

Post-compulsory education and training

Post-compulsory education and training provides for the education and training of students from 15 years of age. The successful provision of post-compulsory education and training is important in improving transition to further education, training or employment for young people. It is also important in ensuring that people have access to opportunities to update their skills throughout their lives.

Successful provision involves making available a set of varied pathways and programs, coupled with effective support for their completion.

Overview

The Department supports and manages the provision of senior secondary education, training and further education and adult community education, and provides higher education accreditation and monitoring services.

Department programs and services are delivered to the Victorian community through a range of organisations:

- 557 government and non-government schools
- 18 TAFE institutes (including four TAFE divisions within universities)
- 1191 registered providers of vocational education and training (registered training organisations)
- close to 400 ACE organisations, including community-based adult education centres and neighbourhood houses
- adult education institutions – Adult Multicultural Education Services (AMES) and the CAE
- 16 industry training advisory bodies.

The education and skills training provided through these organisations includes:

- senior secondary certificates
- courses in basic literacy and numeracy

- basic preparation for work
- entry or certificate-level training, including apprenticeships and traineeships
- advanced vocational training, including training for paraprofessionals.

The Department is also responsible for providing support for young people making the transition from school to further education and training or employment. Initiatives which contribute to supporting young people's transitions include the Managed Individual Pathways (MIPs) program in government schools, the Youth Pathways Program in TAFE institutes and ACE organisations, the On Track initiative and the Local Learning and Employment Networks (LLENs).

The regulation of TAFE institutes, registered training organisations and ACE organisations is managed through three independent statutory authorities: the VLESC, the VQA and the ACFE Board. The VLESC and the ACFE Board in particular have broad advisory, policy, regulatory and management functions. The VLESC, the VQA and the ACFE Board report separately to Parliament. Their annual reports provide additional information relating to training and tertiary education services.

Provision of post-compulsory programs

Senior Secondary Certificates

The Victorian Certificate of Education (VCE), Victorian Certificate of Applied Learning (VCAL) and International Baccalaureate (IB) are senior secondary certificates of education that provide students in Years 11 and 12 in Victoria with pathways to further study and employment.

Highlights

- In 2005, 149,743 students (34,064 of whom were in Year 10 or earlier) were enrolled in at least one unit of the VCE.
- These students were enrolled at 606 providers, including 340 government, 89 Catholic and 128 Independent schools, 38 adult VCE providers and five offshore providers.
- 49,273 students were eligible to complete their VCE in 2005. Of these students, 97 per cent successfully completed their VCE.
- 10,675 students enrolled in the VCAL with 380 providers in 2005, up from 8,125 students and 322 providers in 2004.

The majority of senior school certificates are delivered in the school setting, as part of the later years program, which involves provision of education, training and associated services designed to improve the quality of student learning in Years 10–12 in government and non-government schools.

VCE and VCAL in TAFE institutes and ACE organisations

In addition to schools, some TAFE institutes and ACE organisations deliver the VCE and the VCAL to post-compulsory learners. In 2005, there were 2921 students aged 15–19 years studying a senior secondary certificate with an ACE organisation or TAFE institute, 1591 studying VCE and a further 1330 students participating in a VCAL program.

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.

In 2004, the Ministerial Statement *Future Directions for Adult Community Education in Victoria* identified the CAE as a centre of excellence for the VCE for Adults. Through this arrangement, professional development was provided to VCE teachers in ACE organisations and TAFE institutes. The support needs of VCE students undertaking VCE through distance education were also identified.

A total of 14 ACE organisations, including AMES and the CAE, delivered the VCAL qualification.

Numerous ACE organisations were also engaged in partnership arrangements with schools or other community organisations to deliver parts of the VCAL learning program.

VET in Schools

VET in Schools programs (including School-Based New Apprenticeships and traineeships) comprise nationally recognised VET certificates which can be undertaken by senior secondary students as part of either the VCE or VCAL. VET in Schools programs are designed to expand opportunities and pathways for senior secondary students and improve post-compulsory educational outcomes in line with the Government's goals and targets. They also contribute to addressing industry employment needs in Victoria.

VET in Schools programs are typically delivered through partnerships between schools, industry and training providers, and increasingly provide opportunities for students to participate in workplace learning.

The number of students undertaking VET in Schools in government and non-government schools has increased from 36,231 in 2004 to 37,179 in 2005 (including school-based new apprenticeships). Some of these students undertook more than one VET program. The number of secondary schools, TAFE institutes and ACE providers offering VET in Schools has grown from 539 in 2004 to 561 in 2005.

School-based apprenticeships and traineeships

Apprenticeship and traineeship pathways for senior school students continued to expand. In 2005, there were 4615 certificate enrolments in apprenticeships or traineeships undertaken as part of a program of studies that combined the VCE or VCAL with a nationally accredited training certificate and employment.

Vocational education and training

In 2005, nearly 72,000 young people aged 15–19 years undertook vocational education and training in government-funded programs in TAFE institutes, ACE organisations and private registered training organisations.

These programs provide opportunities for early school leavers to continue in education and improve their career and employment options.

ACE and Schools Partnership Delivery program

Through the ACE and Schools Partnership Delivery program, secondary schools, ACE organisations and the regional Office of School Education enter into a Memorandum of Understanding to allow for a small number of students under 15 years of age to enrol at an ACE organisation to maintain the students' engagement in learning. In 2005–06, a total of 85 Memoranda of Understanding were formalised to allow 106 students to undertake vocational education and training in an ACE organisation while maintaining their relationship with their school.

Support initiatives

Managed Individual Pathways

The MIPs program commenced in 2001 and requires that all students 15 years and over in government schools have current individual pathway plans and associated support as a means to continued education, training or full-time employment.

The MIPs program in schools was reviewed in 2005 to advise the Minister for Education and Training on the alignment of the program to Government policy and initiatives, in particular the *Blueprint for Government Schools*, and make recommendations to improve its operational effectiveness. The report of the Review identifies and documents a good practice framework for MIPs delivery and makes recommendations for enhancing the program through the School Accountability Improvement Framework. The recommendations are currently being implemented through a range of capacity-building programs.

