

CORRECTED VERSION

EDUCATION AND TRAINING COMMITTEE

Inquiry into impact of the high levels of unmet demand for places in higher education institutions on Victoria

Ballarat – 9 February 2004

Members

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Witnesses

Mr N. Armstrong, Interim Chief Executive Officer; and

Mr D. Keenan, Executive Director, Business Ballarat, City of Ballarat.

The CHAIR — I declare this hearing of the Education and Training Committee open. The Education and Training Committee is an all-party joint investigative committee of the Parliament of Victoria. It is hearing evidence today in relation to its inquiry into the impact of unmet demand for places in higher education institutes of Victoria.

I wish to advise all present at this hearing that all evidence taken by the committee including submissions is subject to parliamentary privilege and is granted immunity from judicial review pursuant to the Constitution Act and the Parliamentary Committees Act.

For the record could each witness state their full name, position and the organisation they are representing. Welcome to the city of Ballarat for our first ever inquiry here for the Education and Training Committee. Perhaps if you would like to start with a statement, talk to your submission and then we will open it up for questions.

Mr ARMSTRONG — My name is Neil Armstrong. I am the interim chief executive officer of the City of Ballarat, and on behalf of the mayor, councillors and officers I bid you a very warm welcome to this most historical regional city. I, like you, am a visitor and was appointed as interim chief executive over the next three to four months while the city works through the process of appointing a new chief executive.

The City of Ballarat and its surrounding districts have a fine tradition of education achievement over a long period of time. The city and its people deeply value their learning assets and are immensely proud that Ballarat has the only stand-alone regional university. Our executive director of Business Ballarat, David Keenan, will present our views and summarise our priorities. David and his team see first hand the importance of the interface of higher education with this community, the skill sets available to it and its effect on the local economy and society.

It is often remarked that societies are judged by the value they place on educating members of the community. I can assure you from my observations so far that this proud city has very high expectations in this regard.

Thank you for coming to Ballarat. We hope you enjoy your time here and that you have the opportunity to see some of Ballarat's magnificent sites and venues and to meet Ballarat people. Your presence here today is respected and greatly appreciated. I am a great one on making short speeches, and this occasion is going to be no exception, so I will ask David if he would provide an overview of our opinions on your terms of reference. Thank you very much again.

Mr KEENAN — Thank you for allowing the City of Ballarat to make a submission to this parliamentary committee and the inquiry into the unmet demands for higher education.

The submission that I hope members of the committee have gives an overview of where Ballarat is at the moment. I think that is fairly important rather than taking anything in isolation. Ballarat has a population of approximately 86 000 within our municipality. Incorporating the surrounding municipalities probably brings us up to about 120 000-odd people. We have a bigger catchment of 180 000-odd people, but that starts entering the Melbourne catchment which makes lot of our figures redundant.

We are growing at approximately 1.6 per cent per annum, which is great compared to other regions that are still suffering migration out of their regions. We are attracting a lot of people through here at the moment.

Unemployment in Ballarat is at 6.4 per cent. This is about the lowest unemployment rate we have had in the last five years. There is a concern in relation to our unemployment rate, and that is that the labour force for Ballarat is 41 232. This figure has not increased as the unemployment rate has dropped. There are a few things that can be interpreted from this. One of the things that seems to be occurring at the moment is that a lot of people are not advertising for jobs. They believe that if they advertise, the positions will not be filled.

What I have prepared for members of the committee is a simple outline that was put out in November by the City of Ballarat when the third quarter results for unemployment were put forward. I will pass these around. It will show you the unemployment rate dropping at the same time the labour force is dropping and the participation as well. This is a concern for us which indicates that maybe the skill sets that are required within the labour force are not being met at the moment.

Ballarat has some major employers here. We have Masterfoods, IBM, Telstra, Maxitrans, FMP, the health and education sectors; and the University of Ballarat is a major employer as well.

We will have a number of major influences on our local economy in the next few years. A lot of that will be in relation to transport. The fast rail project is obviously going to have an impact. If anyone here can do anything about the Deer Park bypass, that would be welcomed.

We have other factors here in relation to the growing influence of broadband. We presented to a Senate committee last week with Kate Lundy, John Cherry and Tsebin Tchen in relation to broadband capacity here. Employment growth is occurring here. The major sectors of employment are in the retail and manufacturing sectors.

We have high-class secondary schools here at the moment, both in the public and private sectors. There is approximately a five-year waiting list to get into the private sector schools at the moment, and the majority of the boarding facilities are full. In fact St Patrick's recently undertook an extension to its boarding facilities.

We have undertaken a survey to find out where there are shortfalls within the labour market at the moment. We have found that there are shortages in the trades, general, administration positions, medical, accountants, bricklayers, chefs, painters, sales, dental, drivers, hairdressers and mechanical areas.

Mr KOTSIRAS — Is there anyone left?

Mr KEENAN — There are a few, but they are the general areas in which businesses are saying they are experiencing shortfalls.

Mr HALL — David, could you go through those again?

Mr KEENAN — Trades general, admin, medical, accountants, bricklayers, chefs, painters, sales positions, dental nurses, drivers, hairdressers, mechanical. Some of those are obviously in relation to university and vocational training; others are simply unskilled or semiskilled positions that are coming through at the moment as well.

The City of Ballarat will continue to focus on being a major tourist destination. We attract large numbers of tourists each year. We have products such as the recently opened Ex-Prisoners of War Memorial, Sovereign Hill, the lakes and gardens, the Eureka centre and other areas surrounding us such as Hepburn and Daylesford which are doing very well. We also have a focus on the arts and fine arts.

Two things are important in relation to higher education: one, we have a world-class university here in the University of Ballarat; two, there is another university here — the Aquinas campus of the Australian Catholic University which often gets forgotten. Within the area we also have the presence of the University of Melbourne through the Creswick facility where it concentrates on timber and wood products — the school of forestry. People often neglect that.

Ballarat is a university city with a lot of student accommodation. We have a lot of demands from students trying to find part-time employment, and the percentage of students is likely to increase in the near future.

As I put down in our observations, the range and quality of Ballarat's post-compulsory education results and the temporary influx of young adults to the city should be noted. Today in Ballarat it is difficult to find accommodation in the rental market because the universities and the TAFE sector are about to start recruiting people and they are moving to the city at the moment, so the market becomes very heavy. That will dissipate and then come back again in the second semester. It puts a lot of pressure on the city.

We have a high youth unemployment rate, perhaps the highest in the state. A lot of that comes down to the fact that many young people will come here to study. They may decide to defer or discontinue their studies after one or two years, so there is a lot of reliance on the city's infrastructure to try to find employment for them.

For committee members I have attached some of the stats that indicate Ballarat has a high number of residents attending educational institutions. It also indicates we have probably one of the better-qualified labour forces with the number of degrees and postgraduate degrees within the population. The stats supplied to the committee also indicate that the dominant types of qualifications held by Ballarat residents are in engineering, health, management and commerce. They make up 16 per cent, 12 per cent and 11 per cent respectively. It is a fairly high percentage.

As a result of the committee's correspondence, we have spoken to both universities. We also spoke to them with regard to the Victorian government's review of higher education that has been undertaken by another working party at the moment. We made a submission to that as well.

The CHAIR — There was a Senate inquiry?

Mr KEENAN — No, it is the working party for higher education in Victoria, I believe, undertaken by Professor Wilson. I am happy to give the committee information with regard to that. I will give you a copy of the submission.

The University of Ballarat and the City of Ballarat have strong linkages. We work together in economic development, tourism, major events and in research as well. The university is obviously concentrating on the local area through here, but is also now looking to attract international students with its primary targets being India, China and Thailand. These are the same targets put forward by the Catholic university, except it is looking at the Philippines as well.

Roughly 20 000 students are enrolled in higher education and TAFE at the University of Ballarat. As Neil pointed out, it is the only stand-alone regional university in Victoria, and we are proud of that fact in Ballarat. Of course there are talks at the moment of an incorporation with the Bendigo campus of La Trobe University.

The University of Ballarat is well known for its humanities, business, education, human movement, IT and mathematical sciences, nursing, science and engineering, arts academy, business services, human services and manufacturing services schools of excellence. It is also aiming to increase its presence in the region and to service the region.

Again it is worth noting that in comparison we have the ACU, which has 700 students and 70 staff here. From correspondence and communications we have had with that university it is worth noting that the demand for places at the ACU Ballarat campus far outweighs the number of places allocated each year.

Within the submission we have covered the vocational, education and training issues. Some of the anecdotal feedback that comes through is that TAFEs, whether they be in Ballarat or elsewhere, are sometimes a bit behind on some of the needs coming out of the manufacturing sector, and they should be noted. The manufacturing sector is very strong here in Ballarat, making up approximately 20 per cent of businesses. Businesses within that sector are indicating that TAFE may need to further consult with businesses, which is something councils need to do as well.

I refer to some observations from the City of Ballarat. We are fortunate to have two and potentially three universities in Ballarat. The University of Ballarat has been integral to attracting major businesses such as IBM, Rural Ambulance Victoria and the State Revenue Office to Ballarat. Both universities add a huge amount of vitality to the city centre and Ballarat.

Comments have been made by businesses within Ballarat that parts of the courses could be upgraded or modernised to meet the demands of business. That may also refer to the infrastructure offered at the university, especially with regard to manufacturing.

The City of Ballarat would like to see more promotion of schools of excellence. Many different universities concentrate on being known as schools of excellence for certain methods et cetera, where we believe we are a school of excellence in everything at the moment.

The development of higher education courses that would support the sustainability of the city would be welcomed. Ballarat suffers extensive shortfalls in the areas of town planning and urban design — I will say it again, town planning and urban design. There are not enough courses offered in this area. There are not enough people moving into the area. Part of the other agenda that goes across state and local government is planning. At the moment you can experience anything from a four to six-month wait on a planning permit. That does not come down to local government processes; it comes down to not having enough town planners. That is one course we would like to see put forward.

Environmental health is another area, as are sustainable regional development, catchment management and the taboo area of medicine and health-related courses, which we realise no-one can have much influence on.

We agree with the report that was put out — and I think it was highlighted in this weekend's paper — that said if you train people in regional areas, they are likely to stay there. That is especially so in the medical fraternity. We would like to see more of that.

We would also welcome an increase in the number of places allocated to the University of Ballarat as we believe we have the appropriate infrastructure to accommodate additional students, including a relatively low cost of living

for students. We would like to see more international students in Ballarat, and we have encouraged the universities to go down that path.

We also believe that in those areas there are no shortcomings that are the fault of the universities. We would just like to see more concentration on the skill sets that are needed for the City of Ballarat rather than for the universities.

In relation to the committee's terms of reference, the first term of reference was the relationship between unmet demand and high-level skill shortages in the Victorian economy. Prior to coming here I was at Warrnambool for two and a half years. Skill shortages exist in regional areas — full stop! We are trying to address them in the best manner we can at the moment, but there is a lag time between where people can be trained up to meet these skill shortages and when they actually occur. If one was to look at the Wimmera — and maybe someone from the Wimmera will talk about this — it can be seen that there is a shortage of diesel mechanics, and that has been the case for 8 to 10 years.

If you come to Ballarat or Warrnambool, for example, there are shortages of nurses and teachers. This has been occurring for five or 10 years. These are courses that need to be put into regional areas. You will find that people who study in regional areas usually have a request to remain in regional or provincial areas. That is where they probably would like to remain.

As highlighted before, the unmet demand is a clear indicator of a difference between student demand for higher education and the relative opportunity for students to access higher education. We believe it is in specific areas. The skill shortages are there at the moment. Anecdotal evidence suggests there are serious skill shortages in IT and communications. We are also beginning to use regional skilled migration programs to a much higher degree. I received an application through regional skilled migration for a town planner this morning, which we will try and action. We have two others in at the moment through the regional skilled migration program; yet we still have a high level of youth unemployment. I will hark back to that, that we are still sitting at probably the highest in the state, so there is something happening between the two here if we have significant skill shortages.

If you talk about high-level skill shortages, some people will say the skill shortages they have at the moment are in the nonskilled or semiskilled areas. In manufacturing they say the skilled shortages that we lack are people who are prepared to work in nonskilled areas, and they will try and see how they can put them through TAFE after they have attracted them to a position. That is the other one that fits in there.

Does unmet demand have a negative effect on Victorian industry? We believe it probably does. Industry in Ballarat has expressed the view that tertiary and training institutions are often not in touch or do not have the facilities to deal with emerging technology or industry trends. As a result there is a lag factor in relation to training and development of appropriate graduates for industry. The lag factor is further enhanced by the movement of higher education places geographically and the number of places offered. That is fairly uniform from industry at the moment.

Using the local government example again, there has been an identified shortage in town planners across Australia for a number of years — perhaps up to five — yet the number of places or courses offered has remained stable or reduced slightly. Similar examples are nursing et cetera.

A further indirect economic impact of unmet demand on Victorian industry has been the inability of organisations, especially in the public sector, to attract suitable staff, leading to the engagement of consultants. Members of the committee here would be aware that local and state governments get a fair serve for the utilisation of consultants on a consistent basis. Many times local government would prefer to use staff rather than consultants, but there are a high percentage of consultants used in town planning or specialised areas who are used as a result of skill shortages within regional areas.

Unmet demand has shifted the levels of community capacity and potential community building. Specific provincial areas will benefit from the presence of not only tertiary institutions but the courses and specialties offered by these institutions and the individuals that can assist.

We have made a comment on the demand for teaching and nursing places through there. Yes, there is an impact to the insufficient number of HECS places, but I would also say, as a person who has either five or six university qualifications, please do not see HECS as a bonus. In many ways HECS still sits there as a debt. It may be less than what the upfront fee is, but it still sits there as a debt, so they are both forms of payment for higher education, and

given that the average income in Ballarat per household is \$34 150, I think HECS is clicking in well before that, so it is another deterrent at the same time.

We would also say that in relation to nursing places over the next decade the demand for medical services in Ballarat is expected to increase by 28 per cent. Only 8 per cent of this increased demand will be due to population growth. The remainder will be a result of an ageing population and improvements in medical technology. We have a lot in front of us in the medical area. We have two hospitals here — St John of God and the Ballarat Base Hospital. Both are stretched at times, and I know in talking to the chief executive of Ballarat Health Services as part of this consultation, they had issues in trying to attract people in relation to specialist health-care skills and the IT area as well.

It is possible that debate about places for funded or full paying may be overshadowed by the demands of the ageing community and skill shortages in health care. We have made some comments in relation to unmet demand impact demands on the demand for TAFE places. Again we make the comment that there may be opportunities for TAFE to get further in touch with business, but at the same time local government by no means knows everything about business and probably needs to get in touch with business on a more regular basis as well. It is always difficult. I think you are getting a presentation from LLEN after me. One of the big challenges for LLEN has been to engage business. It is difficult. Business is called upon to be involved in VECCI, AIG, with local government, with state government, with everyone else, so it is a fair demand on business.

In the past the City of Ballarat has supported funding policies. We are not going to make a lot of comments in this regard. We have entered into agreements with tertiary institutions to undertake specific funding, to offer scholarships in the past and certainly to support larger scale funding applications made by universities.

As to the need at a national level to improve cooperative arrangements between vocational education and training and higher education sectors, I would have thought cooperation between all parties would have assisted everyone at any point in time, so we would encourage any of that.

The City of Ballarat notes that it is probably one of the few local government authorities making a submission to this parliamentary inquiry. On the list of submissions I did not see a lot of other local government authorities. We are by no means the doyen of expertise here. We are simply saying that we have a city that we would like to see as Victoria's premier provincial city in the near future. We are doing very well at the moment in relation to industry, commerce and the health-care sector. We have enormous demand from the residential and commercial sectors at the moment. We can see that increasing.

The biggest challenge for Ballarat in the future will be to decide whether it remains a provincial centre or becomes a commuter suburb of Melbourne. We already have 4000 people per day travelling to Melbourne for work, and that is without a reasonably fast train, so that is likely to increase in the very near future.

As to conclusions that we have there, we do have skill shortages. There is no way of moving away from that. We would like to see the universities filled to their capacity. That has a kick-on impact into our local economy.

There are a couple of potential actions. Can courses be made shorter? At the moment people are undertaking courses over long periods of time. That would be something that would be beneficial from our point of view. The second one is the needs and aspirations of businesses in both the public and private sectors in relation to future staff need to be assessed. There needs to be an honest assessment undertaken of what the needs for staff for industries are going to be in the near future, and that more places be offered to prospective students, especially in provincial centres and regional areas. We believe we have world-class educational facilities. We believe these facilities could accommodate more students and that courses would in turn support the local economy and build the community.

I have also attached to the submission, just to give you an idea of where we come from, the Ballarat economic development strategy which has been adopted by council, which we see as a guiding document for our future. You will see in there that we try to work in a cooperative manner. Some of the aspirations of the local government are outlined there. If you look at strategy no. 43 — that is, 'increase the relevance of vocational training provided in Ballarat to meet local industry and employment needs' — it is very consistent with the submission we are putting forward at the moment. Also, 'to increase employer participation and develop the culture of the Learning City'.

The City of Ballarat fully supports the Learning City principles and is active on the board. I think you have Rachel Fry appearing later this afternoon. I am not going to say much else. I think most of it is outlined there. I do have an original copy that Neil signed in the end because I could not get the computer to do things properly. I am more than happy to discuss any of the issues that we have put forward.

The CHAIR — Thank you for that. I will open it up for questions. I thank the City of Ballarat for the use of their fantastic facilities. This beautiful heritage council room is a terrific place to hold meetings, and on behalf of the committee I thank you for that also.

Mr KOTSIRAS — Thank you for the presentation. It was very detailed. Earlier you said that TAFEs are one step behind the needs of the community. Why do you think that is so?

