace with new and emerging technology changes and better align teaching equipment to industry standards and ensure students are well prepared for the workplace.

Over \$1.1 million was allocated from the Commonwealth Capital program for planning projects at a number of institutes in 2003. These included:

- consolidation of engineering and information technology at Victoria University of Technology (TAFE Division)

- establishment of the Centre for Integrated Engineering & Science at Chisholm Institute of TAFE
- building extension at Gordon Institute of TAFE.

A further \$17.3 million was allocated to construction projects. These included:

- a Wine Industry Training Centre at Bendigo Regional Institute of TAFE
- an Automotive and Building Studies facility and refurbishment of the Hospitality Faculty building at East Gippsland Institute of TAFE
- horticulture redevelopment at Holmesglen Institute of TAFE.

Asset investment

In 2003–04, major capital developments commenced at Chisholm, East Gippsland, Kangan Batman and Northern Melbourne Institutes of TAFE and the Driver Education Centre of Australia. Major TAFE refurbishment works were undertaken on buildings at RMIT and the city campus of Gordon Institute of TAFE.

The redevelopment of the Warrnambool campus of South West Institute of TAFE continued during 2003–04. Stage 2 of the redevelopment was completed in 2003–04. The final stage of the project is being developed.

Information and communications technology

The Department is developing an ICT strategy for TAFE institutes. This strategy will set out preferred options to assist institutes to develop ICT infrastructure and better align their needs with Government objectives.

Work involving five TAFE institutes is taking place to improve voice communications through a cooperative project aimed at replacing obsolete telephony equipment. This is a key issue given the need for communication links between campuses in rural and regional Victoria that, in some cases, are located hundreds of kilometres apart.

ADULT COMMUNITY EDUCATION

Community-based adult education organisations provide lifelong learning opportunities for Victorian adults. Characterised by a flexible learning environment, the sector contributes to the educational, social, economic and cultural development of individuals and Victorian communities.

ACE organisations, Learning Towns, adult education institutions, TAFE institutes and private registered training organisations provide adult community education through the following programs:

- adult literacy and numeracy programs (incorporating ESL programs)
- vocational education programs for learners who require specific skills to re-enter the workforce
- employment skills programs, which equip learners with the essential skills required to effectively participate in the workforce
- the VCE and VCAL for adults and young people as a pathway to return to school, education and training or employment
- enrichment programs, which meet personal development and special interests.

The Government funds ACE program delivery through the ACE Board. The VLESC provides funding to TAFE institutes and private registered training organisations for the delivery of further education. Both sources of funding are administered by the Department.

Eligible ACE organisations are not-for-profit organisations that are community-owned and managed by voluntary committees, although many receive additional funding from other sources. They range from small operations such as neighbourhood houses that focus on basic literacy to larger and more complex organisations such as the CAE and AMES. The latter organisations also offer a range of programs up to diploma level qualifications.

Participation

Nearly 13 million student contact hours across almost 447,000 module enrolments were delivered in ACE organisations and adult education institutions in 2003. This included programs funded by the Commonwealth Department of Immigration and Multicultural and Indigenous Affairs and delivered by AMES. The Victorian Government funded over 7.1 million student contact hours.

Participants ranged from young adults to older people and were drawn from educationally, culturally and linguistically diverse backgrounds. More women than men participated.

All reported participation is for the 2003 calendar year unless otherwise indicated.

Future directions for adult community education

In early 2003, the Minister for Education and Training requested the development of a Ministerial Statement on adult community education. Subsequently, *Future Directions for Adult Community Education in Victoria* was released in June 2004. The statement builds on previous achievements and has received strong support across the ACE sector. The broad themes of the statement are as follows.

- Broaden the role of adult and community education through the introduction of community learning partnerships. These partnerships will help local communities to harness community resources and groups to identify and meet the learning needs of communities and individuals. They will build social capital through participation and a community-based approach to social learning.
- Recognise groups of learners that are under-represented in community-based adult education organisations. In addition to funding the delivery of education and training to people with low levels of educational attainment, specific initiatives will be implemented to identify learning opportunities for Koories, people from culturally and linguistically diverse backgrounds, people with disabilities and men aged 45 and over who need retraining to find work. Capital funding of \$1 million was provided to increase the access of adult learners in remote Victoria and urban growth corridors.
- Enhance the sustainability of adult and community education provision by offering support to community-based adult education organisations that will enhance their business, management, governance, workforce and volunteer practices. To this end, additional funding of \$1.2 million over three years to increase the average student contact hour price, and up to an additional \$1 million for payment of fee concession reimbursements to eligible ACE organisations was provided. Reporting and accountability requirements for ACE providers will also be simplified. The Ministerial Statement identifies the need to enhance the roles and responsibilities of the governance arrangements that support and facilitate the delivery of community-based adult education and training at the regional level.
- Invest in adult and community education through a range of measures designed to strengthen the capacity for financial and business planning and to develop

opportunities to attract additional funding. These measures include the introduction of three-year funding agreements and using community learning partnerships to leverage additional funding and in-kind support from partner organisations. A performance measurement framework will be introduced to enable organisations to measure more effectively the broad impact of adult education on a community.