Youth Pathways Program

Students participating in Youth Pathways programs in TAFE institutes or ACE organisations also have a pathways plan.

The Youth Pathways Program provides customised education and support at a TAFE institute or ACE organisation to young people aged 15–19 years who have not completed Year 12. In 2005, there were over 3000 young people participating in the Youth Pathways Program.

Tracking surveys demonstrate that participants who undertook the Youth Pathways Program at a TAFE institute or ACE organisation in 2005 achieved very positive outcomes, with over half of the students continuing in education or training in the following year. Almost one-third secured employment, including 9.16 per cent who successfully obtained a new apprenticeship.

On Track

Each year the *On Track* survey tracks the destination of Year 12 completers and early school leavers from government and non-government schools six months after they leave school.

On Track data publication contributes to better understanding by parents, students and schools of the destinations of young people after their final school year and celebrates the broad range of outcomes that all schools create for students. At the time of survey, assistance and advice is offered to those students not in education, training or full-time employment.

The 2006 *On Track* survey found that, for young people who completed Year 12 at government and non-government schools in 2005, 75.7 per cent of students were in education or training (compared with 76.5 per cent last year). Of those not in education or training, 13 per cent were employed full or part-time, and 3.3 per cent were looking for work (down from 3.8 per cent last year).

Key findings were the increase in the percentage of Year 12 or equivalent completers who were university-enrolled at the time of the survey (46 per cent compared with 43 per cent in 2005) and the high proportion (29.5 per cent) of VCAL students who have continued on to apprenticeships or traineeships.

(Note: June 2006 data. Data in On Track Final Report may differ slightly)

Local Learning and Employment Networks (LLENs)

LLENs bring together organisations and people who can make a difference to young people's post-compulsory education, training and employment outcomes. LLENs establish local collaborative partnerships between schools, TAFE institutes, ACE providers, employers, unions, local government and youth support organisations.

Following an external review of the LLEN initiative in 2005, a detailed framework for the continuation of the initiative has been progressively implemented, and has included a new funding model and strategies for the management and ongoing development of the LLENs. These strategies included the sharing of good practice, stakeholder satisfaction surveys and a continued focus on good governance.

The framework also reiterated the core role of the LLENs in the creation and further development of sustainable relationships, partnerships and brokering initiatives between local education providers, industry and the community. As a result, new contracts were entered into with each of the 31 LLENs for the three-year period 2006–08. The contracts include specific targets and performance measures for each LLEN.

The statewide network of 31 LLENs brokered close to 300 partnerships between schools, TAFE, ACE and other stakeholders including industry and community organisations. These partnerships and related initiatives influenced the education, training and employment outcomes of 24,306 young people at risk of not completing Year 12 or its equivalent, of whom 2,036 had already disengaged from education and training and were not in full-time employment.

Knowledge & Skills for the Innovation Economy

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. The 2005–06 period

marked the fourth year of implementation of the Statement, and the Department continued to focus on specialisation and innovation. During this time, the Government also commissioned an independent inquiry of the VET system to check the progress of reforms.

The Inquiry into Vocational Education and Training applied a consultative and analytical approach to review the performance of the VET sector against six elements including apprenticeships and traineeships, information, quality and VET in Schools.

The inquiry, in conjunction with the Victorian workforce participation strategy and other key pieces of Government and independent research, informed the February 2006 Government Statement *Maintaining the Advantage: Skilled Victorians*.

The Statement builds on the 2002 Ministerial Statement and includes a range of policy reforms and investments targeted at increasing productivity and workforce participation in Victoria's labour force. Implementation of the Statement's initiatives will begin on 1 July 2006 and will form the basis of future activity and reporting over the next four years.

A new approach to financing skill development

A key objective outlined in the 2002 Ministerial Statement is the improvement of the long-term financial sustainability of the VET system, in the context of increased demand for VET programs.

In response to this objective, and following the findings of a project that identified the costs of delivering a range of training programs, the Department trialed a new approach to funding TAFE institutes in 2005 which aimed at ensuring that the funding provided to each institute for delivery of training reflected its share of the cost of training delivery.

In 2006, the VLESC entered new three-year Performance Agreements with TAFE institutes and, as part of these agreements, the new Weighted Program model has formed the basis for funding institutes.

Changes were also made in 2006 to the prices being paid to private registered training organisations on the basis of the Weighted Program model. As a consequence, there has been an increase in the average price of training delivery paid to private training organisations.

Establishing priorities for vocational education and training

In 2005, all Victorian TAFE institutes agreed to targets to re-align training from low-priority industry areas to high-priority industry areas. The targets have been included in the 2006–2008 TAFE Performance Agreements.

In December 2005, the VLESC approved the development of the Targeted Cohorts model to augment the planning framework and address the needs of priority groups in accordance with the Ministerial Statement. The model identifies the proportion of the population which may potentially benefit from undertaking a further education course as a pathway into vocational education and training and employment.

Relative cost of VET course provision

Following a review of the costs of delivering vocational education and training programs in TAFE institutes, the Department consulted with institutes about a new approach to funding based on the relative costs of delivering programs in industry sectors. The Department tested this funding approach in 2005 for implementation through each institute's Performance Agreement in 2006.

Fees and charges for VET students

Following an extensive review process in 2004, a new fees and charges policy for vocational education and training was introduced on 1 January 2005. The policy is designed to increase equity of access for students, improve administration, and enhance the flexibility of the VET system. In January 2006, the Office of Training and Tertiary Education commenced a review of the implementation of the fees and charges policy to assess the impact of the policy's rollout and to ensure that it meets its stated objectives. This review will inform the development of any future policy refinements to ensure that its underpinning goals continue to be met.