Mr KEENAN — The comment comes more out of the business than it does the actual local government authority. The comment from business indicates that sometimes there is a lag factor between TAFE catching up with some of the emerging needs of industry. They also indicate that some of the equipment or facilities that have been utilised by TAFE are not necessarily state of the art that keep up with the actual industry norms et cetera. That is really where the comments are coming from. While people may be getting training in a specific area, what they are really requiring is training to be upgraded into a new area. That is partly the fault of industry and how industry communicates with TAFE and how TAFE communicates with business.

Mr KOTSIRAS — You also said a lot of students discontinue their studies and therefore you have a large youth unemployment rate. Do you know what causes them to discontinue their studies? If the offer was made for them to take up a course at university, do you think they would have the ability to complete the course at university, whether it is town planning, teaching or nursing? If the TER score was dropped to make it easier for them to get in, would they be cope?

Mr KEENAN — I think they would. Each individual would have to be assessed. Let me go back to the youth unemployment issue. Barry Wright from the Local Learning and Employment Networks (LLENs) will talk about this. The youth unemployment issue came to a head about six months ago in Ballarat. We held a youth forum, which the mayor David Vendy auspiced and at which Les Twentyman spoke. We asked industry to come up with 200 jobs for young people. Industry did that. The challenge was to find the young people to go into those jobs. Off the top of my head I believe only 120 or 140 of those jobs have been filled, which means looking at the opportunities for young people. Are they overqualified or underqualified? I suggest they are probably not underqualified because some of the jobs were apprenticeships and traineeships.

With regard to the youth unemployment rate, why do people drop out of courses or decide to defer? Young people tend to defer courses when they get to regional centres or cities, whether it be Melbourne, Ballarat, Bendigo or Shepparton, because they come into a new environment and they may be distracted by the attractions of a larger city and being away from home. That is not uncommon, and people then decide to take a year off, or whatever.

I believe there are probably ways of encouraging young people into courses for which they do not necessarily have the required TER. Courses can be accommodated to bring them up. I suggest that not all young people reach their maximum potential at the ages of 17 to 19 when they are undertaking a VCE course. I didn't. I was told in form 2 to become a fitter and turner. I now have six university qualifications and I am about to finish another masters and take on another graduate diploma.

Mr KOTSIRAS — You would have earned more money as a fitter and turner.

Mr KEENAN — I would have earned a truckload more money as a fitter and turner. The other thing that has to be kept in mind is that young people are not the only people who can go into these courses. We would also argue that a student is someone aged between 17 and 60. Some people in our community could be converted into town planners. Again I go back to the point, perhaps the most daunting them for them is telling them they have to do four to five years.

Mr KOTSIRAS — Do you think the secondary schools in the area are not doing their job in talking to students and telling them what they should be looking at and giving them some advice?

Mr KEENAN — Goodness, Nick, you have five principals coming here this afternoon; I am not going to say terribly much! At the youth forum we found that there is an enormous gap between young people, the workplace and further education. This gap in the past might have been fulfilled by careers teachers, CESs — or youth access centres I think they were called — or other spots. This area tends to have been vacated in the marketplace. For especially disadvantaged areas such as Wendouree West, where there is second and third generational unemployment, there is not the parental guide to tell them what it is like to go into the work force or into further education. In other areas there is a parental guide but it may not be very influential on the young person.

The youth forum indicated that what is really needed is that stepping off point, that interim in between, which may be what the LLENs are doing, or maybe there is another organisation that needs to come in and do this and say, 'This is what it is like to work out at Master Foods; this is what it is like to go to university; this is what it is like to work in a meat processing factory; this is what it is like to work at an IT centre or call centre'. That does not occur at the moment. It is difficult for a young person to work out within six months or less what they are going to be doing for the next three years. There needs to be some way of providing that education, and again it may not necessarily be through the department or anyone else like that; it may be something separate. Out of the youth forum the mayor identified it as the biggest gap existing at the moment.

Mr HALL — Firstly, David, that was an excellent submission. I appreciate the time and effort you put into it. Is the University of Ballarat the main provider of TAFE courses in the city, or the only provider?

Mr KEENAN — It is the only provider of TAFE courses within the city. There is other vocational education provided through the Ballarat Adult and Further Education Centre (Brace) and a few other providers here, but the TAFE here is the University of Ballarat. It is also referred to as the school of mines and industries.

Mr HALL — Your comments were interesting with respect to the high level of youth unemployment, but also that gap in terms of semiskilled and unskilled starts in the work force. Do you put that more down to an attitudinal-type problem rather than opportunity-type problem? Are there other impediments to young kids getting into TAFE courses in the city?

Mr KEENAN — I would argue again it is that interim period where young people need to be redirected into another area and made aware of the sorts of things there. In Ballarat we run a very successful manufacturing week. Twenty per cent of people are employed in manufacturing. During that week schools are taken out and shown some of the facilities. They will go out to FMP or Maxitrans with its trucks and get an idea of what it is like to work in these areas.

Part of the challenge with TAFE, higher education and direct employment is to work out where young people want to go and how they want to get there. Keeping in mind our youth unemployment — statistics, statistics et cetera — we are also a bit of a statistical abnormality in some of the areas that are collected for Ballarat. Our unemployment rate is probably not as high as is actually indicated. Other fluctuating things occur here as well. We take in certain parts of Moorabool in relation to our unemployment rate, and other local government municipalities. Youth unemployment rates are never the most accurate estimates.

Mr HALL — Town planning and urban design was mentioned at the committee's public hearings in Traralgon and also Bendigo. That is a higher education course rather than vocational education. Why is it that none of the universities are looking to expand the training opportunities in the area of planning?

Mr KEENAN — Maybe it is the fault of local government for not communicating enough, but it has been highlighted over and over again. With the substantial growth in the property market over the last four or five years we have also seen a reduction in the number of planners because the private sector is taking many of them. There has also been the increased workload on town planners which means the number of applications they are dealing with from a local government perspective is quite daunting. We have also seen a lot of town planners move interstate where it is not so demanding. Victoria probably has the largest churn of town planners. I have spoken to representatives from the City of Albany in Western Australia. They have no problems with town planners and their churn is virtually zero. In Victoria we seem to have a huge churn. I would like to see also specific courses. Bendigo, through Trevor Budge, I think is doing some of this. It would be good to see town planning courses that concentrate on the urban areas and those that concentrate on the provincial areas, because there are big differences in what you deal with in relation to town planning between the two.

Mr HALL — Have you talked to Ballarat about it?

Mr KEENAN — We have. We have raised it with Ballarat and we have raised it with the Australian Catholic University as well. I think a lot of universities maybe see it as an area that they do not necessarily want to get into for the long term, and to set up the structure and everything else behind it might be difficult. But maybe what is needed is some incentives for those universities to undertake some of these courses as well, or offer them.

Mr HALL — You made a comment in your presentation — did I hear right? — that there is a five-year waiting list to get into private schools in Ballarat?

Mr KEENAN — Correct.

Mr HALL — Catholic schools?

Mr KEENAN — No, across the board. I recently tried to access education for an international family who is investing in Ballarat. They asked me to try and find out some of the educational opportunities for them to get into the private schools, both Catholic and non-denominational — Ballarat Grammar, Clarendon College. Loreto is very difficult to get into, and you are realistically looking at a four-to-five-year waiting list there. The same can be said for Clarendon College and Ballarat Grammar. St Patrick's might be a tad more flexible, but that is reality.

Mr HALL — Is that an impediment to attracting the accountants and the nurses that you need?

Mr KEENAN — Yes, it is an impediment. One of the economic development strategies suggests that we go out and encourage some of these private schools to expand, so they can offer a larger capacity to people moving here as part of the provincial Victoria campaign through the state government, as part of trying to attract more people to regional areas under the federal government, as part of trying to make Ballarat sustainable in the future. We need to make sure that people have access to all facilities, so if we do have someone moving here to IBM, or someone coming up from the State Revenue Office and one of their requirements is that they want to make sure their children can go to a private school, we want to be able to have that capacity. At the same time, I would also say that some of the best results are coming out of the Ballarat public schools as well.

Mr HALL — Do you think Ballarat's growth and economic development is being retarded by skill shortages in this area?

Mr KEENAN — Yes. There are major issues in regard to trying to attract people from across the spectrum, whether it be people at a director level, a general manager level — it is across the board. The issue is trying to attract quality people — to try to attract people — full stop! Keep in mind too that Ballarat offers every new resident \$10 000 worth of incentives when they move to Ballarat. A lot of the industries use that, which is great. That is fine by us. To attract people there, some of the schools, for example, offer discounts on fees. You are aware of the package, I take it?

Mr HALL — No.

Mr KEENAN — Ballarat offers a thing called the My Choice package, which is \$10 000 worth of incentives to all new residents coming to Ballarat — and it includes students — so long as you can demonstrate that you have signed a lease on a house for more than six months or purchased a house or taken on a job, or something like that. Within the package there are discounts and vouchers and free things that allow you to access local businesses. They equate to \$10 000. They may range from a free meal at a hotel to, I think it is, 5 per cent on school fees at St Patrick's, for example, to manufacturers cost from Barry Foss, the Good Guys, so you can go and buy a very cheap microwave. I think it gives you the *Courier* newspaper free for six weeks et cetera. So it all adds up to \$10 000.

Mr HALL — A rate-free period from the city?

Mr KEENAN — Sorry, I missed that.

Mr HALL — A rate-free period?

Mr KEENAN — No, I still missed that! There are some incentives there from the council in relation to child care incentives, if I remember correctly.

If Ballarat is to remain resilient and retain this population growth, yes, it needs to come through.

The CHAIR — I will take up a few questions. Is the population growing in Ballarat? Have you got figures of how much the population has grown?

Mr KEENAN — The current population is 86 000. It has been growing at 1.6 per cent per year for the last four years. Under the Australian Local Government Association state of the regions report that was released two months ago, Ballarat was assessed as being no. 1 in relation to the greatest growth potential in all the regions of Australia. So it is no. 1. I am happy to give you the data that accompanies that. Our population growth is basically growing at about 1500 people per annum. So the maximum population we are looking at here in Ballarat that meets the needs of the water infrastructure and the housing infrastructure is around about 120 000. Keep in mind too that we are not seeing huge population growth in areas like Daylesford. Daylesford as a town, if I remember correctly, is growing by about 100 people per annum, or 80, but Golden Plains, the municipality next door, is expecting or

has double digit growth in the areas of Snake Valley, Scarsdale and Smythesdale. Obviously that will be impacted on by any developments at Pittong.

The CHAIR — I do not think the Ballarat universities have had much growth in numbers — the Ballarat university or the catholic university — is that correct?

Mr KEENAN — They are looking to try and expand. In our discussions with the catholic university, it would like to expand, and I think the University of Ballarat is keen to expand its numbers as well. The numbers of students has grown, as I understand it. In fact it has grown substantially, if I remember correctly.

The CHAIR — Are they HECS funded places?

Mr KEENAN — Yes, I think so, and I know that the Australian Catholic University would look to expand its campus here if it could. That is the feedback it has given to us.

The CHAIR — We will check that from them.

Mr KEENAN — I would also suggest the other demographic bubble that we have at the moment, which will flow through eventually into the universities, is the child care bubble that is going through the store at the moment, which is in the primary schools, that will go up through the secondary schools and into the universities within the next 10 years.

The CHAIR — So you are a bit behind the rest of the Victoria. I think that bubble is starting to go into secondary schools now.

Mr KEENAN — We are probably having a longer bubble than most other places at the moment. The demographic that we are attracting here is the 35 to 42s. They are predominantly coming in and they tend to breed a bit in Ballarat and have on average two to three children, so we are probably a bit above the demographic that is going to other areas at the moment, keeping in mind also that we are probably attracting more people than other areas at the moment as well.

The CHAIR — Fantastic. I was interested in noting that the average wage is \$31 000.

Mr KEENAN — Yes.

The CHAIR — I think we have heard in other places that to send a student from regional Victoria to a university in Melbourne can cost about \$20 000 a year. Do you have any idea of how many are leaving Ballarat to go to Melbourne to study — young people in the first instance?

Mr KEENAN — I have some data downstairs on that which I am happy to provide to the committee.

The CHAIR — That would be useful. Lastly, I was interested in your comments about demand from mature age applicants. Do you have any comments on that? I know statewide that whilst there is an issue for students exiting school to get into university, there are shortages, but there is also a great demand for mature age students to get into university and upgrade their courses. Do you have any information on that?

Mr KEENAN — I am not aware of the impact of mature students. I am aware that there are many people who are prepared to re-enter university to update their skills. The other impact that we have at the moment is the ageing work force in Ballarat, which is a real fear. One of the issues we have — and this is diverting a tiny bit off the topic — is that once the average male retires in Ballarat and has bought the four-wheel-drive, attached the caravan and done two laps of Australia with the wife, he realises that he needs to go back to work because he is not used to not being at work. We are finding that many of these people want to return to work but do not want to jeopardise their superannuation or pensions. They are also probably a little bit behind in their skills. What is required is some sort of update or refresher for these people, but also to look at ways these people can re-enter the work force on a temporary basis without jeopardising their superannuation and pensions. It may be we need to encourage them to become subcontractors or consultants so that they work 8 to 12 hours a week, keep their minds on things and are not at home a lot of the time. That is the sort of feedback we have had. In relation to mature-age students, I have not got the rates on that or the data, but I can give you the data on what you asked for before.

The CHAIR — Thank you for a very thorough submission. Our conversation has been useful. We wish the City of Ballarat well and hope our report will help you meet your skill needs.

Witnesses withdrew.

CORRECTED VERSION

EDUCATION AND TRAINING COMMITTEE

Inquiry into impact of the high levels of unmet demand for places in higher education institutions on Victoria

Ballarat – 9 February 2004

Members

Ms H. E. Buckingham

Mr N. Kotsiras

Ms A. L. Eckstein

Ms J. R. Munt

Mr P. R. Hall

Mr V. J. Perton

Mr S. R. Herbert

Chair: Mr S. R. Herbert

Deputy Chair: Mr N. Kotsiras

Staff

Executive Officer: Ms K. Ellingford

Research Officer: Dr G. Berman

Witnesses

Ms M. Stewart, Chair, Highlands Local Learning and Employment Network;

Mr B Wright, Executive Officer, Highlands Local Learning and Employment Network; and

Mr N. Murray, Executive Officer, Wimmera Southern Mallee Local Learning and Employment Network.

The CHAIR — The committee welcomes representatives from the Highlands and Wimmera Southern Mallee Local Learning and Employment Networks (LLENs). The Education and Training Committee is looking into unmet demand. This is the first time we have been to the Ballarat region so we are looking forward to hearing your evidence today. Will you give your presentation, and then we will open it up to questions?

Mr MURRAY — My name is Nick Murray and I am the executive officer of the Wimmera Southern Mallee Local Learning and Employment Network. I thought I would start by giving the committee a bit of background about where I am from, where we operate and the region in which we operate.

I am from the Wimmera Southern Mallee region, which is in the north-west of Victoria. The region I cover basically comprises 11 per cent of Victoria's geographical area. It covers about 38 500 square kilometres from the Grampians to the South Australian border, and incorporates the city of Horsham, the shires of Yarriambiack, West Wimmera and Hindmarsh. It is a fairly strategic nexus because three highways traverse the area, including the Western Highway from Melbourne to Adelaide and the Portland to Mildura corridors as well. The region has about 36 500 residents and half of those live in the city of Horsham. That in itself creates some issues for us which we are trying to address at the moment. The age profile is reasonably diverse: 40 per cent are aged 45 or over and youth numbers are declining dramatically, so much so that the shires lose over half their youth by the time they turn 19. Around 300 Kooris live in our region; 94 per cent of all residents speak English; the mean household size is about 2.6 people; and the weekly income is about \$350.

We are one of Australia's major food providers. The region produces half of Victoria's grain, 60 per cent of its oil seed and 70 per cent of its pulses, and half that yearly produce is exported to about 20 countries throughout the world, with wool, livestock, olives and viticulture the other main agricultural activities.

Employment through the retail and service sectors adds value to our economy, due in part to the significant natural tourism assets in the area. Health is our third largest employer overall. Manufacturing jobs in the main centres of Horsham, Warracknabeal, Nhill and Dimboola have increased, and that is presumably in line with increased food production operations.

In terms of youth employment, retail provides 50 per cent of that and agriculture 15 per cent. The male and female unemployment is 5.2 and 4 per cent respectively.

We have significant skill shortages in engineering, teaching and allied health, dental, food technology fields, and also the metal, mechanical, general and automotive trades — and they are fairly significant skill shortages.

When we are addressing the issue of demand it is probably pertinent to say that the only form of higher education we have in the Wimmera Southern Mallee region is one course, and that is the bachelor of nursing course division 1 which is conducted at the University of Ballarat Horsham campus. All other post-compulsory education is undergraduate courses from certificate through to advanced diploma and diploma level. That is the current state of higher education in our area.

Demand in our region is perhaps more the line with trades and TAFE courses. It is probably fair to say it is significantly different in the rural sector than in the metropolitan areas and even regional centres like Ballarat and Bendigo.

As a case study I refer to the township of Rainbow, which is 140 kilometres north-west of Horsham. It has a catchment area of about 2000 square kilometres and a population of about 1000 people made up of the farming communities and townships that surround it. Rainbow is a town without a plumber, and it has been without a plumber for four or five years so you can perhaps understand the difficulties that creates for people living in the area. It has some ongoing infrastructure being built in the way of major construction to hospitals and things like that, so there will certainly be some issues in the future with regard to how we service that infrastructure. It also impacts on maintaining the quality of life issues for the township of Rainbow. It is fair to say that that critical infrastructure is directly related to the services available within the community. Demand for the trades and associated support services is huge in terms of quality of life but relatively small in the case of numbers, and that is true also with the training numbers up there.