Learning communities

The ACE sector supports the Government's vision – *Growing Victoria Together* – by promoting the value of lifelong learning. In 2003–04, \$3.7 million was allocated to ACE Clusters and Learning Towns.

ACE Clusters

The ACE Cluster program supports ACE organisations by improving the quality of their infrastructure and teaching and learning activities. In 2003, 75 Clusters were formed and several new members were inducted into existing Clusters.

Learning Towns

Learning Towns establish partnerships with community groups, ACE organisations, industry, local government and TAFE institutes and other educational institutions. These partnerships develop local learning solutions to community-identified concerns.

The Learning Towns initiative was announced in the Government's Pathways and Standards policy in 1999. Funded by the ACFE Board, Learning Towns have been established in ten areas of rural and regional Victoria: Albury/Wodonga, Ballarat, Bendigo, Geelong, Horsham, Kyabram, Mt Evelyn, Wangaratta/Benalla and the Learning Towns within the Shires of Buloke and Southern Gippsland.

The Performance Measures Framework, implemented in all Learning Towns in 2003–04, will enable the collection of qualitative and quantitative data to evaluate the contribution made by Learning Towns to their communities.

Community Building Hubs

The Community Support Fund is providing \$1.9 million between June 2003 and May 2005 to establish Community Building Hubs in local community-based organisations, providing training, mentoring and support on issues related to their governance and management. Thirty-five hubs have been established and further organisations are undergoing induction to become community hubs.

Connected ACE

In 2003–04, new networks and upgraded ICT equipment were installed in more than 160 ACE organisations. The ACFE Board and the Commonwealth Government jointly funded the work through the Connected ACE project, part of the Networking the Nation initiative. In October 2003, the ACFE Board launched a kit to assist more than 100 organisations with the management of the equipment and to mark the closure of the project.

LearnScope

LearnScope projects endeavour to increase the knowledge and skills of ACE staff in the areas of e-learning and new flexible learning technologies. Ten projects were delivered by ACE organisations across Victoria in 2003.

ACE infrastructure

A number of renovation, extension and refurbishment projects to improve the building infrastructure available to ACE organisations were completed in 2003–04. The Government committed \$9 million through the Community Support Fund over a three-year period from 2001 to 2003. Additional funding of \$16 million was raised by local communities. A large number of these projects were carried out in rural and remote areas of Victoria.

Curriculum maintenance

Curriculum Maintenance Managers (CMMs) provide advice on national training packages and state vocational education and training products. CMMs are responsible for developing Victorian Purchasing Guides to facilitate the implementation of national training packages and for providing advice to registered training organisations to support delivery of the national product.

A review of the role and function of CMMs was concluded in August 2003. The review focused on maximising the efficiency and effectiveness of the CMM operations and their provision of advice to vocational education and training stakeholders. It was agreed that the CMM function, in addition to the clearinghouse function, will be undertaken by Service Industries CMM located at Victoria University of Technology from 1 July 2004.

Young people in ACE

Over 8700 students aged 15–19 were enrolled in ACE in 2003. This represents a decrease of 3 per cent from the previous year. However,

on average, there was a rise in the number of hours delivered to each student, with 1.4 million student contact hours being delivered, an increase of 3.5 per cent on 2002.

Youth Pathways program

The Youth Pathways program is a transition program intended to re-engage early school leavers in the learning process. The program supports the delivery of basic educational qualifications to young people aged 15–19 years who have not completed Year 12. In 2003, two adult education institutions, over 30 community-based adult education organisations and more than 1100 young learners were involved in the program.

The ACFE Board funded CREATE to undertake the Youth in ACE Victorian Network initiative. This project complements the program through its focus on improving statewide programs and services to young people, the development of cooperative links between government, schools and business and the development of a youth community of practice for practitioners.

VCE in ACE

In 2003, the ACFE Board funded research on the delivery of the VCE to young people through ACE and the level of professional support and development provided.

The research showed that the demand for adult VCE has increased since 2002 in a number of ACE organisations and the CAE. The report has informed an initiative to support the development of the VCE in ACE through the CAE. This helps to give effect to a commitment in the Ministerial Statement on ACE to make the CAE a centre of excellence in VCE for adults. In 2003, the VCE was provided to 1261 people in ACE.

VCAL in ACE

Four providers across three regions commenced delivery of the VCAL in 2003, with 81 students studying VCAL in ACE.

An additional five organisations with registered training status began planning for the commencement of VCAL delivery in 2004. These organisations were AMES Melbourne, Djerriwarrh Employment & Education Services, Kyabram Community & Learning Centre, SkillsPlus Peninsula Incorporated and Upper Yarra Community House Learning Centre. In total, seven ACE organisations across six regions, as well as the CAE and AMES in Melbourne, are approved VCAL providers.