Reinvigorating TAFE

Specialist Centres

Nineteen Specialist Centres have been established to deliver specialist training in priority industries and in the technological capabilities needed to drive effective competition in the innovation economy. They work closely with individual enterprises and sectors to identify and deliver specific training that addresses current and emerging technological and business development requirements. Four of these centres were established in 2004–05 in the areas of biotechnology, heritage trades, textiles and e-business. All centres are operating effectively with industry and are engaging industry in the design of specialised training programs in each of their sectors.

Design initiative

The Department has continued to implement initiatives in response to a future directions paper *The State of Design – Future Directions*, which outlines how Victoria will be positioned as an international centre for excellence in applied design. The initiatives completed or currently being undertaken in 2005–06 are:

- design capability professional development for secondary teachers and TAFE teachers and managers – another 500 participants (in addition to the earlier 2500 participants) benefited from this professional development activity in 2005
- implementation of the Certificate IV in Applied Design for Industry in a range of industry sectors, including building and construction, furnishing, aviation, beauty, competitive manufacturing, automotive
- Museum Victoria's delivery of Design Public Engagement programs and preparation of *Freestyle: New Australian Design for Living*
- delivery of the Premier's Design Awards by lab.3000
- delivery of State of Design Festival 2006 by lab.3000
- delivery of the design industry showcasing components of the Commonwealth Games Business Benefits Program – Victorian Industry Showcasing.

Transforming the TAFE workforce

In July 2005, the Minister for Education and Training launched the TAFE Development Centre. The centre is responsible for raising the professional standing and promoting the development of staff in TAFE institutes across Victoria. The centre has been registered as a public company and has undertaken a funding agreement with the Department. In 2005–06, the centre provided funding to TAFE institutes to support the following programs:

- TAFE Industry Skills Scheme \$540,000
- TAFE Teaching and Learning Excellence program \$378,000
- TAFE Leadership Scheme \$144,000
- TAFE Teaching Fellowships \$216,000

In March 2006, Dr Wanda Korndorffer was appointed Chief Executive Officer of the TAFE Development Centre.

The Department continues to invest in the capability development of the VET sector workforce to ensure the design and delivery of programs in identified areas of new and emerging skills needs. Staff development funds, e-learning grants and innovation funds provide opportunities for TAFE providers to target development areas of specific local need.

Degrees in TAFE

A key initiative of the Ministerial Statement was the decision to allow TAFE institutes to apply to the Higher Education Advisory Committee (on behalf of the Minister) to deliver degree qualifications and expand the access of students to higher education qualifications. As at June 2006, four TAFE institutes offered a range of higher education degrees in Associate Degree and Bachelor programs.

Innovation Fund

The Innovation Fund was established to enable TAFE institutes to trial new initiatives in innovation and flexible delivery. In 2005, 43 initiatives to a value of \$6 million were endorsed for implementation across 14 TAFE institutes. A further 42 initiatives to a value of \$3.7 million have been incorporated into TAFE Performance

Agreements for 2006 and include projects to shift training delivery from low- to high-priority areas and develop workforce training for existing workers.

Training and further education

The State Training System

Delivered training

In 2005, TAFE institutes and ACE and private registered training organisations provided approximately 484,000 students with 111.3 million student contact hours of training and further education (excluding non-VET activity). Of this total delivery, government-funded delivery accounted for over 79.9 million of the reported contact hours. Training delivery remained in excess of delivery required by the Victorian system under the Bi-lateral agreement.

In 2005, TAFE institutes delivered 62.8 million government-funded student contact hours, with the remainder delivered by ACE and private registered training organisations.

Training packages and implementation advice

Victoria has continued to develop training package implementation guides for use by training providers. These guides now incorporate advice about pre-apprenticeship arrangements where these have been formally agreed by industry parties. Training packages describe the skills and knowledge needed to obtain a qualification to work effectively in particular industries. In 2005–06, the Department facilitated the development of guides for new and reviewed packages, and has continued to work closely with the Commonwealth Department of Education, Science and Training on initiatives to support national consistency across the implementation of training packages. Advice about national training packages and state vocational education and training products is provided by Curriculum Maintenance Managers, a service funded by the Department.

Apprenticeships and traineeships

As at 30 June 2006, the overall number of apprentices and trainees was 132,785. Of these 100,114 received a government-funded training place. Training places are not funded for existing worker trainees and were not funded for existing worker apprentices during 2005–06.

During 2005–06, 80,917 apprentices and trainees commenced. Of these, 60,200 were eligible for a government-funded training place (an increase of 2.3 per cent compared with 2004–05).

There were 45,411 completions, of which 30,405 were for apprentices and trainees who had been in receipt of a government-funded training place.

Apprenticeship/Traineeship Completion Bonus Scheme

The Apprenticeship/Traineeship Completion Bonus Scheme provides an incentive for employers to encourage apprentices and trainees to complete their training. The incentive payments available to employers were fully implemented during 2004–05.

During the 2005–06 financial year, employers of 13,992 apprentices and trainees qualified for Completion Bonus payments under the scheme. Employers of a further 2369 apprentices and trainees of not-for-profit group training organisations were eligible under the Group Training Employment Support Scheme.

Apprenticeship/Traineeship Training program

The Apprenticeship/Traineeship Training program provides funding for registered training organisations to train apprentices and trainees. The program gives predominantly young people the opportunity to engage in employment while receiving formal training towards a nationally recognised qualification. In 2005, 225 private registered training organisations provided over 25,000 apprenticeship and traineeship training places. In 2006, 223 registered training organisations have been selected to provide over 21,000 places, including Jobs for Young People placements in local government administered by the Department for Victorian Communities.

A further 1000 places are being reserved for integrated school-based new apprentices.

Priority Education and Training program

The Priority Education and Training program funds private registered training organisations to provide training that complements local public provision in industries and regions that have been identified as government priorities. This program is for students that are not apprentices or trainees.

Through this program, 2.07 million student contact hours of training were delivered in 2005 by 84 private registered training organisations, an increase of 5.5 per cent from 2004. In 2006, 91 private registered training organisations have been selected to participate in the program.

Fresh Start

The Fresh Start program was established in 1996 as a response to an increase in reported incidences of violence and harassment against apprentices and trainees in their workplaces.