I specifically refer to nursing in the Wimmera region. In late 2002 there were 51 equivalent full-time vacancies throughout the Wimmera for division 1 nurses. When we take into consideration that there are also 87 division 1 nurses working in the region over the age of 55 it certainly presents huge long-term service planning complications for our area. Ironically there were more than 200 applications for the 20 available nursing places at University of

Ballarat Horsham campus. The majority of those were mature-age applications which highlights the demand for training within the region itself.

In 2001 our region had a higher percentage of older people with about 18.2 per cent of the population being aged 65 or over. That is compared with the Victorian average of 12.7, and trends indicate that this percentage is set to increase which will further exacerbate the demand for that health and allied sector, particularly nursing.

I think it is probably pertinent to touch on our apprentice and trainee trends seeing that that is certainly our demand area up there. Between 1997 and 2002, new apprenticeship commencements grew by about 200 per cent, from 160 to 480 in our region. Throughout that time the proportion of women increased from about a third up to 66 per cent, so there was a huge increase in that area.

The age profile of apprenticeship and traineeship commencements shifted, with an increase in take-up of apprenticeships and traineeships by older people, and that saw a 120 per cent increase by teenagers, compared with 75, and 700 per cent, increases in 20 to 24 and 25-plus age groups, so significant increases in the older apprenticeships.

The occupational groups within our region increased, particularly sales workers, labourers and related workers, professionals and associated professionals. As I have previously stated, the large geographic spread and the sparse population create small numbers of those requiring access to TAFE and training within the region. Current funding provisions allow for higher threshold limits for courses to run, which means that those wanting to undertake the required TAFE training for their apprenticeships really need to travel or leave the region to do so.

History tells us that when people leave our region, they are fairly unlikely to come back and advance their careers, and this has a fairly dramatic impact on our services, particularly within the Horsham region.

Talking about our school leavers and higher education, in 2002, 367 students were enrolled in year 12. Ninety-three of these continued on to undertake study at a university, which was 33 per cent of them, while 26, or 9.4 per cent, commenced VET or a certificate 4 or higher, and a further 26 commenced an apprenticeship or traineeship, with 109 students either in full-time or part-time employment or unemployed. It might be worth adding that of those who did complete year 12 but did not go on to undertake further study, 19 per cent said they did not do so because there was too much travel involved, while a further 24.8 per cent did not meet the entry criteria for their chosen courses. Students who did not undertake further study because they were concerned about costs made up 34.3 per cent of that cohort, so there are some issues there.

Mr HALL — So of all that tracking you have done, which is really good work, how many of those 267, did you say, kids — —

Mr MURRAY — Three hundred and sixty seven were enrolled; 278 were the ones that were tracked there.

Mr HALL — How many of these 367 do you believe did not get employment or further education of some sort?

Mr MURRAY — Of the 278 that were tracked, 7.2 per cent of them were unemployed.

Mr HALL — How long was that after they left school?

Mr MURRAY — Six months after they left the secondary college, so the unemployment level is reasonably low out of those year 12 graduates.

Mr HALL — Thank you.

Mr MURRAY — I guess the issues of transport and associated costs like accommodation and living expenses come into play fairly heavily when we are talking about young people accessing tertiary education because they have to do so outside the region other than the divisional 1 nurses.

Up in the region, and particularly within our LLEN, we really believe that we have to match young people's aspirations with the opportunities that are available in our region, and we need to refer to industry and the labour market to do that, to find out what is going to be available in the future. We constantly look at our regional business to inform the education and training sector, so I guess the challenge for us is to bridge the gap between increasing

demand for services in particular specialisations and a decreasing skill pool within the labour market. That is a real challenge for our area.

We are running a couple of programs at the moment that are utilising industry knowledge and resources to work alongside the education and training sector to drive some of those programs. One of them is what we have termed the Wimmera hot rod program. It will see 15 young people work alongside industry people and TAFE and secondary teachers to complete the construction of the vehicle. We are starting off in the auto industry because that is an identified skill shortage area. We hope to next year transfer that to another identified skill shortage area. It may be in manufacturing or fabrication — some of those sorts of areas — but it just highlights the success that can be achieved when we approach industry and get their assistance in informing our education and training sector, but being a little bit more hands-on than that and getting involved with the TAFE teachers.

It ensures that our training is up to date and relevant, and it is important for our young people to know that the people who are talking to them about what they are doing or talking to them about their curriculum, when they leave that training institution, they are going straight out and doing what they have just been talking about doing. We think that is critical, particularly in our area where we suffer those trade shortages.

So in closing, I think what we will be looking for is perhaps a more flexible funding model that would allow perhaps the TAFE in the region to run courses with smaller limits, given that we do have smaller populations and very spread out populations. That is a real hindrance to young people taking up apprenticeships. Typically they are aged 16, 17, 15, they do not have access to their own vehicle, and public transport is not abundant in the Wimmera region. It is a real issue for us up there. So I guess we need the funding model so that TAFEs could provide targeted training for those young people; that would certainly assist us.

Perhaps the exodus of young people from our region is the biggest issue we are trying to address. Just anecdotally talking to the TAFE people and the secondary teachers up there, perhaps having a Diploma of Education located in our region might assist. When young people go away and do teaching, if they can come back and have access to a Dip. Ed in our region, it certainly keeps them within their region, and they have the opportunity to work and they are really connected to the region then because, as I said, once they leave they do not typically come back, so that is a bit of a quick snapshot of our region and the issues that we face and what we are doing to try and address them.

Mr HALL — Thanks for the presentation. It was a lot of information to absorb quickly. It was good. The fact that you are losing half your youth by the time they turn 19 is certainly a worrying statistic. Are many of those going to Melbourne to pursue university courses or coming here to Ballarat?

Mr MURRAY — There is a fair cohort that leave. As I said, 33 per cent of them leave to undertake tertiary study. The majority of that is certainly outside the district, and I would suggest, and I certainly do not have concrete figures on that, but of that 33 per cent, most of them would leave the region to undertake study. The shires lose half their youth, but it might be worth adding that the shires close to Horsham lose perhaps a lot of them to Horsham itself, so Horsham is growing certainly at the expense of those smaller communities.

Mr HALL — Around your region, particularly in Horsham, there is a group training company that trains apprenticeships and trainees, is there not, as well as the University of Ballarat through its TAFE division?

Mr MURRAY — There is certainly a group training company there that has apprentices. I am not sure whether they train them themselves. They are an RTO, and do offer some training, but I am not sure the extent of the training that they offer. I could not tell you offhand.

Mr HALL — Are they part of the LLEN group?

Mr MURRAY — They are. They are a stakeholder, for sure. They are very active within the region.

Mr HALL — Do they have any difficulty — both the university and the group training company — in filling the apprenticeship positions that they advertise?

Mr MURRAY — They do in certain areas, and I think perhaps manufacturing might be a good example of that where the uptake is not as consistent as other trades — not so much in the general trades, construction, things like that. The problem there I guess is it really depends where that vacancy is based. If it is in Horsham they generally will not have any problem, but if it is any of the outlying areas, the smaller communities — and I talked about Rainbow — then they may have some sort of difficulty fulfilling that, but typically manufacturing and fabrication and boiler making, they may have a little bit of difficulty filling.

The CHAIR — I should have asked whether you are giving a presentation on behalf of LLEN or whether we are going to have further presentations?

Mr WRIGHT — I was going to do a brief one.

The CHAIR — We might do the presentations and then do questions; otherwise we will run out of time. Sorry, I misunderstood.

Ms STEWART — And maybe explain that I am here with you, so there are only two presentations. I am the chair, so I am just here for questions and I have to leave at 25 past 11.

Mr WRIGHT — My name is Barry Wright, and I am the executive officer of the Highlands LLEN, which takes in five local government areas: Ballarat, Moorabool, Pyrenees, Hepburn and the northern half of Golden Plains. Golden Plains is an interesting LGA because it is one of the very few that has not got a secondary college located within its boundaries, so all the students migrate from either Bannockburn or the top end around the Haddon area, either into Geelong or Ballarat. Our region really runs along the Western Highway from Bacchus Marsh to Beaufort, out to Daylesford and around Haddon and Rokewood to the south.

I will not go into a lot of the statistical data because David Keenan has given you a fair summation of what is happening. Manufacturing has got a strong base here, with tourism and hospitality. We are talking about a cohort of 10 500 young people between the ages of 15 and 19. We have identified that there are skill shortages within the traditional trades area, including engineering, and we have worked closely with industry in trying to address that in some small way. We are also pretty active, especially within the Ballarat region, looking at youth unemployment because we have had a high youth unemployment rate for quite some time. While the state averages have been trending down we have been static at 23.5. I think it has trended down a fraction to about 19 per cent, but we are still well and truly above the state average, and that is a focus that the LLEN is trying to address in close consultation with stakeholders, particularly in the City of Ballarat.

We are looking at alternatives and flexibility in trying to promote and entice young people to look at vocations within manufacturing and the traditional trades, especially manufacturing because it can offer a broad range of vocational career paths, and that is what we are looking at. We are fairly focused on promoting broad pathways here in Ballarat and our region, trying to look at how we might make the transition easier for young people, whether they go from school to work or school to tertiary study.

Mr HALL — Nick, you mentioned nursing and 200 applicants for 20 places. You said the majority of them were mature age. Were they division 2 nurses applying to upgrade to division 1?

Mr MURRAY — I do not know; that is a good question.

Mr HALL — Hamilton is not in your region, but RMIT offers nursing at Hamilton.

Mr MURRAY — Hamilton is not in my region, but yes, it does. I know the majority of them were mature age applicants.

Mr HALL — I thought your idea of providing a Dip. Ed. year within the regions was excellent and one which has not been discussed before in any submission to the commission, but that has real merit and could work. Have you had any discussions?

Mr MURRAY — It was just an idea I had with a colleague. We were talking about what we could do to encourage young people to come back. While it is great that young people leave the region and get away and broaden their horizons, we need something to entice them back and to reconnect with their communities. It was an idea we brainstormed recently. We have not gone any further with it, but it is something we will follow up. I guess you can take it further to perhaps the last year of a lot of different courses that may relate to our area, particularly within agriculture, food science, technology and those sorts of things. It would be a great opportunity.

Mr HALL — David Keenan from the city said that despite having a significant level of youth unemployment in the area there were still job vacancies, particularly in the manufacturing area, that required semiskilled or unskilled workers who could be trained on the job. Is the LLEN looking into that and how you get a better connection between kids exiting from secondary school and moving to fill some of those positions?

Mr WRIGHT — We are looking at a number of ways. We have set up a reference group looking at engineering in particular. Last year we ran a 'taste it' program which was a 15-week program looking at young

people. Students were recruited through the VET cluster. We looked at how we could get those students interested in the practical skills needed to build up a pool for which industry was keen, where it knew there was a pool of young people from which they could recruit. That program looked at introducing those students to a lot of practical work, at working in the TAFE sector and also higher ed sector so they were exposed to the three levels. They also did a week's work experience and from that we had good outcomes in looking at the destination of those young people. Four of those young people got full-time apprenticeships, three others enrolled in VET engineering, and the others went back into the school system. That was a good outcome because five of those were at risk of leaving school and the only day they were attending school was for that Taste It program.

We are looking at working with VECCI and the Australian Industry Group on how we can make that transition. We are also working with the MIPs coordinators and the VCAL coordinators on how we can make those stronger links. There is a youth task force in Ballarat looking at unemployment. A lot of industry representatives are on that task force and we are looking at how we can tighten that net so we can get young people into those jobs. We have also started a youth employment page in the paper every Wednesday because the feedback we were getting back from young people was that a lot of them do not read the papers or buy the papers and we are trying to educate young people and encourage that. They can go to the library, come to the LLEN, or the school office would have the local newspapers. We are trying to educate them on reading the papers and looking for job vacancies. To take it to the next level — they said, 'It is all too confusing. In Saturday's paper there are a lot of jobs. We don't know what are youth specific, what we can apply for' — with the consent of the local paper, every Wednesday there is a youth page and there are job vacancies specific to youth. It is very easy for them to read about the job, know who to ring and how to apply.

We are trying to make those transitions a lot stronger. The LLEN in this region runs a career information centre, so we are starting to pick up a fair bit of anecdotal evidence from young people. We are also taking that service out into the regions one day a week doing an outreach program, working within the schools and also the neighbourhood houses. We are trying to contact and link up with those who are disengaged from school. If they are working through the neighbourhood house or at the local library, we are trying to see if we might reconnect them into something worth while and meaningful.

Mr HALL — Did you say you are running a careers advisory centre outside of a school?

Mr WRIGHT — Yes, and we are linking in with the schools and working with the careers network teachers, the MIPs coordinators, VCAL coordinators and year 10 coordinators in trying to give a lot more flexibility and options in that area.

Mr HALL — Margaret, as chair of a LLEN group, what is the sort of level of business employer support for the LLEN network in this area?

Ms STEWART — I come out of education but we are hoping to change that. The deputy is a leading business person who we hope will take over when my term expires in September. It is the hardest area for which to get support because people from education and training and the allied areas have a real understanding because they have the day-to-day contact with young people who slip through the net, so it was very easy for them to understand why the LLEN was set up. It is harder for them to actively contribute from there.

But since Barry has come on board — Barry comes out of business — he has made quite a difference to the amount of employer input. The employers find it easier. We have a portfolio group, we have the committee of management and then we have four portfolio groups, and in the engaging employers portfolio group we have good representation because they can understand. The language is about something they understand, so that has been very effective.

Mr HALL — I just noticed that that has been the most difficult of LLENs right across the business groups, to properly engage the employer groups, the industry and the business groups to make it fully satisfactory. Barry, do the employers or the industries that work closely with the LLEN use the contacts through LLEN as a recruitment base?

Mr WRIGHT — They do. We have to be very careful here because the career information centre is purely that. The LLEN, as you would know, was not set up to be a service provider. There are a lot of other groups within the community that are providing services, so what we do is act as a referral and we try and make the connections. We have JPP working out of there one day a week and we have Centrelink working out of there another day, so we can minimise some of the referrals, because we are finding that the young people when they come in to talk to us do not want to be sent to there and sent to there and sent to there. So it is the old one-stop shop,

although we are calling it a youth hub. When we move to the Ballarat learning exchange later this year we have received a commitment from Centrelink that they will have a youth support or a youth services officer working out of there five days a week. What we are trying to do is minimise the referrals and make stronger connections to other services, but in saying that we do provide some service where the gaps are. If young people do not meet the criteria to enrol at JPP and they are not enrolled or registered with a job network provider, where do they go to get a résumé if they are in dire need of one? So we do that role. We were not set up to do that, by the way, but we do it because we do not want to send the young people away.

We have also opened the door so that we do not turn anyone away. We will give priority to young people, but we have had quite a lot of mature people coming in and saying, 'Can you help me?'. That is the other thing that I want to touch on, and I do not know whether I will get a question on it, but we are finding that we have had 52 young people in since the results have come out from the uni., and for a lot of them their ENTER score was not where it should have been or what they were expecting. We say to them, 'What is your backup plan?', and they do not have one. 'What are you going to do?'. 'I am going to go home and cry'. So you sit there and try and work through and look at an alternative plan; and I know it is easy to say because we are bit more mature now and have an older head, but I suppose at 16 I probably did not have too many contingency plans either, but it is strikingly obvious that the young people are really focused and if they happen to miss out or do not get an offer, they are shattered and they do not have a fall back plan. We are trying to work through those issues, and we will have to do that more closely back at the secondary level with the MIPs coordinators, because that is an important part, and I do not know whether the young people see the value in MIPs, the MIPs planning, and I think we have to go back to really review that. But it was quite obvious that a lot of the younger people just do not have a contingency plan.

Mr KOTSIRAS — Do you see a greater role for schools in the region trying to encourage students to take up or to try to enrol in courses where there is a shortage, whether it is engineering or nursing or teaching? Do you think schools are doing enough to encourage students to finally enter into a course which might be of use in the region?

Mr MURRAY — I think certainly in the Wimmera region the signs are encouraging that they are doing more and trying to create better links within industry. Previously those links certainly have not been there. It was certainly a role that LLEN took on to create those links between industries, particularly in areas like manufacturing and the engineering sector to inform education and training and work with the schools to highlight the advantages of being in industry. I guess it is a two-way street. It cannot all come from the school because the employers have to understand that there is a lot of choice out there, and if they want young people to come and work for them they have to get involved with the school and have to raise their profile and help young people understand that it is a dynamic, diverse environment to work in, and that unless they do that, nobody is going to push people anyway. So the smart ones have certainly understood and have started to work within schools. That is the best environment to work within. In my area it is particularly encouraging. The employment sector in our LLEN is perhaps the most active sector in our LLEN, which is perhaps a little different to other areas, but we have certainly seen the benefits, I think, of young people taking up those options.

Mr WRIGHT — From my perspective I tend to agree with Nick. I think the schools are starting to be a little bit more aware of it, but I still think that most schools focus a lot more on just the straight VCE academic theme. In some ways I think it might be because of the accountability framework that they are working under and a whole host of policy issues, but I still think there is a very large focus on VCE with the end result of going to tertiary studies. I do not have a problem with that if the young person wants to go that way, but I think the introduction of VCAL was very good because that is offering an alternative. I think we have really got to support VCAL and build on it and strengthen it because I think that is the pathway for the young people if they do not want to go to the tertiary route. That is fine — they go the VCAL route — as long as we make the transitions and the connections strong between that course and industry. I think VET is doing that in some of the workplaces with work experience, and even the part-time traineeships and apprenticeships are doing that. The numbers in the school-based new apprenticeships and traineeships are starting to grow, but I still think we have to look at how we can support that and probably support that more financially so that it does grow and strengthen.

The CHAIR — Thank you. I have a number of questions. Many relate to MIPs and to schools, but I daresay for the next inquiry into teacher education we will be up here again, and we would certainly like your input into that inquiry in regard to what is need in terms of teaching. I might just hold off the questions I have in view of the time, but I wonder if you would be available to talk with our researcher if we have further queries? Would that be okay?