ACE and Schools Partnership Delivery program

In 2003–04, the Minister for Education and Training endorsed guidelines and funding arrangements for the ACE and Schools Partnership Delivery program. In exceptional circumstances, the program enables students under 15 years of age to participate in adult and community education in order to maintain an engagement in learning. An evaluation of the program undertaken by RMIT University in 2003 noted good records of module completions and effective program integration.

HIGHER EDUCATION

There are eight public universities, one private university (Melbourne University Private) and two campuses of the Australian Catholic University operating in Victoria. Some are multi-campus, with campuses located in both metropolitan and regional areas. Others are dual-sector institutions with large TAFE divisions.

The Commonwealth Government funds Victoria's public universities. The State Government, through legislation and the Minister's requirements, approves the establishment of universities and ensures their accountability. It also ensures that institutions are equipped to meet Victoria's diverse educational, economic, social and cultural needs.

In addition to its regulatory role, the State Government provides some targeted funding and engages in strategic partnerships with universities to encourage the provision of high-quality teaching, innovation and research infrastructure across the State. This includes ensuring that, while universities increasingly operate in international markets and global networks, they also remain relevant to their local communities.

Ministerial Statement on higher education

The Ministerial Statement *Future Directions for Victorian Higher Education*, released in October 2002, sets out the Government's strategies for positioning universities to meet the changing knowledge and skills demands of the community and industry.

The Ministerial Higher Education Roundtable, which promotes the Government's strategic engagement with universities, commissioned two investigations into access to higher education by Victorians living in outer urban

and regional centres. The response to the review was a strengthening of the Government's commitment to represent the interests of higher education providers at the national level.

An inter-departmental Higher Education Coordination Committee has also been established to improve coordination of government activity in the higher education sector.

Liaison with the Commonwealth

When liaising with the Commonwealth, the Department represents and promotes the interests of Victorian universities and other higher education providers. The Department responded strongly to emerging Commonwealth policies on higher education incorporated in the 2004 Federal Budget.

New partnership arrangements continue to be sought with the Commonwealth, including consultative planning related to the range and location of programs offered and allocated university place numbers. The Victorian Government has encouraged the Commonwealth to acknowledge the specific needs of regional and rural university campuses and, appropriately, increase the allocation of funded Victorian university places in accordance with the State's need.

Regulation

The Department's role in higher education includes developing and implementing legislation for Victorian universities. The Department monitors the governance and compliance of each university and coordinates the preparation and tabling of each university's annual report in the Victorian Parliament.

Accreditation

Publicly funded universities offer most of the higher education programs in Victoria. However, private providers can be authorised to conduct programs accredited under the *Tertiary Education Act 1993*. Private providers of higher education courses require accreditation of their courses to ensure standards are comparable with those of public universities. Approval is subject to a rigorous review conducted by expert panels that make recommendations to the Minister for Education and Training through the Higher Education Advisory Committee.

In 2003:

- four new private providers, including two TAFE institutes, were authorised to deliver higher education courses and had five courses accredited
- eight established private providers were reaccredited and reauthorised to deliver higher education courses
- six interstate universities were endorsed to offer higher education courses in Victoria
- 42 private providers were approved to operate in Victoria
- ten new private provider courses were endorsed for delivery to overseas students
- 394 new public university courses and 2709 amended public university courses were endorsed for registration on the Commonwealth Register of Institutions and Courses for Overseas Students.

Access and participation

The Government supports clear targets to increase the participation of under-represented groups and seeks to maximise opportunities for access to universities. Clearer pathways between higher education and TAFE sectors do provide further means of access. Regional and outer-urban higher education working parties have undertaken two reviews, both of which will provide valuable support to the development of strategies to maximise provision in under-represented areas.

The total undergraduate student enrolments in the eight Victorian public universities, including domestic fee-paying and international students, increased from 165,221 in 2002 to 167,907 in 2003. Postgraduate enrolments increased from 63,340 in 2002 to 68,915 in 2003.

International students

Victoria continues to attract an increasing number of overseas students. In 2003, 60,497 international students were enrolled in Victorian universities, an increase of 13.6 per cent from the previous year. International students now make up over 25.6 per cent of the student population in universities. Victoria was home to 28.8 per cent of the total number of 210,397 international students studying in Australia in 2003.

University governance

The responsibility for ensuring the effective governance of public universities rests with the State Government. Government reforms, arising from the Review of University Governance in 2002, have been implemented to strengthen the accountability framework and firmly place the responsibility for the commercial activities of universities with university councils. These reforms enable Victorian universities to better position themselves to take the greatest advantage of future commercial opportunities, while maintaining a high level of public accountability.

The Victorian Government continues to lead the way nationally in university governance. The Commonwealth National Governance Protocols for Higher Education Providers are largely based on the outcomes of the Victorian review. The Review of University Governance resulted in a number of decisions requiring legislative change and others requiring improved reporting requirements by universities. An assessment of the outcomes of the Government's decisions showed that all decisions had been implemented or are being implemented. The assessment was undertaken by the Department and informed by an external evaluation of the impact of the Review. The Minister for Education and Training has stipulated that each university, in its annual report to Parliament, addresses all of the review decisions that require public reporting.