The objectives of the program are to:

- encourage the reporting of workplace violence and harassment
- take action against employers engaging in these practices
- assist apprentices and trainees subjected to abuse to successfully complete their vocational training, usually through placements with group training organisations.

Regulatory action was taken against 11 employers arising from breaches of training contract obligations.

Administration and Field Services

Apprenticeship Field Officers perform a key role in advising apprentices, trainees and their employers about training issues and resolving issues that arise in the workplace. They also gather information about training delivery by registered training organisations, which is used by delegates of the VQA responsible for monitoring these organisations.

During 2005–06, Apprenticeship Field Officers, and a supporting telephone advisory service, continued to deliver high-quality services.

In partnership with the Commonwealth Department of Education, Science and Training, the Department continued intensive monitoring of registered training organisations and employers recorded high growth in training numbers. Apprenticeship Field Officers had a significant role in the implementation of this monitoring process.

Skill Up

The Skill Up program is a rapid response program to retrain and support workers of all ages who are made redundant because of a major industry downturn or workplace closure, and so improve their employment prospects.

Recipients are funded for an average of 80 hours training and are exempt from normal tuition fees. Training under the program is delivered by public and private providers in metropolitan Melbourne and regional Victoria.

As at June 2006, funding had been approved for 1773 retrenched workers.

Fee-for-service activity

In addition to their government-funded delivery, TAFE institutes and ACE organisations delivered 18.82 million and 1.75 million student contact hours respectively of fee-for-service vocational and further education in 2005. TAFE institutes and ACE organisations delivered a further 6.87 million student contact hours to full fee-paying overseas students. Over 1.7 million student contact hours in personal enrichment programs were delivered to 74,128 students.

Flexible learning

Victoria plays a leadership role in the planning and management of the Australian Flexible Learning Framework, the e-learning strategy for the national VET system. The framework aims to develop the VET system's e-learning capacity and is designed to respond to the changing social, economic and policy environments in which it operates. In 2006,

the framework will make a direct contribution to achievement of the national vocational education and training agenda and the Council of Australian Governments' skills agenda.

The Flexible Learning Advisory Group provides advice to the National Senior Officials Committee on directions and priorities for flexible e-learning and is also responsible for the planning, implementation and accountability of the framework. The Secretariat of the Flexible Learning Advisory Group, which provides both the Secretariat function and framework management services, sits within the Department.

The purpose of the framework is to increase the sustainable uptake of quality e-learning in vocational education and training. It acts as an enabler of the goals of the National Strategy for the VET Sector: Shaping Our Future by driving uptake of information and communication technologies as a means to enhancing system flexibility and client responsiveness.

The framework supports lifelong learning and effective, relevant and accessible vocational learning options for all Victorians. It ensures that Victorian TAFE institute and ACE organisation personnel are in the best position to realise the potential of e-learning.

Under the 2006 framework, Victoria receives national funds of \$2,962,949 to undertake the following initiatives and projects:

- Flexible Learning Advisory Group Secretariat
- Flexible Learning Toolboxes
- e-standards for Training
- Inclusive e-learning
- LearnScope (State/Territory pro-rata allocation)
- Toolbox Champions program
- Program Management (Resources and Innovation)
- Framework Coordination Officer.

Improving learner access

Providers across the State Training System continue to develop practices to provide training and employment opportunities for disadvantaged groups and people living in rural and remote areas.

Indigenous students

Implementation of the Wurreker strategy continued during 2005. Partnerships between stakeholders including the Victorian Aboriginal Education Association Incorporated, 30 local Aboriginal Education Consultative Groups and TAFE institutes provided advice on planning and delivery of training and the provision of appropriate support services. The strategy has resulted in increased enrolments and participation at higher qualification levels. In 2005, 4500 students identifying as Koorie were enrolled in government-funded VET programs and almost 60 per cent of Koorie delivery was at Certificate III level and above.

In 2005, a further \$0.5m of training was available for Koorie training opportunities through the Government's Priority Education and Training program.

Students with disabilities

A disability agenda for the VET sector in Victoria has been developed and implementation commenced in 2005. The disability agenda describes 20 key actions that are designed to:

- increase the effectiveness of what is already in place for people with a disability in the VET sector
- ensure that pathways into and out of VET are accessible to those with a disability
- support the VET sector in meeting legislative, policy and performance obligations.

To facilitate progression of the goals of the disability agenda, an implementation framework has been developed. The majority of key actions articulated in the framework will have been executed by the end of 2006. Two key actions have already been implemented:

- delivery of Acting Responsibly seminars to TAFE institutes and ACE organisations
- distribution of the Disability Action plan funding to TAFE institutes.

The majority of key actions will be implemented by the end of 2006.

The Department has continued to support the Centre of Excellence for Students who are Deaf and Hard of Hearing by funding two projects – one to examine models of employing interpreters and another to examine models of delivery of Auslan and Auslan interpreter training to rural and remote areas using information and communication technology.

The Department also funded Wodonga Institute of TAFE to develop a professional development resource, *In My Shoes*. This resource aims to enhance the training and educational experiences of students with a disability by developing staff communication strategies and enhancing their knowledge of the Disability Standards for Education.

In 2005, a further \$1.06 million was allocated to create further training opportunities for people with disabilities through the Government's Priority Education and Training program.

Women

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

- ongoing implementation of the Government's Leading with Victoria's Women 2004–2007 report
- trialing of MIPs for equity groups to provide individual pathway support into training or employment for students over 45 years and not currently employed, sole parents who have not completed Year 12 or who have been out of the workforce for longer than 12 months, and students from culturally and linguistically diverse backgrounds.

Parents

The Parents Returning to Work program provides grants of up to \$1000 to parents who have been out of the workforce for two or more years and are caring for children aged 12 years and under. In 2005–06, at least 2475 grants were issued to eligible parents to cover course fees, child-care and material costs while parents undertake training.

Governance

Under the *Vocational Education and Training Act 1990*, TAFE institutes are self-governing.