From a personal perspective, in a previous life before entering Parliament I was Lynne Kosky's chief of staff, and I am delighted to see that the LLENs are working so well from their original vision and are starting to really come together and provide a really fantastic service for young people, and I congratulate you on that.

Mr WRIGHT — One of our colleagues could not make it today, but she sent me through a few notes, so I will leave those with you because that might be of assistance.

Witnesses withdrew.

CORRECTED VERSION

EDUCATION AND TRAINING COMMITTEE

Inquiry into impact of the high levels of unmet demand for places in higher education institutions on Victoria

Ballarat – 9 February 2004

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Mr S. R. Herbert

Chair: Mr S. R. Herbert

Deputy Chair: Mr N. Kotsiras

Staff

Executive Officer: Ms K. Ellingford

Research Officer: Dr G. Berman

Witnesses

Professor K. Cox, Vice-Chancellor;

Professor L. Angus, Head, School of Education; and

Ms P. Mann, Manager, Data Services Planning, University of Ballarat.

The CHAIR — I welcome representatives from the University of Ballarat to the parliamentary hearing into unmet demand. This is the first time the committee has been to Ballarat, and we have been impressed by the quality of submissions. We look forward to your perspective as Ballarat is an important regional area in Victoria. If we could start by you making your presentation and we will then ask questions.

Prof. COX — It is our great pleasure to be here. Professor Lawrie Angus heads up our education area and is also chair of the deans of education in Victoria. Patricia Mann is my wonderful colleague who manages load and algorithms — vertically, horizontally, helically. Any direction you want, any question you want, she will be able to do all the optimisation and analyses.

Can I start by saying the head of our school of education has put in a submission and separately I have put in a submission on behalf of the university. Those submissions are compatible. Stepping back from that to something I said to the Premier of Victoria on Friday night: education in advanced countries — and health for that matter, although I did not register health — cannot be paid for by governments to the extent to which it is needed by the community, both in terms of the quantity that is needed and the quality. In many respects, in terms of public provision of higher education and of health, there have to be some sort of other funding mechanisms. Secondly, at the University of Ballarat we have a significant overenrolment which we have been winding back. We could easily take up another 300 places, something like that, in a load of about 3200. We have a well-defined mission set up in legislation in the Victorian Parliament to serve the needs of central and western Victoria. We are not concerned too much about prestigious ENTER scores. We have the view that the capacity to learn has evolved over hundreds of thousands — millions — of years, and what we ought to do as a university, with both TAFE and higher education set up in legislation as the University of Ballarat, is mobilise the head power in this part of Australia so that central and western Victoria will be better off if we get people who have the capacity to learn in higher education or in TAFE. We think new programs in teacher education are very important in order to have new approaches to mobilising head power in regional and rural Victoria — Australia for that matter; it is translatable to other places.

My final point is that unmet demand is often trivialised and simplified far too much. People apply for a particular course. They may want to be a physiotherapist; they have a TER of 96; they miss out by half a point, as it were. It is then seen by them and by others that they have a demand for a course which the commonwealth is not meeting. That is far too simplistic in terms of Australia's needs. If we were to provide courses for every student according to the student's first choice that would be a huge cost on the commonwealth and would probably lead in the longer term to a huge imbalance in terms of the match of skills needed in Australia and the work force available to accommodate those skills.

Perhaps I will stop there, and I am happy to take questions in due course. Obviously my colleague has special insights as a leading professional educator.

Prof. ANGUS — I would like to make one point about the committee's term of reference (a), the relationship between unmet demand and high-level skill shortages, and three points about the term of reference (c), how demand for teaching and nursing places is affected by insufficient HECS places.

On the relationship between unmet demand and skill shortages, the point I would like to make is that there is a danger of a shortage of teachers, particularly those who teach in the high-skill areas that are perceived to be needed by Victorian industry. This is particularly in the areas of maths, science and technology. It would seem that it is particularly important that there be well-qualified teachers and good teachers teaching across the board obviously, but particularly in those areas to help foster young people's thinking about careers in the areas that require those sorts of skills. Solving the shortage of teachers in those areas is likely to contribute to solving the skill shortages more broadly.

On the term of reference about how demand for teaching and nursing places is affected by insufficient HECS places, the first point I make is that teaching and nursing have, I think quite correctly, been identified as the national priority areas in higher education by the commonwealth government. However, the situation in Victoria is that once the Nelson reforms work their way through there will actually be fewer teacher education places in higher education in Victoria than there are now, and that obviously is due to the redistribution of the current overenrolled places that are in the process of being converted into fully funded places. The University of Ballarat has already cut back entry into the first year of its bachelor of education because of the fear of overenrolment, because our retention rates in those courses have been higher than would normally have been predicted. So with fewer students dropping out we are suddenly hit with overenrolment and have to reduce the number of people we can take in the first year.

The second point is that skill shortage in teaching will hit, as it has already hit, in regional Victoria, and that is the area where the skill shortage will obviously hit hardest, in the so-called hard-to-staff schools. These areas of Victoria are ones where you might also identify significant latent demand for education — that is, completion rates in rural Victoria from high school are relatively low compared with the metropolitan areas. As Victoria moves towards being successful and meeting the current government's target that by 2010, 90 per cent of students will complete the VCE, there will be a much greater proportion of young people in rural Victoria who will have their aims lifted, if you like, to perceive that they may wish to go on to university education — and there is a big question of where those kids will go.

The other point about those kids is that most of them will be the first member of their family ever to go to university. Already last year in 2003 more than two-thirds of students at the University of Ballarat were the first members of their families to attend university.

The proportion in education and nursing courses is higher than that. So you will have these kids coming on stream for whom going into teaching or nursing is an achievable, feasible kind of direction, and they will be following the steps of people before them into the traditional route to social mobility, obviously.

The third and final point I wanted to make is that I believe the shortage in teaching that is predicted is understated in various government documents. This would seem to be the case, for instance, if one relies on the figures provided by the Australian Council of Deans of Education or the work being done by the Centre for the Economics of Education and Training at Monash University, which has been studying employment replacement rates. There is also a perception that the way to solve the shortage of teachers, rather than create additional places, is to stop teachers leaving the profession — other words, there is a view that although there is a shortage and there may need to be some additional places in teacher education, by and large the shortage will not be that extreme provided we can stop people leaving the profession.

I think it is a real mistake to see teachers leaving the profession in negative terms like that. Anybody who has even a passing acquaintance with the teacher release to industry program, sponsored by the Victorian Chamber of Commerce and Industry will know that most teachers who are released from schools to work in industry get offered very good jobs and they tend not to go back to the schools because they bring with them very generic skills. We also know that when we look to the future various estimates say something like 75 per cent of the jobs that people are going to work in in the future have not been invented yet — that kind of thing. To the extent that that is true, we are also told that people can expect something like five career changes. It is quite clear that a number of people who have come through teacher preparation courses possess many of the kinds of lifelong learning skills and generic employment skills, but see them as being mobile. I think even on this committee, you have one who has been through a job as a teacher and moved on to other employment. Even leaders of political parties in Victoria have had that kind of background.

Another point in relation to this is that when the teacher supplier and demand working party was maintained within the department of education, chaired by Ian Allen, Ian Allen would brief us in the universities and tell us that there were two factors that were guaranteed to make sure that teachers will leave the job. One is as soon as there is a shortage of teachers, teachers will leave because they know they can try something and get back in. The other one is as soon as the economy starts to pick up, teachers will leave; there are more opportunities. We have those kinds of situations at the moment. So I would urge the committee not to take too much solace in the view that preventing teachers from leaving the job will solve the problem of teacher shortage. Of course, all sorts of things need to be done to make teaching rewarding, to make the schools interesting and exciting places et cetera. I think I will stop there and be happy to respond to any questions.

The CHAIR — Thank you. That was a very enlightening presentation. We shall open up to questions.

Mr KOTSIRAS — I would like to ask a question of Lawrence. You said that there will be a shortage of teachers in years to come. If you were to enrol more students into Ballarat, you would have to lower the TER score. I cannot see any other way of having more students. The question is at what stage do you stop lowering the TER score simply to get more teachers to come in, and once they are enrolled, will they have the ability to complete the course?

Prof. ANGUS — That is a good question. The applicants for teaching certainly come through the VCE system, through VTAC entry, and the consideration is on TER scores. But there are also very large numbers of people who apply to come into teaching who are making a career change, and it is a difficult job to look and get parity, depending on the various kinds of experiences that people have. The proportion that are coming into

teaching from prior experience is increasing, I think, at least at the rate of the number of teachers who are coming straight from school, but for that group of students, yes, if you increase the number of places, the TER scores would go down. However, against that, the TER scores have been going up for several years now as more and more students have been applying and the cut out under which students are not being taken is considerably higher now than some years ago — as much as 10 points higher at lots of universities — so at the point we are at now we could fairly safely take students at a somewhat low ENTER score and still be taking students with a higher ENTER score than some of the teachers who are currently in the profession, and I do not know that there is any evidence to suggest that teachers who just scraped in and managed to get through have ended up being any better or worse teachers than those who got in with the very highest scores.

Prof. COX — Could I proffer a comment here, because I think you have asked a very, very central question. ENTER score is an input measure. At the University of Ballarat, without wanting to disparage our profile too much, we take students collectively a long way down the tertiary education rank compared to some of the so-called prestigious universities, and yet they are retained at university at about the national rates of retention. They complete at about the national rates of completion and upon completion they are employed at or about the national rates of employment for graduates and at starting salaries at or above the average median starting salary in Australia. So we take people with very significantly lower TERs and give them the opportunity, and then they perform. That is a clever Victoria, a clever Australia, mobilising the head power and not worrying too much about the prestige of the organisation, our organisation, as judged by the ENTER score. Put another way, taking Ian Thorpe and trying to get him to swim faster is nowhere near the value add of taking people who cannot swim very well and teaching them to swim properly. See, Australia can distinguish itself, and Victoria too, not by having two or three intergalactic champion swimmers but by having a nation of people who are really comfortable swimming, so we should not worry about the TER score. What we should worry about is whether people have the preparation to have a reasonable chance of success at the course they have chosen. That is up to the individual university, and they need the motivation as well as the ability.

Mr KOTSIRAS — You said there will be a shortage in maths and science, which has been the case for many, many years. How do you convince people to go into science or into maths rather than the arts?

Prof. ANGUS — There are some suggestions along these lines that have come out of the recent national review of teaching and teacher education in Australia which has concentrated particularly on maths, science and technology. It is a bit of a chicken-and-egg argument. If you have good teaching going on in the schools and the stimulation of interest in those areas, then students are likely to continue into those areas of maths, science and technology, but there are some pragmatic, small changes that could make some difference. For instance, those people who want to typically become secondary teachers of maths, science and technology complete a first degree, and the standard route is through a dip. ed. By the time those students are entering a dip. ed. they have already accumulated a HECS debt that is substantially higher than their colleagues who have come in through a general arts or humanities degree. So I think simple measures where the state government could cooperate with the federal government would include some relief of the burden of repaying that higher debt.

We might think of a scheme which says that right from the start of their enrolment in university people who declare they will go into teaching and teach for a certain period of time may have their HECS debt waived altogether or met by the state, or a combination of state and federal governments. There are some ways of encouraging people to go into science, maths and technology teaching.

It is an interesting point that although it has been difficult to staff some schools in maths, science and technology, the students are staying in those subjects. We now have quite high participation of years 11 and 12 students in maths and science subjects. The students are staying in but the problem seems to be that they do not actually see there are viable careers for them in those areas.

Prof. COX — I think a strategy could be used. Internally as a university we should tackle this because our role is to serve our communities here, so we have to address this issue ourselves. We have some areas that are very popular, especially human movement and phys. ed — it has a trendy name. The education department in Victoria would be much better served if those students doing human movement and doing a second major did mathematics or science, or whatever, and the way to achieve that probably is with HECS exemption scholarships or partial HECS exemptions: dare I say, the old financial incentive. So you can do human movement and commit to HECS, but if you do human movement and mathematics then there will be a partial HECS exemption. You do not have to be bonded necessarily to the education department; we need not go that far. We are thinking about that as a university. We do not have a lot of discretionary money, that is the problem. The state government and education department could think about that.

Ms MANN — That has been done in the past. Back in the early 1990s there was a scheme where the state government put in money to support those students who were doing maths as a second method. It is not a new concept.

The CHAIR — That was not just in teacher training, was it?

Ms MANN — It was in teacher training but physical education, Bachelor of Education; so one method they do the physical education and the second method they would do maths, and for that they would be supported.

Prof. COX — When you go to Lake Bolac or around our catchment area and talk to the principals, they have skill shortages in their profile of teachers. They say they would just love to have the one teacher who is good at phys. ed. and actually does a language or maths or something.

Mr HALL — It is interesting that back in the 1970s I was bonded to the education department and taught maths in a secondary school. The conversation is interesting; the wheel turns. How many positions in education and how many in nursing does the university have?

Ms MANN — There are 115 bachelor of educations, 88 in physical education. This is the commencing intake for 2004, so just under 200 commencing.

Prof. COX — Let's just run those figures again.

Ms MANN — That is 115 into Bachelor of Education/Bachelor of Technology plus another 78 into physical education — I am talking undergraduate at that point — and there is another 40 into the graduate education which needs a bachelor undergraduate degree to get into. In nursing there is a total between Mount Helen and Horsham of about 135 commences, and the pipeline associated with that.

Mr HALL — Kerry, how do you determine a university academic profile? Do you sit down with Canberra each year and say, 'We have a supply and demand issue with respect to education, therefore we want additional educational places'? Do you get to the issue of trading those off with business or arts places?

Prof. COX — By and large we are of the view, impertinent as it might seem, that Canberra cannot add a lot of value to what it is we are doing here. We are connected into our communities. We know much more about what our communities need and want than does Canberra. We have made special cases to Canberra based on our market surveys and demand, which Canberra has responded positively to — for example, we have had 20 additional places allocated to us for nurses. Under the Backing Australia's Ability program we were very successful, probably the most successful university in Australia per academic staff member in terms of the allocation of new places, and that was for an innovative program which Professor Angus teaches his colleagues in terms of retraining those in the work place to become teachers — trades people and others.

By and large we do not have medicine or courses that are quota restricted which really attract a lot of attention from the Canberra bureaucrats. We determine our own profile and we juggle that. We had a 13.3 per cent over-enrolment when we started. That is bad business because running a university is like running any business. We get \$2500 only on a yearly basis for each over-enrolled student. We have been winding that back.

Mr HALL — In essence you have a global budget from which you allocate to each of your faculty areas?

Prof. COX — Yes, so we can move our load around.

Ms MANN — For instance, in 2004 a number of places have been allocated to IT courses and we will not fill those places. We are talking about matching skills to supposedly unmet demand, but even though you might want skills in that particular area and to train people in those areas, the applicants do not necessarily agree with you. Tomorrow VTAC will be publishing a list of courses where there are places still available within Victoria, and it will be interesting to see exactly what is in that. From the University of Ballarat perspective, you will see we have unmet demand in IT courses.

Mr HALL — By the way, Lawrie, I read your submission on the commonwealth's Backing Australia's Ability program, and it was excellent. Given it has been said a couple of times today that your role is to serve and provide for this region, do you have a local priority selection process?

Prof. COX — Excellent question. We do not at the moment but that is not to say we would not introduce it. I would go to my university council if I felt that was necessary, but at the moment it is not. I suspect increasingly

it will become necessary because people are beginning to focus a lot on the University of Ballarat. At the moment we do it through VTAC and for some reason regional and rural people apply through VTAC to come here. We have direct entries, but should it become a problem where a lot of people from Melbourne started applying for our courses, then I would go to my university council and we would work out a strategy.

It is a bit like having an acute care hospital here and filling it up with patients from Melbourne, such that then the people from this region miss out. That is not why we were created in legislation in the Victorian Parliament. If you look at the objects of the university, they are to provide teaching, research, consultancy, cultural activity for those in central and western Victoria, as specified in legislation, so I would encourage our council to endorse management procedures that restricted people from other parts of Australia getting carte blanche in our place, with a couple of exceptions.

In the creative arts I think we will capture from around Australia, because we need the creative arts — visual and performing arts. They are activities of human endeavour, learning and so on, that have gone on for hundreds of thousands of years, people who do dancing and drawing, long before IT was ever heard of. We need that as part of our community here, and sometimes we cannot capture quite enough people here in order to sustain that, so we would go elsewhere.

We have a special niche in mining engineering and would take people from elsewhere. But in teaching and nursing, two very important professional areas, we would want to mobilise the people here rather than fill up our quota with people from Melbourne.

Mr HALL — Do you have a problem with excess demand for some of your TAFE courses? It was said to us by a previous submitter today that sometimes when they try to get kids into a TAFE course here in Ballarat, that course is full. Is there an issue there with respect to quantity and funding for TAFE in Ballarat?

Prof. COX — There is certainly an issue for funding of TAFE, and I raised that with the Premier who was speaking at a public meeting here on Friday. In Victoria the average student contact hours paid to teach TAFE publicly is some 20 to 25 per cent less than the national average funding for TAFE provision publicly. In addition 19 per cent of our recurrent budget in TAFE is expected to be captured from commercial activities this year. Next year it is meant to be 21 per cent. We have had difficulties with concessional fees. Forty per cent of our load are students who qualify for concessions. The Victorian average is 30 per cent. We have not been properly compensated in the past.

As I said to the Premier, one of the difficulties is — and Howard and Nelson have had it; Blair has just had it — the Victorian government has just increased the fees charged for students in TAFE by 25 per cent, from \$1 to \$1.25, the first increase since 1995. We need to get that out in the open, in a way. I am not criticising that, but the Victorian government has clawed back that 25 per cent increase and said, 'That is your recurrent budget now. You have the same recurrent budget and we will give you the money that we have clawed back in terms of special projects'. I get very worried about that because that is not a recurrent commitment by the government; that is a one-off to get us through this change process.