Each of Victoria's TAFE institutes has distinct characteristics that reflect its local community and industry base, size, region and the nature of the courses it offers.

Each year, TAFE institutes enter into Performance Agreements with the VLESC. These Performance Agreements commit them to deliver specific programs, achieve certain targets and comply with system-wide policies.

A full report on the activities of each TAFE institute is contained in its own annual report.

TAFE governance

The TAFE Governance Review identified as a level one priority that a statewide training program be established for members of TAFE institute boards.

In September 2005, the Minister for Education and Training launched a series of five workshops on good governance, each with supporting resources. Representatives from 13 TAFE institutes and two adult education institutes attended the first workshop, *Understanding and Applying Governance in the Public Sector*, which was delivered in four locations across the State.

The second workshop, *Culture and Continuous Improvement in a Board Context*, was delivered in seven workshops at metropolitan and regional locations between March 2006 and May 2006.

Other resources that have been developed and distributed to Board members include:

- *Good Governance in Victoria*: a good practice governance charter with support materials for boards to develop and improve their governance practices
- *Welcome to the Board*: an induction kit for new directors
- *Governance*: a director's duties and liabilities handbook.

An additional resource titled *Participating as an Effective Council Director*, a CD-supported self-paced learning resource, is currently in production and will be distributed to TAFE institutes shortly.

Two other workshops on financial and risk management will be delivered as part of the project.

Quality assurance

The Department works to ensure that vocational education and training in Victoria is delivered to a high standard. This includes registering and monitoring the performance of training organisations in accordance with the Australian Quality Training Framework Standards. In 2005–06, the Department undertook the following functions on behalf of the VQA:

- registering training organisations to deliver nationally recognised training
- approving training organisations to provide courses to overseas students
- ongoing performance monitoring of training organisations
- annual reviews of Victoria's performance and delivery of services in accordance with the Commonwealth–States Agreement.

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

Risk assessment

The Department has developed a risk management strategy as part of its annual audit program that addresses the following key risk areas:

- the 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 2005, 196 registered training organisations were audited for compliance with the Australian Quality Training Framework Standards. In addition, audits took place in:

- 103 organisations in receipt of government funding

- 56 providers of vocational education and training programs to overseas students
- 15 group training organisations
- 15 organisations as part of the national strategic industry audit on the hospitality industry.

Strategic industry audits

Strategic industry audits were introduced to identify compliance and quality issues in specific industry areas or training market sectors in order to provide a basis for 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.

In 2005, a national strategic training audit in the hospitality industry was conducted in collaboration with other States and Territories. Three qualifications were audited: THH21802 Certificate II in Hospitality (Operations), THH22002 Certificate II in Hospitality (Kitchen Operations) and THH31502 Certificate III in Hospitality (Commercial Cookery).

Fifteen registered training organisations operating in Victoria were audited plus a further six Victorian registered training organisations operating in New South Wales by the New South Wales Vocational Education & Training Accreditation Board. Of the 15 Victorian organisations operating in Victoria, there were 10 private providers, three TAFE institutes and two schools.

Of the 15 organisations audited, four were compliant with all of the standards audited, including the two TAFE institutes, one secondary school and one private provider. Ten registered training organisations had a small number of minor non-compliances with the Australian Quality Training Framework Standards and one had major non-compliances. The Department has initiated a range of activities to implement the recommendations of the audit.

Group training organisations

In Victoria, 32 organisations have been approved as meeting the national standards for group training organisations and were included on the National Register of Group Training Organisations. Group training organisations are largely non-profit organisations and recruit and employ people in apprenticeships and traineeships. In 2005–06, nine group training organisations were audited against the national standards.

In 2005–06, the State and Commonwealth governments jointly funded 24 not-for-profit group training organisations through the Joint Group Training program. Payments were made for commencement, progression and completion milestones and increased payments were made to organisations catering for disadvantaged groups, vocations experiencing skills shortages and school-based new apprenticeships.

In November 2003, the then 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.

In Victoria, this target is being achieved under the Group Training – Innovation Fund program introduced in 2004–05. In 2005–06, the Office of Training and Tertiary Education funded projects undertaken by 11 separate group training organisations to target areas of skills shortages.

Capital resources

Asset management

The TAFE asset portfolio is made up of 1055 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 institute building stock is maximised.

Asset investment

In 2005–06, major capital developments commenced at the Gordon and William Angliss TAFE institutes and at Ballarat and Victoria universities. Major works continued at the Kangan Batman Institute of TAFE Automotive Centre of Excellence at Docklands.

State funding allocated to capital infrastructure funding, including the replacement of teaching equipment, enables TAFE institutes to keep pace with new and emerging technology changes. Teaching equipment is aligned to industry standards, which ensures that students are well prepared for the workplace.

In 2005–06, a further seven TAFE institutes received funding to improve voice communications and replace obsolete telephony equipment. The institutes involved are the Box Hill Institute of TAFE, Central Gippsland Institute of TAFE, Chisholm Institute of TAFE, Kangan Batman Institute of TAFE, Holmesglen Institute of TAFE, South West Institute of TAFE and William Angliss Institute of TAFE.

Asset disposal

Assets that have been found surplus to requirements and disposed of include three residential properties in Oswald Street, Dandenong that were formerly occupied by Chisholm Institute of TAFE.

TAFE capital works projects

Completed projects

In 2005–06, the Victorian Government funded the refurbishment of the former Noble Park campus of Chisholm Institute of TAFE for use as a new teaching centre for AMES. This project has been completed.

The following projects were funded by the Australian Government through the Department of Employment, Science and Training and completed in 2005–06:

- the construction of the Wine Training Centre for the Bendigo Regional Institute of TAFE

- the construction of the Business Enterprise Centre at Frankston for Chisholm Institute of TAFE
- the construction of a new Automotive and Building Studies facility and refurbishment of the Hospitality faculty building at Bairnsdale for East Gippsland Institute of TAFE
- the refurbishment of the Moorabbin campus of the Holmesglen Institute of TAFE.