The issue is we could do with more funding of TAFE. I accept it is very easy for people to put their hands out, especially those of us who depend a lot on public support. It might well be that we have to introduce a HECS system for TAFE students or get a little innovative or futuristic rather than just worrying about what is going to happen in the next year or two. Where do we want to be 10 years from now? I think we will find, as advanced nations are finding, that they cannot pay for education and health to the extent that it is needed, and increasingly individuals have to pay.

Ms ECKSTEIN — Can I ask you to detail and quantify the impact of the Nelson report? You said that you had significant over-enrolments and that was about 13.3 per cent. But you also said you could take up to 300 extra places. Is that about the same, or what are the numbers? What are the over-enrolment numbers and how have the Nelson reforms impacted on those numbers? You have said you have cut back first year education enrolment: by how much? Have you had to cut back any other courses and, if so, which ones and by how much?

Prof. COX — I might have to take that question on notice unless my wonderful colleague here can boot all of those figures up from her front lobe. The thing about cutting back overenrolment of 13.3 per cent is that we were only funded \$2500 for each of those students, instead of \$10 000 or thereabouts, so in terms of running a business, I do not want to do that. You can have a few people overenrolled and seamlessly integrate those at a marginal rate of funding, but you cannot have 13.3 per cent of your load overenrolled. We have wound it back to 9.3 per cent and we are on target to drop that back another couple of per cent next year.

Ms ECKSTEIN — What does that translate to in students, please?

Ms MANN — Roughly 100 places overall.

Ms ECKSTEIN — A hundred you have wound back or 100 are overenrolled?

Ms MANN — A hundred wound back. We were 300-odd overenrolled at the 13.3 per cent. We are down to 200-and-something now. We are attempting to get down below 5 per cent within the next two years. That is in line with the Nelson report. You talk about can we take 300 extra places: the difference in taking fully funded places means that you can employ the resources in order to teach those students. What we did not have at thirteen and a half per cent was the full funding for that, so that is the difference between being able to do it — —

Ms ECKSTEIN — So you have the capacity to take those 300 — —

Ms MANN — In terms of space, definitely, but in terms of — —

Ms ECKSTEIN — Should they be fully funded there would be the demand from students to fill those places? Of the 100 students, how many of those were education students?

Ms MANN — Basically that is a difficult one to answer. I have spoken to Gabrielle. How do you tag which students are fully funded and which ones are marginal? You can identify particular programs that were introduced during that period of overenrolment that were clearly overenrolled, such as the nursing in Horsham. We commenced that two years ago well before we were funded for it in this new round of funding, so we could say definitely all those particular placements were on top of the load we normally had, and there were probably a couple of other programs. So I would say nursing in Horsham was definitely overenrolled, and now that is funded through DEST.

A lot of the others are to do with pipeline too. You might start an extra five or so, and lot of those were in education in terms of both the bachelor of education course and the bachelor of education (phys. ed) Both had increased intakes into commencing load during that period — and both are four-year courses — so once you take an extra commencing load in in a particular year, it is not as if you have that EFTSU for a single year; you have it for the four years. So that blows out your EFTSU, and then when you shrink, of course, it takes a while for that overenrolment to come out of the system.

Ms ECKSTEIN — What have you had to do for 2004? You have said you have cut back teacher education, first year. By how many?

Prof. ANGUS — By 10 places this year.

Ms ECKSTEIN — What else has gone down for this year because that will have a roll-on effect, obviously?

Ms MANN — Bachelor of arts. Everyone has suffered a little bit.

Ms ECKSTEIN — About 10 places right across the board?

Ms MANN — No, I have probably taken 20 out, a few here, a few there. It is a juggling act. If you look at the history of the education courses at university over the last few years, they have not suffered to the same extent as other courses through the university, so certainly the emphasis has been to try and keep both those areas intact. What we have had over the last few years of science and engineering have been significant underenrolments. The places have been offered, but students have not taken those up. The really good news for 2004 is that those targets are going to be met and exceeded, so that is the very good positive step for the university to have those places coming back in. But what it also does is they will most likely be overenrolled against their internal target, which will then impact on our overall overenrolment, but it would certainly be a priority for the university to get as many of those students in irrespective of an internal target.

Ms ECKSTEIN — Would it be possible to get some figure for, say, the first year intakes across the courses for 2004 compared with the previous year?

Prof. COX — That would certainly be possible. Can I add this — they are very reasonable questions — what we have to do is do a trade off, because we are here for the long term. We started in 1870 as the School of Mines, Ballarat, so we cannot just respond to fashion, and at a time where we were significantly overenrolled —

13.3 per cent overenrolled — and strategically we were winding back we allocated 20 places for nurses to Horsham because that fits with the mission of the university to serve our communities, and they had a desperate need there for places. So that gives you an example of how you can get yourself tangled up trying. It is as if it is a lock step all the way forward. There are a series of compromises.

But I want to say this: our university council, acting on a recommendation from me, decided to phase out the course bachelor of arts (theatre production). That had achieved only 78 per cent on average of its load each year. It had a staffing profile of one staff member for every 12¹/₂ students. Cognate areas with high demand had one staff member for about 25 students. Strategically this was not sustainable in my view in the longer term. We finished up in the state minister's office, in the commonwealth minister's office, in the Industrial Relations Commission, but we are soldiering on and we will adjust our profile, so we will take decisions to phase things out that we think we cannot sustain in the longer term. But we will be very protective of nursing, of teaching, of the diverse academic areas you need in a regional and rural university if it is to deliver a sort of balanced view on the environment, on sociopolitical comment, economic comment, regional innovation, competitiveness and so on.

The CHAIR — The committee is aware of the question of university funding so when we ask questions about unmet demand it is not implying that we do not understand the commercial bases of how a university runs. I guess what my colleague was trying to get to was if it is now a simple case that you are now 2300 and if you cut out the unmet demand you will drop 300 places at a time when we would expect more young people to finish year 12 with higher expectations as opposed to understanding it is costly and you cannot provide courses if you do not get funded for them. However, on the issue of internal decision-making the commonwealth reforms advocate changing the profile process and the allocation process whereby, as I understand it, the commonwealth has the capacity to dictate to universities in their profile process which courses universities should do. Is that correct?

Prof. COX — I do not think that is correct. They had a flirtation with that, presumably because they had cerebral meltdown or whatever. I do not know how anyone in Canberra would be able to work out the sort of micro detail; it is bad enough anyone in Spring Street or Treasury Place trying to do it. That is just very silly. You might do it at a macro level with some of the protected areas such as medicine, where the nation as a whole might have a view. In terms of teaching and nursing, I do not see how the commonwealth will be able to add value to that in the longer term by regulating the number of students allocated to each course.

The CHAIR — We will check that. I thought it had the capacity to do that. I just wanted your reaction because I know some courses, such as nursing and teaching, are highly expensive, even if you get subsidies, because of the cost of placements for those courses.

Another question to do with the Nelson reforms runs with equity. In this region equity is an issue. We heard earlier that the average wage is \$31 600; there are Koori students; there is a whole group of equity issues around the region, even if it is distance, such as the Horsham campus in terms of higher education. Can you comment on a couple of the issues that have come out of the Nelson reforms, that is by way of Backing Australia's Future and the commonwealth education cost scholarships being offered — I think it is 17 000 at \$2000 a student for indigenous students? The second part is the commonwealth accommodation scholarships, which will probably be fairly important to Ballarat, whereby highly qualified students with \$4000 a year costs will get some sort of subsidy. I just wonder if that will address the issue of equity in this region or whether you have some other ideas that need to be looked at in terms of access to university?

Prof. COX — They are all very good questions and we could go on for a long time. From the commonwealth's position, it is pointing in the right direction. That is the beginning, but again there is a problem with the quantum. There is probably not enough there in the longer term, although it is the start and it will be phased in.

I make this point in passing. There will be a significant add-on cost to the operations of the university in administering these scholarships because the locals have to administer it. Canberra is pretty sensible to stay out of that. It does not want to be caught up in working out how you allocate these things.

In terms of lower socioeconomic groups, in higher education 80 per cent of our load fits one or more of the equity groups. They are defined by the commonwealth and nothing to do with us. A lot of those will be regional and rural. In terms of Koori education, Australia wide there has been a real problem in getting engagement of indigenous Australians into higher education.

At the University of Ballarat we have recently appointed Professor Colin Brown, a visiting professor who has retired from the University of South Australia — he was formerly the dean of Aboriginal and Torres Strait islander studies, — and he is advising us on what we can do in our community here to mobilise both students and also to increase the employment of indigenous Australians in our profile. It is too early for us to say whether we will have successes there, but by and large we have to demystify and by and large we have to have programs that provide a lot of support and nurturing. We have to get better at starting people, for example, in a TAFE program and facilitating the retention of them into higher education programs, if that is the way they want to go.

Ms MANN — Can I add a little bit to that as well? As Professor Cox has said, 80 per cent of the whole of our cohort at Mount Helen is either equity on one or more measure. The reality of the scholarships that are being given out is about 18 to be divided among those particular students. It is certainly a beginning and hopefully there will be more to come.

Prof. ANGUS — If I can add to that briefly, certainly scholarships will be helpful, but we know from research that the main reason students drop out of university is financial rather than being able to cope with the work. A number of reasons are higher up than not being able to cope with the work. It is particularly difficult in a rural region like ours where, as you mentioned, average salaries are quite low, and there is also a population which is not culturally familiar with engaging with university and higher education. The negative anxiety about engaging with education that bears the HECS cost, which is probably about as high as it can reasonably be, may have a stronger effect on dissuading people in regions like this with the kind of background they are from et cetera from proceeding to university than in some other areas. I am not sure what we do about that, but it is a factor that is quite prevalent in the minds of many young people and families in this region.

The CHAIR — The indigenous issue is interesting given that the biggest problems for indigenous people around Australia are health and education. A university that has a large profile in those two faculties has the capacity to have groundbreaking programs, not just for the local area but for more people to come down. I was interested in that and perhaps we can discuss that in detail later.

Mr HALL — Your university is a dual sector university. What is the difference in upfront fees for a student enrolling in a full-time TAFE course compared with a student enrolling in a HECS-funded higher ed. position?

Prof. COX — The maximum that can be charged for someone without concessions I think is \$640 or \$650. It has just been increased.

Mr HALL — I think it is \$625.

Prof. COX — Then there would be materials costs depending on the particular program they are doing, whether it is hairdressing, tourism or whatever. In higher education the only cost will be — and it does not have to be an upfront payment — a commitment to HECS, and that will depend on the particular program they are doing. There are three bands there at the moment.

Mr HALL — Will they not pay a general amenities or services charge of \$300, or something like that?

Ms MANN — No, it is a bit less than that. The University of Ballarat charges one of the lowest service and amenity fees in the national sector.

Prof. COX — They have to pay the amenities fee, you are right, and commit to the HECS, which is a deferred taxation or they can pay that upfront at a discount.

Mr HALL — Do you have any evidence of the difficulty some students in country areas in Victoria — Horsham, for example — may have in meeting a \$625 upfront vocational education TAFE fee compared with a \$200, or whatever it is, amenities fee? Has it proven to be an impediment to kids undertaking TAFE courses? Is that something you need to watch?

Prof. COX — I do not have evidence of that.

Ms MANN — I know there are far more exemptions for fees within TAFE, mainly because of managing the fee and the number of health care cardholders there are. There is quite a range of reductions.

Prof. COX — Forty per cent of our TAFE students get concessions.

Ms MANN — Yes. There is no evidence, but I know there is quite a bit of scope to have those fees reduced if you fit in a particular category.

The CHAIR — We are out of time. In thanking you, I will point out that the committee in the next few months will be starting its second inquiry — public consultation on the teacher education inquiry — and I am sure we would be delighted to come here if you would give us the benefit of your knowledge once we get into that consultation. I would commend you to have a look at that inquiry in terms of some visionary input into the committee. Thank you very much. It has been very informative. We hope that our report will reflect some of the needs of the University of Ballarat.

Prof. COX — So do we. Thanks for seeing us. We will send that information to you.

Witnesses withdrew.

CORRECTED VERSION

EDUCATION AND TRAINING COMMITTEE

Inquiry into impact of the high levels of unmet demand for places in higher education institutions on Victoria

Ballarat – 9 February 2004

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Witness

Mr P. Crone, Regional Manager, Ballarat, Victorian Employers Chamber of Commerce and Industry.

The CHAIR — The committee welcomes the area manager of VECCI. We are particularly pleased to have business input into this because the interface between business and education and the state's progress are intertwined enormously, so thank you for coming. I ask you for the record to state your name and position when you start, because it will be useful for Hansard. Perhaps if you would like to make a statement first and then we will open it up for questions?

Mr CRONE — My name is Philip Crone. I am the regional manager for VECCI covering Western Victoria. I thank you for the opportunity to come along as well. What I have is anecdotal. It has come from discussions I have had with major employers in Ballarat. I think my understanding of the scope of this was to cover high level appointments and positions within regional areas, so when it comes to larger companies, I guess there are a few to choose from, but it is not overabundant in the regional areas.

There are two areas I will cover. One is the generalist area of higher level appointments, and by general I mean it is pretty well a standard appointment in most large companies in Ballarat or in any major regional areas. I find that those positions are relatively easy to fill. Given the small number of large companies in Ballarat, though, most look outside in filling the role, so if they are looking for higher level appointments, they are looking at outside the Ballarat area, or they are looking at other larger companies to fill that demand for higher skills.

One of the criteria can be experience. The university here in Ballarat offers a wide range of courses for higher level studies, but it does not offer experience, so for the graduates coming out, there are some companies in Ballarat that will call for graduates, Masterfoods being a good example of that, and then fit them into their own culture after that, but a lot of the larger companies are looking for that experience along with graduate qualifications as well.

Having said that, there are quite a lot of companies where qualifications are preferred but not essential, so there is still the looking for some high level positions in the region that do not necessarily come with qualifications, but are more so looking at experience.

One of the things that I find in the regional areas when it comes to filling high level positions in some areas is the lack of skills here, the shortages, and then it comes to maybe a lifestyle change that is offered to people outside regional areas, and that is where I guess advertisements will go out or on the grapevine to offer a lifestyle change to Ballarat. I must say that certainly the state government and local governments are pushing that position now for a lot of the regional areas where it is a lifestyle change, and some of the actions taken by the state government reflect that. We can look at the infrastructure for roads, but also for rail as well to make it more attractive for people to commute to Melbourne and to regional areas, too. Commuting is both ways.

Once specific high-level skills are attained in regional areas, it can be difficult to keep them because once word is around that there is a quality person, poaching is certainly high on the agenda for a lot of companies. Once you get into regional areas, it becomes more personal and the network is the same. You will go to networking events, and it will be the same crowd there, day in, day out, so you get to know the high-level achievers in the area, and it is a lot easier then to approach a person on a personal level to come over to another company, and that happens. I guess it is not prolific, but it certainly happens.

The national companies I have found have an opportunity to promote internally, and they will move staff, and I can name WIN TV and Masterfoods as being two companies that will do that where you will go from state to state and then move in that direction from the state, and they will not generally need to call for outside applications, but certainly for WIN TV, as an example, they need to offer a much higher level of remuneration than they normally would to get people out of the metropolitan area — news editors and so on — in the high-level positions there.

It is certainly the case with a lot of other companies that the more specific the areas, the more they will have to start offering that higher incentive to get people out from metro areas or indeed from other regional areas that have the same positions. As I said before, some advertise for graduates who can be internally trained and influenced. Others try to lure them out of the cities by poaching, but also by advertisements that promote the regional lifestyle. To a degree we have had success with that in getting people here, but at the end of the day, does the package equal the desire to move, and if it does, then you have a match.

It has been difficult in the past to have the metro skills relocate to regional areas, but as I said before, the push is on to make it more attractive to get people here. In the specialist areas is where the difficulties can be, and if I can use two bodies — local government and health, in particular — and talking to, say, the likes of St John, which as you know is the private hospital here in Ballarat, they have a lot of trouble getting specialised nursing streams filled in Ballarat. The university offers a general nursing stream, but certainly nothing in the specialised fields where they would want to get people.

The nursing areas that are provided for in Melbourne are pretty well snapped up in Melbourne. There does not seem to be the supply coming even out of Melbourne to make it an unmet demand. It seems to be an overall skill shortage that the health areas find here in Ballarat, so when they are graduating, they are snapped up in Melbourne, and then it is a matter of what can we offer people to get them to move into regional areas? That is where the difficulty is in the specific specialised nursing and medical areas. Internal training is successful to a point, and we are still talking the health area here.

It is successful to a point, but again poaching has been cited as being a real problem where you are competing against, I guess, other private hospitals and in some cases we are talking Australia here as well as Victoria, some other private hospitals, but also public hospital and private practices that have the same sort of offerings as well.

So the local universities do not offer those specialised streams. Reliance is on the Melbourne universities to bring them out. The problem then is of relocation, and if you are bringing someone out from the metropolitan area, it is like generalist streams; it needs to be a fairly attractive package to get that out.

As far as local government goes, if I can use the same examples — town planners, environmental health officers, building surveyors — they are specialists and they have a lot of trouble getting those people up into regional areas, especially when they need to offer a fairly attractive package to get them into these places.

I should have mentioned also that I am mainly concentrating on A and B in this, of the scope. As to B, I have given some thought about what negative impact that could have on the regional economy or regional Victoria. I think there are some positive and negative aspects to this and I guess it is debatable if a skills shortage is the same as an unmet demand in regional areas, because if we cannot get them, we cannot get them, and whether they are in abundance in Melbourne or not does not really matter because it is still a skill shortage and an unmet demand here in Ballarat, or in other regional areas as well.