Projects under construction

The following projects were funded by the Victorian Government and were under construction in 2005–06:

- the Automotive Centre of Excellence at Docklands for the Kangan Batman Institute of TAFE
- the Building and Construction Training Centre for the University of Ballarat
- the extension to the Building and Construction Centre at the East Geelong campus of the Gordon Institute of TAFE.

The following projects were funded by the Australian Government through the Department of Employment, Science and Training and were being undertaken in 2005–06:

- the replacement of the Cleeland Street buildings at the Dandenong campus of the Chisholm Institute of TAFE
- horticulture redevelopment at the Waverley campus of Holmesglen Institute of TAFE
- establishment of the Culinary Academy at William Angliss Institute of TAFE
- the consolidation of engineering and IT programs at the Sunshine and Footscray campuses of Victoria University
- establishment of the Centre for Integrated Engineering and Science at the Dandenong campus of Chisholm Institute of TAFE.

National policy and funding arrangements

ANTA was an Australian Government statutory authority established in 1992 to provide a national focus for vocational education and training. In October 2004, the Prime Minister announced

that ANTA would be abolished from 1 July 2005 and the responsibilities and functions of ANTA transferred to the Commonwealth Department of Education, Science and Training. A new Ministerial council on vocational education, the Ministerial Council for Vocational and Technical Education, has been formed to lead the new national training system.

Inter-governmental agreements

The ANTA Agreement reinforced the commitment of all Australian governments to a strong, national, industry-led VET system and established funding, planning, reporting and accountability arrangements.

As part of the reforms to the national VET system, a new inter-governmental agreement for vocational education and training has been developed. The Commonwealth–State Agreement for Skilling Australia's Workforce 2005–08 replaced the ANTA Agreement in September 2005.

National VET strategy 2004–10

Under ANTA legislation, the ANTA Board was required to develop a national strategic plan for the VET system within the framework of national goals, objectives and priorities established by the ANTA Ministerial Council. The national strategy, *Shaping our Future*, was to apply until 2010. Under proposed Commonwealth legislation and a new inter-governmental agreement, the strategy will be reviewed by the new Ministerial Council to determine the content of a national strategy under the new national training arrangements.

Adult community education

ACE organisations provide access to 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 including AMES and the CAE provide adult community education through the following programs:

- adult literacy and numeracy programs (incorporating ESL)
- 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 as a pathway to returning to school, education and training or employment
- enrichment programs, which meet personal development and special interests.

The Government funds ACFE program delivery through the ACFE Board. This funding is administered by the Department. Enrichment programs are funded on a fee-for-service basis.

Participation

Over 12.9 million student contact hours across 454,716 module enrolments were delivered in ACE organisations and adult education institutions in 2005. Nearly 7 million student contact hours were funded by the Victorian Government. Program funding was also received from the Commonwealth Department of Immigration and Multicultural and Indigenous Affairs and delivered by AMES.

Participants ranged in age from early school leavers and were from diverse educational, cultural and linguistic backgrounds. More women than men participated.

In 2005, nearly 9400 students aged 15–19 were enrolled in ACE, representing a 2.3 per cent increase on the previous year. On average, there was an increase in the number of hours delivered to each student. In 2005, nearly 1.8 million contact hours were delivered, an increase of 10 per cent on the total training hours delivered in 2004.

All reported participation is for the 2005 calendar year unless otherwise indicated.

Ministerial Statement on adult community education

Following the launch of the Ministerial Statement *Future Directions in Adult Community Education in Victoria* in June 2004, the Department has worked to support the ACFE Board in implementing the

initiatives in the Statement. The three-year policy framework identified strategies in four key priority areas:

- broadening the role of adult community education
- recognising specific groups of learners
- enhancing the sustainability of ACE provision
- investing in adult community education.

Broadening the role of adult community education

Community Learning Partnerships

A further 28 Community Learning Partnership projects were funded across Victoria in 2005–06.

The projects aim to achieve outcomes for learners and communities around local issues through a collaborative approach by a range of stakeholders comprising state and local government, community, business and industry organisations. These relationships will strengthen communities, build social capital and enhance the sustainability of communities.

Measuring Impact

Measuring Impact is an evidence-based evaluation tool that measures project outcomes for learners and communities. In accordance with the Ministerial Statement, the tool is being used to monitor the impact of Community Learning Partnerships and Learning Towns.

Research

In 2005, as part of the *Putting ACE Research to Work – the ACE Research Strategy for 2005–07*, the Board established three statewide Circles of Professional Research Practice. Their purpose is to maximise the practical benefit of high-level research for ACE organisations and support the implementation of the Ministerial Statement at a regional and local level. The Circles are led by professional researchers, coordinated by ACE organisations and made up of interested ACE organisations and practitioners. They disseminate the findings of the most recent research projects funded by the Board in the practical setting:

- The ACE Experience: Pedagogies for Life and Employment (Victoria University)

- Men’s Learning through ACE and Community Involvement in Small Rural Towns (University of Ballarat)
- The ACE Longitudinal Study (University of Melbourne).

Recognising specific groups of learners

Disability

To further support the ACFE Board strategy to address the participation needs of people with a disability in adult community education, two key initiatives were funded in 2005–06.

The first initiative, the ACE Disability Network led by Yooralla – Community Living and Learning Service, was funded to undertake the following activities:

- mapping specific disability resources and services in adult community education and linking providers to these
- identifying, promoting and developing partnerships to support disability programs and services in adult community education
- providing professional development to support ACE best practice for learners with a disability in adult community education
- promoting and facilitating shared access by ACE providers to the range of available disability services and resources within communities.

The second initiative focused on the Disability Discrimination Act Education Standards introduced by the Commonwealth in August 2005. Information seminars were conducted across the state for ACFE Regional Councils, ACE organisations and adult education institutions to ensure knowledge of the requirements of the Act. Seminars were well attended by participants and ACE organisations received assistance in developing Disability Action plans.