Certainly those skill shortages or unmet demands can have a negative impact by either not providing a service where we want to bring those skills, providing a much reduced service by not having the levels of skills we require, or by using extra money to get those skills. Therefore, if it is unplanned money or unplanned expenditure something else will miss out. Businesses can be distracted by having to provide extra incentive to attract staff but also having to come up with long-term plans to have the skilled staff coming into an organisation and retaining them. But that is a positive because it makes businesses smarter in how they do their business and how they get and retain staff. Other positives include forcing businesses to explore all possibilities, and it makes them look at their own operation much closer. It can be good for the staff in those positions because they will get a much better deal. I hope I have covered the scope and not strayed too far off the path.

Mr KOTSIRAS — Students who complete nursing or teaching here in Ballarat might then decide to move to Melbourne. Coming back to what you said earlier, what are businesses doing to ensure those students stay in Ballarat? What could governments, both local and state, do to ensure that those students remain in Ballarat and do not go back to Melbourne? There are two options: you can either draw students from Melbourne to work in Ballarat, or students in Ballarat to remain in Ballarat, but how do you keep them here? You might have 1500 more places at university; they might all finish and all depart for Melbourne. What should government do to ensure those students remain in Ballarat?

Mr CRONE — I would want to know the reasons for people going down to Melbourne. Is it opportunity? Is it lifestyle? Is it because they are young and you have not lived unless you have lived in a capital city? Originally I came from a country area that is an hour and a half inland from here and a lot of people just lived to move out and move into a larger regional city. You would know from a lot of other discussions that you have had that there are sponge cities that just drain out the smaller regional areas, and Ballarat is a sponge city as is Melbourne from Ballarat. One of the questions I would be asking is what would make people either go to Melbourne in the first place or go back to Melbourne after studying in Ballarat. If it is a lifestyle choice then there needs to be a bigger focus put on the advantages that regional areas have to offer. Certainly there is nothing in Melbourne that you cannot get in Ballarat to some degree. That would be one of the first questions: why would they be going back to Ballarat?

Mr KOTSIRAS — Should more be done by schools, government or businesses?

Mr CRONE — What should be done? It is an awareness. Businesses, and we are talking about anything really but let's talk health, should be getting to the students and addressing the classes to show what sorts of opportunities there are either in Ballarat or in Horsham or Ararat, to show that it is not just in Melbourne where there are health opportunities but there are opportunities in regional Victorian centres as well. They need to get to

the coalface, and that is to the students while they are studying. There needs to be that interface with business certainly at an educational level.

Mr HALL — Thank you for your presentation and your thoughts on some of those subjects. In terms of your membership and some of the employers that belong to your association, do you find there is any difference in attracting highly skilled people to the area, say with a business or management background as opposed to a more technical background such as the engineers, scientists and IT people?

Mr CRONE — Certainly the more technical specialists are more difficult to attract. You can get anyone with the right offer or package, and that is where they need to go. They need to get smarter in the packages they are offering to those specialist fields because generally speaking they need to come from outside the region, and that is the difficult part — getting people to relocate. I spent 17 years working at Bendix and some of the directors, especially in operations, came from America. Is that an indication that there are not local operations directors who could do the job? They really go far afield as far as that goes. That company will not get many directors who are from another company in Ballarat; they have always gone outside the region to get what they have.

Mr HALL — Do you have any views about whether any of your members have difficulty in filling general employment positions of semiskilled and even unskilled positions?

Mr CRONE — Down to the blue collar, absolutely. Let us talk trades, and if I can use basic welding and spray-painting as examples. I have members using all sorts of creative ideas to get people in. It has got to the point where they have offered relocation expenses. Some have even gone to bringing people in from overseas where they have some exchange program with qualified people. I find the skilled workers, when we are talking say welders and spray painters as an example, are at a premium. We have had a company offering very attractive wages for a welder, and it cannot get people off the street. It has offered an attractive wage to try to poach somebody from another company so that someone will look at the ad and say, 'That's better than what I'm getting'. Even skilled labour is difficult.

Mr HALL — Why is that? Ballarat is a pretty nice place to live.

Mr CRONE — Ballarat is a great place to live. I have lived all over the place and I would stay here.

Mr HALL — Is it lack of training opportunities locally?

Mr CRONE — I had a few months at an employment agency prior to VECCI and one of the things I saw there — and I do not think I am speaking out of turn — is that so far as the unemployment goes there will be a core group of unemployed that will always be unemployed. The group of unemployed that will be looking out for the work will be the ones placed. But the trouble is that when it comes to the skilled or unskilled, there is only so much that is going around at the companies at the moment. They are just not seeing any valuable asset to their business coming through the doors, unless they have just come on to the unemployed list for whatever reason.

Mr HALL — Does industry in this region and western Victoria, the area you cover, enjoy a good relationship with educational bodies like the University of Ballarat and the local learning and employment networks that have been established across the region?

Mr CRONE — It is an improving relationship, yes. The interface was not there a number of years ago but since the LLENs have come on, from the Wimmera area to the Ballarat area, I see they have really tried to get businesses to promote what is out there. Possibly in the past they concentrated a little bit too much on manufacturing and the careers in manufacturing, which was good because it needed to raise its profile because it was somewhat lacking, but they are looking at all areas now and I think that is where they are heading now. The relationship is an improving one. Certainly Ballarat university, with campuses in Ararat, Stawell and Horsham among other places, has pushed and used a lot of promotion and advertising. It just wants to get out and show businesses what it is doing and what it can offer. It has come a long way.

Ms ECKSTEIN — You mentioned the specialist nursing shortages at the hospital. Can you quantify those, and are they across the specialist areas or do some areas dominate?

Mr CRONE — It is fairly specialist. I have been told some of the areas, but they made no sense to me. I can certainly give you a contact name.

Ms ECKSTEIN — Perhaps if you give it to Gabrielle and she can follow that up.

Mr CRONE — They would be happy to talk about some of the issues they have in getting staff. It is with the specialists. The normal registered nurse is not a problem, but it offers that qualification here. Once you got into the areas not offered by Ballarat university, where they come out of Melbourne, that is where there are problems. It was not just nursing but the medical professionals as well. I can provide a name for that.

The CHAIR — On the issue of young people leaving, we heard earlier that something like 28 per cent of 19-year-olds shift to Melbourne because they cannot get a place here. Is there any discussion with employers around here of trying to get some region specific places at the university, because it would seem to me that if there is an advantage in coming here and knowing your child or you can upgrade skills and get into Ballarat, whereas it is harder in Melbourne, that might be an incentive for businesses. Has there been any discussion about that, or do you have a viewpoint about that?

Mr CRONE — About attracting — —

The CHAIR — Yes, and having specific places allocated to regional universities?

Mr CRONE — Specific places allocated?

The CHAIR — An extra 10 per cent places.

Mr CRONE — For university?

The CHAIR — Yes. The argument which has been put in other places is that if you live in Ballarat or a regional setting, for your kids to go to Melbourne it is going to cost about \$20 000 a year to travel, in which case you cannot do part-time work or you relocate and you have to pay rent et cetera, et cetera. So to keep people in regional settings and make it more attractive for people to do higher education, if you had more places specifically in that region, it makes it easier on the community. Have you had any discussions about that? Do you have any viewpoint?

Mr CRONE — I have not had discussions, but I think I have a viewpoint. There would need to be demand for it. What comes first? Do you offer the places, then create the demand, or do you create the demand and then offer the places? I think that is probably the question that would need to be answered first. I think the university has tried offering different places and the demand has not been there, so it is dropped, but who is to know how well those courses were promoted in the first place. I think that if there could be shown to be a real skill shortage in certain areas and there was a career path for people to come through and then it was promoted through schools and you started getting that latent demand in the schools starting in the higher years of secondary school, it would make sense to then offer those places here. One of the things that maybe schools need to do better and they have probably started to do that is to look at where the shortages are going to be when this particular year goes into the university, and if they are not identifying those shortages early enough, they are never going to be there in the first place.

The CHAIR — That is where industry comes in.

Mr CRONE — That is right. The industry and the education bodies are talking together saying that especially with the ageing of the work force, 'We are going to have this turnover and these particular skill in five years time. What can we do? And it not just us; it is going to be Bendigo and Geelong and even probably Melbourne. What can we do as two bodies to right that wrong?'

The CHAIR — Does that happen much now?

Mr CRONE — I think it is starting to happen. Certainly VECCI and the University of Ballarat are getting together a lot more about those sorts of issues, and an MOU is starting to formulate, and I would imagine that part of that will be discussions with VECCI members and the University of Ballarat — or VECCI on behalf of their members. I think that allocating places is important, but it has to be what is going to be required in the regions in that time frame.

The CHAIR — Thank you. It is good to have industry input into it. If we have any more specific questions, can we pick up the phone?

Mr CRONE — Please. Should I leave a card?

The CHAIR — That would be great.

Mr CRONE — I am meeting with St John's this afternoon about a different matter. We are meeting with the HR people there. I will raise the question just to make sure that it is okay and then give pass some details on.

The CHAIR — Fantastic.

Witness withdrew.

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EDUCATION AND TRAINING COMMITTEE

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Ballarat – 9 February 2004

Members

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Mr S. R. Herbert	

Chair: Mr S. R. Herbert

Deputy Chair: Mr N. Kotsiras

Staff

Executive Officer: Ms K. Ellingford

Research Officer: Dr G. Berman

Witnesses

Mr G. Taylor, Principal, Sebastopol College;
Mr E. Pearce, Principal, Ballarat Secondary College;
Ms L. Hayes, Principal, Ballarat High School;
Mr B. Davern, Principal, Mount Clear College; and
Ms H. McIntyre, Principal, Daylesford Secondary College.

The CHAIR — I declare this meeting of the Victorian government parliamentary Education and Training Committee reopened. I welcome principals of school from the Ballarat area. I advise you that all evidence taken by the committee including submissions is subject to parliamentary privilege and is granted immunity from judicial review pursuant to the Constitution Act and the Parliamentary Committees Act. This is the first time the committee, which was formed in 2003, has ever come to Ballarat. We have had some very good submissions today, and we are very much looking forward to hearing what you have to say in terms of the universities. For the record will you give your name and position and then you might like to make a statement and then we will open up for questions.

Mr TAYLOR — My name is Garry Taylor. I am the principal of Sebastopol College. In fairness to my colleagues here, it would be useful for us to have a more explicit understanding of the terms of reference of this committee, so we can respond.

The CHAIR — I do not know if we have a copy of the terms of reference here, but essentially they cover the issue of unmet demand for university places and how it impacts on the community and industry, and for the individual et cetera — whether it is a gamut of impact or it is actual size and real unmet demand in terms of how it impacts on our society. The terms of reference are there.

Mr DAVERN — I am Bernie Davern, the principal of Mount Clear College.

Ms McINTYRE — I am Heather McIntyre, principal of Daylesford Secondary College.

Mr PEARCE — Edward Pearce, principal of Ballarat Secondary College.

Ms HAYES — Lorraine Hayes, principal of Ballarat High School.

The CHAIR — Do you want to perhaps summarise or go straight to questions?

Mr TAYLOR — I think we might go straight to questions. We are all relatively large to very large secondary colleges. Ballarat High School and Ballarat Secondary College have in the area of 1500 students, Bernie's and mine have 1000 plus, and Heather's school at Daylesford has 500, so it has more of a rural or regional — —

Mr KOTSIRAS — Do any of the schools here do follow up as to where the students go up once they leave year 12 — what course they get into and whether they complete the course, if they find employment at the end of that course, and do they stay in Ballarat or do they go elsewhere?

Ms HAYES — We track them when they first leave school, immediately they leave, and then again six months later. We are actually required to do that under the managed individual pathways program. Speaking for my own school, we are actually tracking that group of students who deferred, but we do not track them after the first six months. If they have actually taken up their place and are still six months into the course, we do not track them three years later. The LLEN, of which I am the school representative, is certainly tracking the number of students who are completing tertiary qualifications and whether or not they are staying in the local area or leaving.

Mr KOTSIRAS — Today the committee has heard some evidence that there are some skill shortages in this region. What are schools doing to encourage students to undertake specific courses once they leave year 12? Is any particular counselling or advice given to students prior to them deciding what courses they are doing in year 11 or year 12?

Mr TAYLOR — All schools here run counselling programs for students. We also respond to student aspirational needs through VET programs — a variety of vocational education and training programs. Some of those relate to the area of hospitality, which is extremely popular, and that has a direct relationship to one of the major industries in Ballarat. One other area which may be a skill shortage area is engineering. The college I work at has a VET engineering program which is part of a cluster offering, and there is also a relationship there with the local learning and education network and industry to provide experiences in the engineering area for students who may be in year 10 prior to going into the VET programs. Interestingly enough, last year one of the outcomes of that program was that around 10 students from various schools entered that industry through apprenticeships.

Mr KOTSIRAS — Is there a teacher shortage?

Ms McINTYRE — Yes.

Mr KOTSIRAS — Across the board or in specific areas?

Ms McINTYRE — From Daylesford's point of view it has been in the automotive area. We can foresee one coming up in the technology wood area in the next few years so we have tried to be proactive and have encouraged locals, who have expressed some interest to staff members about becoming involved, to actually undertake teacher training. We solved our automotive problem two years ago. When the fellow who had been there for years reached retirement age we put in one of the local mechanics who had started this course, and we put him on as an instructor while he did his course. Now we have him qualified as an auto teacher. We are supporting a fellow doing wood in the same manner because we are expecting retirements in that area in the next two or three years. It is not easy to get a woodwork teacher.

Mr PEARCE — This issue of teachers in the technology area — wood, metal and so on — is something that principals across the state have been concerned about for a while. We have fairly close links with our local university, the University of Ballarat, and through conversations with it it has — I think last year was the first year — started up a teacher training program to train people to become technology teachers. That is a good example of a local initiative to respond to a particular need. Last year there were about 35 places. I think they were all taken up by people who wanted to train to be technology teachers. We get to see some of these people when they are doing their teaching practice rounds, so we work quite closely with the university on course advice and providing teaching practice experience for them. Of course we benefit from it because we know who is there and when we have a vacancy we can approach the university.

Mr KOTSIRAS — If there is a teacher shortage, what more could the government do to assist in this region?

Mr DAVERN — The government needs to redirect dip. ed. places out of metropolitan universities into country universities. If you look at Melbourne and Monash universities you will see that they have a monopoly on diploma of education places in Victoria. If you are born in the eastern suburbs you go to an eastern suburbs university; you are not going to come to the country. If you look at the pattern of where those people who graduate from Monash, Deakin or Melbourne universities go, you will see they do not want to come to the country. Because they are allocated most of the places, it makes regional schools much more harder to staff. We have to offer incentives to staff to get them here. We offer them free accommodation, free travel, extra bits and pieces to get them here, so it costs our school communities more to get those teachers. But if you redirected the dip. ed. places to country universities, or stipulated so many, that might assist us. But there is a shortage of LOTE or language-other-English teachers and accounting and commerce teachers. In the past few years business has been booming with the GST and accounting firms have been taking all the accounting graduates. Not many have been drifting into accounting teaching, or as many as we need.

Ms HAYES — It would be safe to say we have lots of PE teachers.

Mr PEARCE — We have too many physical education teachers.

Ms McINTYRE — And too many SOSE teachers.

Ms HAYES — So we have an oversupply in some areas and critical shortages in others.

Mr KOTSIRAS — Could teachers do some course to double up with mathematics or science?

Mr PEARCE — At my school we employ a number of very good phys. ed. teachers because of their second method, which might be science or something like that, and that is why they get the job. The local university has a good name for the phys. ed. course it runs. I am not sure whether the number of places provided are related to the need, but they turn out some good graduates and we will employ them using their second method.

Mr HALL — To what extent are your schools involved in VET and VCAL programs?

Mr PEARCE — Extensively.

Mr HALL — Is there a network of schools or do you run them individually?

Ms HAYES — This is the network, with some of the private schools here in Ballarat. We have a cluster and we share programs, so Ballarat High School offers hospitality, sport and recreation, and students from the other schools will come to us. Garry's school offers engineering and students from my school go there. There is building at Ballarat Secondary College. We do not duplicate; we are all offering programs and then accessing the network of programs. So we are all involved quite extensively in VET and are trying to run as many programs in house because if they go to TAFE it breaks our budget.

Mr PEARCE — Covering the cost of these VET courses is a problem. The Ballarat VET cluster has been successful in providing a wide range of programs for the kids in Ballarat. Rather than having each school duplicating what they are doing, each school is more inclined to specialise with staff expertise, facilities and the industry links so we can provide a wide range of VET programs for kids from government and non-government schools. It is a good model with the non-government schools involved. On Tuesday and Thursday there are kids travelling all over Ballarat to go to the appropriate place to do their VET program.

Mr HALL — What is the range of fees a student would pay to participate in a VET program?

Ms HAYES — Last year, nothing.

Mr PEARCE — This year we had to introduce a small fee just to cover our own costs to some extent.

Mr HALL — It has been put to me that because some schools cannot provide the in-house instruction themselves in those programs they are having to charge fees of more than \$600 in some cases for kids to enter VET programs.

Ms HAYES — We still run programs through the TAFE sector that we are not able to provide because we do not have the equipment or the specially qualified staff, and those programs can be anything up to \$1000 per student. That is not how we are funded through the Department of Education and Training. We have been subsidising those. This year we had to make the decision that there had to be a co-payment by students because it was becoming a bigger and bigger red hole in our budgets.

Mr HALL — Has that impacted on the students wishing to do the course?

Mr DAVERN — No, enrolments are up this year. More students are doing VET than ever — for example, one of the Melbourne universities will charge \$87 an hour per student for instruction in one of its hospitality courses, and that would be triple what we would charge. We would be asking why TAFEs are charging so much. Someone has to look at the cost structure.