Wurreker

Wurreker is the central strategy for Koorie vocational education and training in Victoria. Wurreker is a partnership between the Koorie community and the vocational education and training sector. The strategy supports innovative partnerships and pathways that lead to positive training and employment outcomes for Koories.

All Regional Councils and the CAE have developed 2006 Wurreker implementation plans to include participation in Wurreker regional planning forums and advisory committees.

Youth

The ACFE Youth Strategy, Young Learners in ACE, aims to improve the learning outcomes of 15–19-year-olds. Implementation of the strategy has included the development of a framework for more effective planning, delivery and management of programs for young learners undertaking Year 12 or equivalent, or learning programs leading to Year 12 or equivalent.

Post-compulsory learning pathways and employment options have been broadened through the development of regional youth networks and cross-sector partnerships.

ACFE Board partnership projects have included the Catholic Education Commission of Victoria pilot program for literacy and numeracy support to Catholic secondary school students undertaking the VCAL and the Department of Justice pilot for early intervention in gambling awareness for participants in the Youth Pathways program.

Culturally and Linguistically Diverse Learners in ACE

The statewide project Promoting Pathways to Employment for Culturally and Linguistically Diverse Learners in ACE was led by AMES on behalf of the ACFE Board in 2005–06.

The project sought to improve the opportunities available to learners and consequently their outcomes in employment, particularly in relation to increasing the capacity of ACE providers to support Culturally and Linguistically Diverse Learners to articulate and pursue employment goals.

ICT for Access

Investment from the Increasing Access to ACE initiative and an expansion of the Mobile Computer Learning Library program has provided 434 laptops and 300 data show projectors to the ACE sector. This investment will improve access to flexible learning technologies for students located in rural and remote Victoria and in Melbourne's growth corridors.

University of the Third Age

In line with the directions outlined in the Ministerial Statement for ACE, *Future Directions for ACE in Victoria*, the ACFE Board initiated the establishment of resourcing arrangements to better meet the needs of University of the Third Age (U3A) groups and participants. Accordingly, for the 2006 calendar year, the ACFE Board entered into a Performance and Funding Agreement with the U3A Network Inc. which included the provision of resources to support the delivery of programs for individual U3A organisations.

Other learner groups

Programs available across the ACE sector that also target specific groups of learners include training for offenders on community-based work orders and the ACE and Schools Partnership Delivery program.

Enhancing the sustainability of ACE provision

Building sustainable community businesses

The Building Sustainable Community Businesses project delivered 18 workshops to 70 ACE organisations and trialed the application of the Building Sustainable Community Businesses: A Strategy for Success framework, case studies and self-assessment and support tools. The framework provides direction and information in four key sustainability building areas: value proposition, organisational capacity, collaborative arrangements and developing a revenue base.

The framework has been published for distribution and use across the ACE sector. In addition, a communication strategy was developed to demonstrate the links between the Sustainability of ACE Provision initiatives.

ACE Business Models

This project builds on the ACE Models for Working with Industry project conducted in 2004–05. Four workshops were delivered to 54 ACE organisations. Key elements of sustainable Business Models through applied learning were explored and implemented within organisations.

The project also developed and documented four ACE Business Models and a range of fee-for-service strategies which can be utilised across the diversity of ACE organisations.

Reframing the Future program

The Reframing the Future program is a national staff development and change management program funded by the Department of Education, Science and Training. It provides a professional learning framework for educational change, staff learning and organisational capacity building in vocational education and training.

The ACE sector in Victoria has had a growing and beneficial involvement in this program over recent years. In 2006, five projects from the ACE sector in Victoria received a total of \$75,000 in national funding.

Curriculum strategy

In February 2005, the Board endorsed the Curriculum Strategy for Adult, Community and Further Education. This strategy is designed to provide curriculum arrangements that assist the Board, its partners and stakeholders in meeting the goals of the Ministerial Statement. It provides an integrated approach to accredited and non-accredited program delivery in the ACE sector.

Victoria University, in its role as General Studies and Further Education Curriculum Maintenance Manager, advises the ACFE Board on further education matters. A streamlined and strategic framework of further education qualifications is emerging that promotes pathways and options for the full range of potential learners with a clear focus on learner outcomes.

A-Frame: a framework for non-accredited learning

The A-Frame provides user-friendly curriculum development and delivery advice to course developers, managers of ACE organisations and trainers/tutors for non-accredited delivery. This new resource will contribute to higher and more consistent quality standards in non-accredited delivery, improved pathways for learners to enable them to easily articulate from non-accredited to accredited learning and better recognition of the value of non-accredited learning by other education and training sectors.

LearnScope

In 2005, professional development opportunities supported by ACE LearnScope consisted of statewide start-up workshops for ACE staff and 10 funded projects that assisted ACE organisations to improve their understanding of e-learning and flexible delivery online.

Investing in ACE

Redistribution and greater equity

In 2006, the ACFE Board implemented new allocation arrangements developed in consultation with ACE organisations and Regional Councils. The new arrangements align resource allocation with the directions of the Ministerial Statement.

Revised arrangements include the introduction of three-year funding and service agreements that provide predictability of funding for ACE organisations, revised planning processes that inform funding allocation, and statewide targeted delivery of student contact hours to address unmet, new and emerging learner needs.

Increasing access through information and communications technology

To improve access to ICT, funding for laptop computers and data projectors has been provided to ACE organisations located in remote Victoria or in areas of significant population growth in Melbourne.

Fees and concessions reimbursement

\$2.2 million was made available to ACE organisations for the reimbursement of fee concessions during 2005–06.

ACE infrastructure

The Government committed funds to support renovations, extensions and refurbishments in community-based adult education organisations. This program is in its final stages, with a further five projects completed in 2005–06. The program has attracted an additional contribution of \$16 million from the community.