Mr HALL — I suppose you are in rather a fortunate position given that Ballarat is, for regional Victoria, a densely populated area — Daylesford is not that far away — and therefore you have that ability to pool resources and run programs. A LLEN coordinator from Horsham this morning made the comment that some of the fees over there are proving a barrier for some kids participating in VET programs.

Mr PEARCE — It is the added cost of the travel backwards and forwards to where the program is being delivered. There is another element in this cost thing: some programs are run at the local university TAFE college, some are run fully in house. The school can do most of the modules in a number of programs, but there are some modules where we just cannot. At my school we do general construction, which is basically building, but there is a module there on scaffolding and because of the equipment, the facilities required, the staff expertise, occupational health and safety issues and so on, we cannot do that, so we have to employ the services of the University of Ballarat, and the cost of just that module is very expensive.

Mr HALL — Are VCAL and school-based apprenticeships popular?

Mr PEARCE — Yes.

Ms HAYES — We are all offering VCAL. School-based new apprenticeships are growing exponentially in terms of popularity.

Mr DAVERN — For the schools cluster of VET we employ three staff from our own funds with some commonwealth subsidy through ACEF. They have changed their name this year, though. We get a commonwealth subsidy for that, but the rest of the funding for the other two salaries is paid for by schools out of our own global budgets, and we have one person coordinating the VET programs, one person working on school-based new apprenticeships and one person working with industry links and work experience placements. So the schools themselves in this area have got off their backsides and employed three people to do all that logistics work for about 700 or 800 students in total that are crossing all over the place. Our cluster goes from Bacchus Marsh, Daylesford, Beaufort, Ballarat, and we have even included students from Glenthompson and Derrinallum, even though they are not part of our cluster and are in a different area altogether. They have expressed an interest to come to Ballarat because we are offering such a wide range of programs, and we are taking them in for no cost to help those students out in the country areas. So what we are doing here is quite extensive.

Mr TAYLOR — Our experience with the VCAL program is that it has provided a very good vehicle for students in particular who learn differently, and looking at our outcomes over the last two years has resulted in improved retention. These students have participated through to the end of year 12, and probably in many instances — and I would say 60 per cent — those students may not have even considered a year 12 course, let alone completed it.

Ms HAYES — One of the things that I have found interesting with VCAL — and last year was the first year we tried it — was that two-thirds of the students in the program have gone into full-time employment, and a majority of those have been through apprenticeships through their work placement and their VET programs, but it is considered that the school has failed them in terms of my retention rates — because they are not there for year 12. I have failed the mission; because they are now in full-time employment and in apprenticeships they have done a bad job.

Mr HALL — And continuing to learn.

Ms HAYES — Needless to say I did not encourage them not to take up the apprenticeship.

Mr DAVERN — Under the department of education's rules for calculating your completion rates at year 12, those students are discounted. We say it is a bonus for those kids. They have got a really good outcome. We are very pleased for them, but we then get hammered by the department saying, 'Your completion rates are down', and we are saying, 'But look at this'.

Mr HALL — I noted your comment before about the automotive teacher that you took on under supervision. Was that through the University of Ballarat's bachelor of education or bachelor of technology?

Ms McINTYRE — No, it was through La Trobe, Bendigo.

Mr HALL — Have any of you made use of — —

Mr DAVERN — We have three of Ballarat's trainees currently on our staff — one in auto, one in electronics and one in wood — all doing the course at Ballarat because we cannot get them anywhere else.

Mr HALL — So it is working?

Mr DAVERN — Yes, and the relationship we have had with the Ballarat university is very good. La Trobe's program is good as well.

Ms HAYES — If they do their training in a regional area they are more likely to stay, either regionally or rural. One of the difficulties we have is if you bring a graduate from Monash to come and teach Japanese in Ballarat, they say, 'How far is it from Melbourne?' Anyone from Ballarat up, they do not even bother ringing. One lady did ask when I was at St Arnaud, 'Is St Albans close?'. They both start with a 'saint', but, no.

Mr HALL — Doing a diploma of education in country areas, deregulating, I think you said before, or getting rid of the monopoly that Melbourne or Monash have on dip. ed, how could you make that work? I can imagine Ballarat here, who have an education faculty, could provide tuition and conduct a dip. ed., as they do now. What about the guy this morning who said, 'If we could get teachers to do their dip. ed. in Horsham or Hopetoun — —

Mr PEARCE — The University of Ballarat has campuses up to Horsham. Horsham is a part of the University of Ballarat, as are Stawell and Ararat, so they have campuses all up and down the Western Highway.

Mr DAVERN — And La Trobe, for example, has campuses at Mildura, Shepparton, Beechworth, Mount Buller, Bendigo, and Deakin has them in Warrnambool, and Churchill has Monash Gippsland. So the universities have got tentacles out there, but it is a matter of who is funding — whether it is commonwealth or state money or you actually fund the places.

Mr HALL — Could you do a school based dip. ed. — somebody who worked part time in your school and part time — —

Mr DAVERN — Yes.

Ms McINTYRE — The other thing that could be looked at is that one of your teaching rounds has to be a country experience or could be a country experience. That at least opens people's eyes to the fact that there is life out there beyond the tram tracks. But we have also had the situation where we have had students from one of the big universities in Melbourne, and the particular person I am talking about went to a school in Ballarat for a round last year and went to school at Kyneton. No-one came and saw her in either of those places, because it was too far to travel, to check up on how she was going.

Mr HALL — Tell me about it — I am a former secondary teacher from country areas.

Ms McINTYRE — It is just amazing.

Ms ECKSTEIN — Those last comments are very interesting. I could not get a LOTE teacher to go from Brunswick to Balwyn once.

I am interested in the local kids. What proportion would get to higher education places elsewhere as opposed to here or perhaps as far as Bendigo, and of the ones that go to Melbourne or elsewhere to do higher education, do you have any feeling or any data or any sense of whether they do come back after they have done their qualifications and training, or are they lost to the area pretty much for ever?

Ms McINTYRE — Being a country kid myself I think that a lot of them go to Melbourne, but they eventually will move back to the country. It may not necessarily be from where they grew up, but they will come back to the country and be prepared to do that.

Mr DAVERN — It depends on the profession and the demand.

Mr HALL — It depends on their wife half the time, or their partner.

Ms ECKSTEIN — When we were in Gippsland we were told that a lot of the kids, especially say from far East Gippsland, were reluctant to go to Churchill for higher education, let alone to Melbourne. They are quite happy to go to Melbourne and spread their wings a bit.

Mr PEARCE — Certainly in my school it is an issue that we talk about amongst the staff, that we would like more of our students to open their minds to Melbourne, to the whole world, rather than staying where it is safe in Ballarat.

Mr TAYLOR — It is an issue of socioeconomics, too. I know from our school perspective, probably five years ago those students going to tertiary education would go to Ballarat, and that would be based on their sphere of knowledge and understanding, despite the counselling and so on, but also the issue about accommodation and the costs associated with attending a university in Melbourne. That has changed. I have noticed this year with our placement results that there is quite a different spread to where it was five years ago. But invariably, or in most cases, accommodation will be linked to a family relative in Melbourne, so it still is a real issue, the issue of funding.

Ms ECKSTEIN — Funding the student out of the area.

Ms HAYES — If they go to the University of Ballarat, they can live at home and that makes a huge difference financially, so I would say at our schools sometimes we and the parents are working in opposite directions because we are very much of the view that you should take a big picture look at all the possibilities that are open to you, and at home they are getting the message that if you go out here it will not cost as much. I would have to agree with Garry — five years ago the majority would have been heading that way. More are now taking a much broader view of courses, and not just Melbourne. There is Warrnambool.

Ms ECKSTEIN — So students would not go to, say, a TAFE option because they did not want to move from home; is that what you are saying?

Mr TAYLOR — No, I am not saying that, but in particular university places.

Ms ECKSTEIN — Yes, but if they could would they take a local TAFE place in preference to a further away university place?

Mr PEARCE — In my school in some cases that would be the case. Of course there is the Australian Catholic University here too. I find some of our students will look at the local university, or the TAFE part of the local university, but stay here. There is the cost, the friends, and everything they know. I have not seen the statistics,

but I would be interested to see if it is a socioeconomic thing. I would be interested to see our government schools compared with the non-government schools in Ballarat, if you are talking to the principals, and to see if their figures are substantially different. I guess they might be, but I am not sure.

Ms ECKSTEIN — Roughly what proportion of your year 12s would get higher education places?

Mr PEARCE — In my school it is around 45 per cent in total.

Ms HAYES — In mine is a bit higher.

Ms McINTYRE — Ours is higher too, and basically all our kids have to move. Even with travel into Ballarat, the transport links are so infrequent that if they have not got a car they still have to come into Ballarat to live, and a lot of ours do go to Melbourne.

The CHAIR — The committee has heard evidence that it is 15 to 20 per cent extra to study, to travel, pay rent et cetera, if you go to Melbourne from a country place. It is fairly expensive above HECS. Your reflection that it is hard to get technology teachers is interesting. Fifteen years ago there were trade teachers in excess across the state. A lot of this is cyclic. It is interesting to look at what changes rapidly. In terms of planning you need to think 15 years ahead rather than the next few years. You should be congratulated on your use of VET and VCAL and the broad options you are giving your students. Of your year 12 students, how many of them want to go to university? Is it 60 per cent or 70 per cent? Is that the overriding issue for many of your students?

Ms HAYES — Probably at Ballarat high I would say upward of 80 per cent of the students currently in year 12 would expect to go on to university. Not all of them will; that will actually change as the year goes on. At this stage that would be the expectation. That is also a reflection of the socioeconomic cohort and where the school is situated. They are very much reflecting what their families want for them. But as the year goes on that percentage will actually change. We notice there is a bit of a shift. The majority of them are there now because they want to go on, specifically to university and not TAFE.

The CHAIR — The terms of reference include the impact on TAFE. Is that roughly the same?

Mr TAYLOR — From my school's perspective I would say probably 50 per cent of the students have that aspirational direction. I will give some of the sociodemographics of my school: 40 per cent come from families who are unemployed; 20 per cent are from semiskilled, part-time work; 20 per cent are from skilled and semiskilled work; and then there is the balance. In that context you are looking at a different set of generational experiences. To obtain an apprenticeship or ongoing employment is seen as very important for many of our students, although that is changing. It has certainly changed in the last few years.

The CHAIR — We all know that university education and TAFE education is important for the industry and for our economy. I am trying to get a handle on personal impact. If students expect to go to university, they study for six years, what happens if they do not? I am trying to work out what happens to those students who work hard, get a decent TER score, and miss out. Is it an issue in the school? Is there a lot of pressure on students? The way I am saying it is clumsy. I am trying to get a human dimension of whether there is an issue of unmet demand and how it impacts on kids.

Ms McINTYRE — Some of this comes down to the choices they have made in the first place. We have looked closely at our placements this year and only four or six of our kids did not get first round offers, but they were wisely counselled and they made informed decisions as to what they were going to be capable of getting into. So they did not put their hands up wanting to do medicine at Melbourne when they were not going to get a score of 99. There needs to be a degree of reality with some kids that you need to set your sights within your capabilities, and some kids do not do it and they are the ones who fall very hard. We have noticed there is also a degree of snobbery in going to university as against TAFE. We were trying to offer one of our kids who did not get a first round offer a pathway into nursing that was through TAFE. And she basically said to the careers teacher, 'I am not going to TAFE', full stop'. So there is a reluctance of kids to explore other pathways as well, based just on that one experience.

Mr KOTSIRAS — Why is that?

Ms McINTYRE — I do not know. It is seen as second rate.

Ms HAYES — A poor man's alternative.

Mr KOTSIRAS — It used to be 10 or 20 years ago, but things have changed.

Ms HAYES — TAFE has, but the community perspective on TAFE has not. Parents will actually say midyear when we are saying, 'We really need to think about the fact you are wanting to be a rocket scientist; have you looked at', and we are told, 'No, he is not going to TAFE'; end of conversation.

Mr TAYLOR — It is compounded by media hype, the tables of performance, the ENTER score whip up, which has a shelf life of about that much. Therefore the perception is created that you are a valuable person or a successful person if you go down that particular pathway. Who knows what happens at the end of the first year. We know the drop-out rates of university.

Mr HALL — This is despite the fact that it is all Ballarat university anyway, if it is a local TAFE course. People still differentiate between higher education and vocational education.

Ms HAYES — Yes.

The CHAIR — For many it would be job aspirations, would it not? What you are saying is that kids choose university or TAFE irregardless of what job they want; is that the case? I would have thought if you had a vocation in mind you would choose your course, but what you are saying is it is a snobbery thing.

Mr PEARCE — It is not always the kids. It is the parents as well. Parents have a strong influence on the kids' attitudes and beliefs, and some of our parents have strong views on these sorts of things based on their experience, which goes back many years.

Ms McINTYRE — We are making the assumption that kids know what they want to do, and it is surprising the number who get through to third term of year 12 and still do not know where they want to go and what they want to do.

Ms HAYES — And they will go to all the open days for the universities and not one TAFE.

Mr KOTSIRAS — Do you think more work needs to be done from the government point of view in trying to explain to parents what TAFE offers and what TAFE is all about, and that entering university is not the end all, that you need to look at other options? Are we doing enough?

Mr DAVERN — There is a percentage of kids who when they come in at year 7 they basically know they want to be a rocket scientist. There are others who know they want a trade, they want to become an electrician or plumber — he or she, these days it does not matter. You have those kids with a fairly fixed view from influences at home, from parents or extended families. They have an idea of where they want to go. About 25 per cent of students, and this is the cohort, are at risk all the time — they have no idea.

They do not have aspirational people around them in either their family or extended family; they have skill deficiencies in some areas; and they are the kids who, because of all the programs that are in schools now, tend to stay on at school and do not drop out. The retention rates are increasing, and they are the kids who get to years 11 and 12 and really do not know where they want to go and what they want to do. They are the kids who cannot see the wood for the trees and just cause us angst all the time. They are the group that cause us the most grief in terms of anxiousness, in terms of dealing with their parents, because their parents can tell you, 'I don't know what they want to do either'. We can trot them in one after the other. We have heaps of them in our schools, and they are the ones who slip through.

Mr KOTSIRAS — So what needs to be done to cater for those students?

Mr DAVERN — What the individual schools are doing is putting in individual pathways for kids. There are careers counsellors going in; there are workers. We have all linked ourselves to agencies in town which deal with kids. We have all got year 9 and 10 programs when kids become post-compulsory, such as JPP, where we refer groups of kids off to work with outside people, not just teachers, because often kids do not want to hear from teachers again about what it is out there, what life is like, what work is like, and stuff like that. We have extensive work programs for students and huge links with employers. We do all that with them and there is still this cohort which simply still drifts.

Ms HAYES — Going back to the point you made about what the government could do to promote TAFE, it is not necessarily more promotion of TAFE; going back to what Garry said, the school is not successful unless you have really good ENTER scores and your kids get to university. Andrew Bolt will tell you that every year. He

beats us around the head — failing schools. You do not see Andrew Bolt saying, ‘And they had eight kids go off to TAFE’. So it is not just talking up TAFE; it is actually much broader than that. It is putting the ENTER score and tertiary entrance into a much bigger context, whereas schools continually get measured by the number of kids who get high ENTERs and get into Melbourne University. So it is actually putting that into some context, and Andrew Bolt’s articles continually beat TAFE around the ears, because that is where you go if you are not successful. Successful schools get good ENTERs and get kids into universities in Melbourne.

The CHAIR — On that issue, it is Ballarat and you have done a great job in defending schools and I think VCAL acknowledge that, but it is a double-edged sword. Whilst I agree with you that there is a whole range of measures of success absolutely, there is also the measure of success at university entrance. You have just told us that a lot of the parents and the students have high aspirations to go to university. In the school model that we have in Victoria, I guess then the question for you is how much you have a generous education and how much as individual community providers in perhaps not self-managed but certainly self-administered schools you meet those community expectations.

I guess the other question on that side of it is, and it might go to your school — we heard that the first person or family to do a degree at Ballarat was incredibly high here, and that is new generation change, media expectation. How much do you go towards your students getting to university? Is it really important in terms of getting a higher mark to get in there, or what do you do? How do you look at those two factors? You have a philosophical viewpoint, you have a high expectation, you have increasing TER scores — you have to meet that expectation within the diversity of meeting kids’ needs. How important is it to you to meet that expectation of kids getting a higher education and do you do it? It is a hard question, I know.

Mr PEARCE — Part of what we struggle with is this sort of competitiveness for numbers; our future relies on us enrolling enough kids. How do we do that? By telling our parents how fantastic we are, and by implication, ‘My school is better than his school, so send your kids to us and we will do all these wonderful things’.

The CHAIR — I understand the argument, but you do have a large cohort of your kids — 80 per cent started year 12 in your case — who want to go on to university. TER scores are going up. How important and how hard is it for you in terms of meeting that need, because the other thing we heard here today is that there is a five-year waiting list for a lot of the private schools, which I surmise do not have, in some cases, the same breadth of viewpoint we have here. We have a mismatch here in some ways. We have large numbers of students wanting to go to university, large numbers of students missing out, schools that are advocating quite strongly, and quite correctly in my view, a diversity of education experience, but you still have a high expectation from your community and those students to get good academic results. So how important is it and in which case how does that impact on the teachers who come to the university?

Mr DAVERN — For example, we have hired seven new staff this year from teacher training, and I have looked at three aspects. I have looked at their TER score when they entered university. I have set a benchmark of 85 as the TER score that I will take. I will not take a graduate teacher below a TER of 85. I look at their academic transcripts. I want them to have distinctions or high distinctions through their academic transcripts, and also I want to look at their practicums - how they did. Those three are a balance, so the three of them have to be reasonably good; otherwise I will not look at a student teacher. That is what I am trying to do in my school in terms of looking at teacher training and the graduates we are recruiting, because what I am on about is improving. I want teachers who have an intellectualism about them, who are smarter than the kids, basically.