Higher education

During 2005–06, there were eight public universities and two campuses of the Australian Catholic University operating in Victoria. Some of these institutions are multi-campus with campuses located in metropolitan and regional areas. There are four dual-sector universities which teach both vocational education and training and higher education courses and offer pathways from higher level VET qualifications to higher education undergraduate degrees. In June 2005, the University of Melbourne Council decided to cease the operations of what had been Victoria's only private university, Melbourne University Private, from 2006. On 28 February 2006, the Minister for Education and Training made an order revoking the approval granted to Melbourne University Private Ltd to operate as a university.

The Commonwealth provides a share of funding for teaching and research in Victoria's public universities. Through legislation and the Minister's requirements, the Victorian Government approves the establishment of universities and ensures their accountability.

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

Higher education policy and research

In 2005–06, Victoria contributed to national debates about the future direction of higher education. Research has been undertaken to support effective university management and accountability, develop stronger regional institutions, improve student articulation opportunities and encourage debate about the future shape, resourcing and direction of Australian higher education.

The Department released a report into the social and economic impact of Victoria's universities. *Higher Education in Victoria: Opportunities for 2005 and Beyond* outlines the size and shape of the Victorian higher education sector and the direct impact it has on the State's economy and communities.

In order to promote community engagement, the Department commissioned a major study on the links between Victorian universities and their communities. *Beyond Rhetoric: University–Community Engagement in Victoria* provided an account of how Victoria's universities engage with their respective communities and articulated a pathway to further strengthen such interactions. The report was launched by the Minister for Education and Training at a conference in July 2005.

In November 2005, MCEETYA adopted a set of good practice principles, which will be used as a basis for consultation with the higher education and VET sectors about the information they provide on credit transfer and articulation. MCEETYA has also undertaken a national study of the current practices in credit transfer and articulation between vocational education and training and higher education, mapped against the good practice principles. The study will identify gaps in practice and make recommendations for improving articulation between the sectors. Early stages of the research suggest that there are promising opportunities for further work in this area for Victoria's four dual-sector institutions.

Consultation with the sector has occurred on an ongoing basis and at special events such as the 2005 Victorian Higher Education Symposium. The symposium brought the sector together with the Minister for Education and Training to discuss issues of significance for the regulation of higher education providers.

The Ministerial Higher Education Round Table, which promotes the Government's strategic engagement with universities, has continued to meet in 2005–06. In April 2006, the Minister for Education and Training met with the Commonwealth Minister for Education, Science and Training and Victoria's Vice-Chancellors to discuss policy issues affecting the sector.

Participation and access

Preliminary data for the first half of 2005 indicates that the number of undergraduate students in Victorian public universities was 156,137. Postgraduate enrolments were 60,341 in 2005. The figures for 2004 and 2005 are not directly comparable due to a change in statistical methodology and coverage.

The Government supports clear targets to increase the participation of under-represented groups and seeks to maximise opportunities for access to universities.

Liaison with the Commonwealth

The Department is committed to representing and promoting the interests of Victorian universities and other higher education providers at the national level. The Victorian Government continues to lobby the Commonwealth to fund an adequate number of higher education places in Victoria in accordance with the State's need, particularly in regional areas.

The Department has sought new partnership arrangements with the Commonwealth, including consultative planning related to the range and location of programs offered, and allocated university place numbers. These arrangements have been agreed for the allocation of places for 2007.

International students

Victoria continues to attract a large number of overseas students. In 2004, 46,591 international students were enrolled in Victorian universities, which is similar to the enrolment level in 2003. One in five students studying in a Victorian university is an international student.

Of the 164,535 international students in higher education in Australia in 2004, 28.3 per cent were studying in Victoria.

In addition, Victoria is a leader in the provision of offshore education and training. In 2004, a further 20,238 students were studying offshore programs delivered by Victorian universities in their home countries. Data on international students enrolled

in Victorian universities in 2005 had not been released from the Department of Education, Science and Training at the time of preparation of this report.

Regulation

The Department's role in higher education includes developing and implementing legislation for Victorian universities and other higher education providers. On 1 January 2007 the Victorian Registration and Qualifications Authority (VRQA) will assume the responsibility of regulating schools, vocational education and training and higher education. This will include the regulatory functions carried out under the *Tertiary Education Act 1993*. Various related national regulatory agreements and university Acts will still apply.

Major reviews of two key national regulatory documents on behalf of the Joint Committee on Higher Education were undertaken in 2005–06. Victoria is managing a consultancy to develop a revised set of National Protocols for Higher Education Approval Processes (the National Protocols). The National Protocols assure students and the community that higher education institutions are subject to appropriate government regulation. A review of the National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students, which ensures that higher education institutions meet set criteria and adhere to appropriate regulation, is also underway. Final decisions on the new arrangements will be made in 2006–07.

Accreditation

Publicly funded universities offer the majority of higher education programs in Victoria. Private providers also deliver higher education courses and require accreditation 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.

Private providers are authorised to conduct their programs under the *Tertiary Education Act 1993*. This legislation will be replaced by the *Education and Training Reform Act 2006* when that Act is proclaimed.

In 2005, there were 53 private providers authorised to offer 290 higher education programs in Victoria. During the year there were:

- five new providers approved to offer 22 new programs
- seven established providers approved to offer 14 new programs
- four established private providers re-approved to deliver eight existing programs.

In addition, six interstate universities were endorsed to deliver 77 courses to overseas students in Victoria and four TAFE institutes approved to offer 20 higher education programs.

University governance

Accountability for ensuring the effective governance of public universities rests with the State Government, which is responsible for university-establishing Acts.

The Department coordinates the preparation and tabling of each university's annual report in the Victorian Parliament. The annual reports for 2005 reflect a sector in good financial health, with the net worth of Victorian public universities increasing by 4.5 per cent to just over \$8 billion.

As part of its work monitoring the governance and compliance of each university in 2005–06, the Department held a seminar, *Audit and Risk Management – Building a Culture of Good Governance in Victorian Universities*, and undertook a review of the university council appointments process. Nine appointments to university councils were made in the annual report period.

In order to enable Victorian universities to comply with the new National Governance Protocols and to receive additional funding tied to compliance, the Government enacted the *Higher Education Acts (Amendment) Act 2005*.