Ms ECKSTEIN — Smarter than most of them.

Mr DAVERN — That is really important. Not smarter than me, though — that is the other problem. It is pretty easy, though, at our place, I must admit — so smarter than the kids, have some experience and some practical knowledge, and demonstrate through teaching practice that they can have a knowledge about the subject, but also a personality that enables them to get on with students and get on with families, because a lot of it is an ability to get on with people, to encourage the little subtle comments that you make to students in corridors and classrooms, and the way you interrelate to other members of the faculty as to how you improve the standing or the ethos of a school.

All the schools in Ballarat, the government schools particularly, have an understanding that we compete against each other to an extent, but publicly we celebrate our achievements collectively. At the end of each year 12, we put a joint ad in the paper celebrating all our successes at VCE, and also celebrate our apprenticeships and our TAFEs that people are doing. We try as a collective to be supportive of each other and to change opinions about that thing.

Steve asked about teacher training. That is what we try and do at our place in terms of teacher training, which cuts out some universities and some people from getting jobs, with us anyway.

Ms HAYES — In terms of that balance also where an overwhelming majority of the people who are delivering are university graduates, for them to show an understanding, appreciation and a respect for other modes of learning is critical, so you have to have staff who not only pay lip service to but have a genuine belief that there are different pathways for different people and that they deserve your respect and recognition. But it is a fine balance. In a school like mine where the parent community want very strong university entrance, good ENTERs, to introduce a program like VCAL has not been without opposition.

Ms McINTYRE — I have the same problem.

The CHAIR — But you are still balanced off with all your academic — obviously you have to try and get your kids as high as you can. Presumably you do that well, but you still have kids who miss out on university. What happens then to those kids then? Is it back to a paddock?

Ms HAYES — Most of the students who have missed out on places from our school have missed out because they have not listened to counselling about the courses they were applying for. Out of a cohort of 190, we only have four kids who by the time preferences went in, because not all of them decided at that stage that that was going to be their path — there is a change as the year goes on — only about four have missed out. They now recognise that in fact the path they had chosen probably is not going to be the right one. We have an increase in the number of students who are deferring.

Mr PEARCE — We see headlines about the number of people who miss out on university places. They must be from your schools because from my school just about everybody who wants to go to a tertiary course, TAFE or university, and is prepared to look a bit more widely, will get in. Was it 17 000 people who missed out? I would be interested to know which schools they were from because they were not from mine.

Mr KOTSIRAS — It comes down to counselling and talking to students and telling them their ability.

Mr TAYLOR — It does come down to appropriate counselling, realistic expectations and personal application in terms of overall performance by the individual student. This picks up what Lorraine and Ed were saying.

Ms HAYES — They get their results in early December. They come in and we have an extensive counselling program. They re-look at their original applications and many of them make realistic reassessments and change their preference order. We have very few students who are missing places.

Mr DAVERN — The ones who do not get in just do not listen.

Ms McINTYRE — To be quite honest, on the demand for teaching places, I do not want to be taking teachers in who have an ENTER of 50 and things like that.

The CHAIR — It is a few years since that occurred.

Ms McINTYRE — If you speak to some of the kids who want to go teaching, they are the sort of ENTERs they are picking up, and it is not good enough.

The CHAIR — What was the teaching ENTER?

Mr TAYLOR — This year Melbourne University was 85, Monash was 84, and I think Ballarat was 65; it has shifted up a bit.

Mr DAVERN — The problem was that five years ago you could have done an arts degree at some universities with an ENTER of 40. They have done the three years and one year of dip ed. That was their ENTER score. There is also the scaling of subjects in year 12 where some subjects are regarded more highly than others, and some are downgraded in their marks. That differentiates and sets up streams of groups of kids within the cohort, and that is hard to manage as well.

Ms HAYES — When I employ a phys ed graduate I look at their second method. If it says maths I want to look at which units they have done. If they have done statistics in first year, that means they can take year 7 — that's it. So they do not get the maths job. We now find ourselves not just saying, 'Okay, here is your dip ed PE

maths'; we are saying, 'Now I want to have a look at what you studied, what were the units you undertook, because otherwise you will have limited value to us'.

Ms McINTYRE — The scaling of subjects impacts negatively on students taking on technology subjects in years 11 and 12 and who are actually wanting to go on and teach in those areas because they are scaled down quite dramatically, so the kids are disadvantaged and they do not study those things but will study something else and go off and do their teacher training in something else. That is just such a negative.

The CHAIR — It is interesting to look at the criteria used to take on a teacher. What do you think of the difference between teachers trained in Ballarat and those trained in Melbourne, if there is a difference?

Mr DAVERN — We have hired seven graduates this year. Three came from the Australian Catholic University in Ballarat, two from Ballarat and one from Melbourne. One came from Queensland, two came from the University of Ballarat, and none from any of the Melbourne universities. So we went after the best graduates. That may be a reflection of who wanted to come to Ballarat as well, as much as what was available. Certainly we chased down who we thought were good graduates and we picked up a number who had had teaching rounds at our school through the year and were identified by staff as excellent practitioners, that these people would make the grade and be very good. I think every school does that. If we find a good graduate on a teaching round we try to be as creative as we can with our accounting to try to find a spot for them if it is possible.

Ms McINTYRE — Some of the graduates are being done a disservice by their institution in that they are not given as much help or guidance in how to apply for jobs and how to write to criteria and things like that. Some of the institutions do it very well and you get very individual applications from the same area. From other institutions you get one application that looks exactly like the next one and you have the standard generic version. Some of them really do well.

The CHAIR — Does it make a difference if the teacher is a local person who was taught here and done their dip ed here? Is there any difference between local students learning at university here, or are they better off going to Melbourne?

Ms HAYES — From what I see it makes very little difference. You get the good, the bad and the ugly. It is an individual thing. You look to your staff to say, 'We have a good one here', and you see what you can do. It is a bit like what Bernie said, a bit of creative accounting.

Mr KOTSIRAS — How long do teachers stay at the school? First year out do some teachers come here for two years, get some experience, and then go back to Melbourne? Is there some data on that? Once they arrive do they stay five, six or seven years? I am not sure if the department does it now, but for senior jobs many used to go out and become principals and then come back to Melbourne.

Mr PEARCE — It is much more difficult now to get a transfer to another school. Most of the graduate teachers I have employed at Ballarat Secondary College in the last three years have typically been from the local university and they tend to stay. Some of them are people who grew up in Melbourne, even did their first degree in Melbourne, but came out to the University of Ballarat for their teacher training. But if they are here, they sort of like it and stay. Unless they get poached by one of my colleagues, they tend to stay at my school.

Mr KOTSIRAS — You are saying that there is no exodus after two or three years?

Ms McINTYRE — I have worked up in the Mallee and Wimmera, and that happens up there because of the isolation. Some stay there but many do not.

Ms HAYES — One of the downsides in teaching now is there is not much movement. There is not the opportunity to move around, so they tend to stay because the openings are just not there.

Mr DAVERN — One of the other issues we have about teacher training is about some of the people who are accepted into teacher training. We have some large question marks about the efficacy of some institutions and who they are putting through.

The CHAIR — We might finish on that note. The committee is conducting another inquiry into teacher training which I am sure will relate more to you than this and we look forward to trying to get at what actually happens in teacher training and how it can be improved. The committee has to make recommendations on that. I thank you for coming today and wish you well with the start of school. I hope it has gone smoothly for you. I look forward to looking at some of your schools in the next few years.

Witnesses withdrew.

CORRECTED VERSION

EDUCATION AND TRAINING COMMITTEE

Inquiry into impact of the high levels of unmet demand for places in higher education institutions on Victoria

Ballarat – 9 February 2004

Members

Ms H. E. Buckingham

Mr N. Kotsiras

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Research Officer: Dr G. Berman

Witness

Ms R. Fry, Executive Officer, Ballarat: A Learning City.

The CHAIR — The committee welcomes Rachel Fry, the executive officer of Ballarat: A Learning City. Thank you for coming along today. I know you are probably fairly busy. I wonder if you would like to make a statement if you have seen the terms of reference, and then we will open it up for questions, and perhaps just clarify your job and what you are trying to achieve.

Ms FRY — Certainly. Thank you very much for the opportunity to address you today. It is very much appreciated. I will keep my presentation fairly brief. I understand that you have had a fairly busy and full day. I will provide with a bit of an overview of the learning city concept — Ballarat's formalisation as a learning city — and some of the broader issues of the impact of high levels of unmet demand for places in higher education institutions on Victoria, so if you will excuse me while I refer to my notes, I would be grateful.

The term 'learning city' can apply to a regional city, town or community regardless of its size or its location. Learning cities address the learning needs of their localities through partnerships which promote learning opportunities and use learning as a way of promoting social cohesion and economic development and include all parts of the community.

The OECD recognises the learning city or learning town concept, which emphasises the fundamental importance of coherent learning and innovation strategies for developing regional areas and interactive players in the knowledge based society. The need for new forms of cooperation and partnerships between schools, education and training organisations, universities, business and the community has also been noted in recent OECD research.

Learning communities are empowering communities to shape their futures by providing innovative ways of delivering opportunities for learning and skills acquisition and by new understanding of the value of lifelong learning. Communities are strengthened by the promotion of local leadership, by the encouragement of local ownership and control, by the facilitation of innovation, creativity and sustainability. The synergetic benefits of partnerships between individuals, groups and agencies are recognised and demonstrated. Learning communities have the capacity and the status to harness the power of local leadership and participation, and to rebuild and sustain particularly rural and regional communities. They constitute an effective model for strengthening of the power of these communities.

Moving to Ballarat: A Learning City, through Brace education training and employment as the auspicing agent, Ballarat received funding through the state government's learning towns project in May 2000, and in September 2000 the City of Ballarat confirmed its commitment to lifelong learning and the 'learning city' philosophy and held an official launch at Ballarat as a learning city here at the town hall. Ballarat: A Learning City has a number of promotional themes — a lifetime of discovery, investigate, participate and celebrate — and its vision is that in 2010 the City of Ballarat is recognised nationally and internationally as a learning city. The resultant benefits are readily recognised in social and economic indicators and learning is embraced for learning's sake by all members of the community.

To achieve that vision Ballarat: A Learning City promotes Ballarat as a learning city, encourages, recognises and celebrates lifelong learning for all. The partners in the Ballarat: A Learning City initiative, include industry, local government, key education and training players and the community, and each plays an important role in contributing to the economic, social and educational development in the region.

The objectives of Ballarat as a learning city include enhancing educational pathways, improving access to good quality education, training and learning opportunities, improving coordination and integration of educational, social and economic planning, enhancing the understanding of the value of lifelong learning and increased community commitment to ensuring learning opportunities and outcomes continue to expand, improving collaborative relationships between key stakeholders involved in education, training and employment, and ensuring the recognition of the need to maintain maximum local flexibility in arrangements to facilitate responsiveness to local community needs.

The relationship that Ballarat: A Learning City has with higher education to date has been one of cooperation, which will lead or is leading to further possibilities that we are exploring. Currently the learning city has an advisory board, and on that board are three local higher education representatives in the Ballarat University's Deputy Vice-Chancellor of Vocational and Further Education, the University of Melbourne in their Creswick School of Forestry business manager, and the Australian Catholic University, Aquinas campus. That board has diverse representation and meets every other month as a full board and in the additional month in smaller groups to look at specific purposes, such as steering events and business and industry linkages.

The higher education facilities have been involved in sponsorship of events we have held to date and participation in promotional activities that we have, such as our celebration of learning week.

Specifically in response to the terms of reference that you set Ballarat: A Learning City is currently working on the issue of addressing an ageing work force, and this is where I will place some of the emphasis on the impact of higher levels of unmet demand for places in higher education. To put it in a broad context, currently the supply of working aged people in Australia, aged 15 to 64, grows at 170 000 a year. For the whole decade of 2020 to 2030, the working age population growth will only be 125 000.

Looking at the impact of unmet demand for places in higher education specifically relating to the ever-increasing issue of our ageing work force and the skills gaps that are going to continue to occur with less people entering the work force, it is going to be imperative that those people have the necessary skills to fill those places. That means acting now. If we put it in context in rural and regional Victoria by 2021 it is expected that 38 per cent of the population will be aged 60 and over, so that leaves only 17 years of approximately four to five generations going through university and completing three to four-year courses.

To that effect Ballarat: A Learning City is working with the City of Ballarat, Ballarat University, the Central Highlands area consultative committee, the local learning and employment network to establish local statistics on impending skills gaps. That can be then fed through to TAFE and higher education and also to the adult community education (ACE) sector. Through that we can already see the negative effect that some of that unmet demand could have on Victorian industry.

There seems also to be a rising demand for mature age entry into higher education. That is essential in our current climate where the average individual will have seven different careers in their lifetime. Without the assistance of HECS, the cost of higher education is quite often out of reach for the average mature aged individual, especially when you consider that the average total household income for Ballarat is only \$34 150, which is fairly low — and that is taken from ABS figures.

This leads me to the impact of the demand for TAFE places as mentioned in the terms of reference, although I must say I am a little disappointed not to see adult community education or the ACE sector noted there because I believe both TAFE and ACE play an extremely important part in the growth of our communities, and the ripple effect caused by the unmet demand is going to have a fairly big effect on both.

I firmly believe in articulated pathways from TAFE to higher education and the need to improve cooperative arrangements between the vocational sector and training and higher education sectors. However, I believe there would be a case to argue if the total community is going to be responsive to changes in employment trends, then all sectors need to be able to respond in an equal way — for example, the TAFE sector is currently funded at a far higher rate than the ACE sector for the delivery of the same service.

Finally, the learning city model is well placed to assist in the cooperative arrangements by providing an impartial umbrella, if you like, under which ACE, TAFE and higher education, local, state and federal governments and industry can work together for the benefit of the local community.

The CHAIR — I was at the launch of the learning cities and it was a very good launch.

Mr HALL — I am still not sure and clear in my own mind about the structure of Ballarat: A Learning City. You said you had an advisory board, but what actually is Ballarat: A Learning City?

Ms FRY — At the moment it revolves around the advisory board which is representative of the community. The aim of it is that by encouraging the community members to value learning in all its forms, they will then take on responsibility for that learning off their own back, and 10, 20 or 30 years down the track there will be no need for a learning centre advisory board because the community would automatically be recognised in that.

Mr HALL — Are you employed by the City of Ballarat?

Ms FRY — No, I am employed through Brace education training and employment. This particular project funding had to go through an ACE provider, and this is through the adult community and further education board.

Mr HALL — So you basically promote learning opportunities for all levels of the community.

Ms FRY — That and encourage cross-sectoral partnerships between higher education, industry and local government. The advantage is that Ballarat: A Learning City can provide that impartiality, so where there may be

competitive forces we can say we are looking to grow Ballarat as a whole rather than just to grow one institution within Ballarat.

Mr HALL — You have organisations such as Ballarat: A Learning City, the local learning and employment network, and the Ballarat University board and school clusters working together; there seems to be a plethora of different educational bodies. How do you get them all together working and thinking the same things?

Ms FRY — With Ballarat: A Learning City, because we are looking at the whole gamut of learning, it makes it slightly different from some of the other groups. The LLENs, for example, are just for 15 to 19 year olds, so it is only a slice of the pie. On the board — I will give an example — we have representatives from sports, the Ballarat North Football Club, and the health sector and local media — so it is a broader-based board that can incorporate the larger entities that are out there and bring ideas in to try to develop partnerships.

Mr HALL — As you said, this is the only forum where ACE really plays a major role?

Ms FRY — ACE does play a major role in this, most definitely. The ACE sector has a good reputation in Ballarat but it was very beneficial when the learning city initiative came and had to go through an ACE provider because it is the area where the most diverse range of people go to learn. In one class setting you can have the mayor, someone who may be part of a renewal program, and the cost is not so much of a barrier.

Mr HALL — With ACE in Ballarat do you find you get people who have missed out on an opportunity to study in TAFE or higher ed?

Ms FRY — We do, particularly in a couple of areas, such as in literacy and numeracy where people have dropped out and decided they would like to continue into higher education but do not have the skills, so they might come through in a general certificate for adults through us or they may have a multicultural background and need to go through English as a second language before they can then move onto higher education. A lot of people see the ACE sector as a springboard almost. It is a comfortable environment to start their further education.

Mr KOTSIRAS — You said funding there is not as good as funding for TAFE.

Ms FRY — No. Per student contact hour in the ACE sector, there is about a \$5 per student contact hour difference. It is less. I think at the moment it is about \$6.11 through the ACE sector and up to about \$12 now.

Mr KOTSIRAS — Have the fees for ACE courses gone up?

Ms FRY — Most ACE providers are now finding they are only able to offer fee-for-service programs so they have to cover the costs of running the courses themselves.

Mr KOTSIRAS — Has that had an impact on the number of people?

Ms FRY — Yes, numbers have decreased. If you looked back to eight years ago you would see that Brace was probably taking 2000 enrolments per term. We are down to about 500, so it has had a fairly staggering impact. As I said, it is still a cheaper version of education for some people.

Mr KOTSIRAS — Have the numbers increased over the last five years in the ACE sector, that you know of?

Ms FRY — Overall they have in the sense that ACE, particularly Brace, has expanded to include certificate courses so that people are now able to choose ACE as an option rather than TAFE or higher education, and still gain the certificate from that course.

The CHAIR — Did you say Brace had 2000 a few years ago?

Ms FRY — Brace, yes. In general education we were taking up to 2000 enrolments per term.

The CHAIR — I am amazed. How long ago was that?

Ms FRY — That would have been 10 or 11 years ago. Some of those places have split; some have moved into certificate courses. We have split the streams so there is general education and certificate, but there is still far less.

The CHAIR — Do you find there are many people doing TAFE for certificate 2 nursing, say, or a social diploma in TAFE to get into university because they cannot get in? In other places people doing community services will do the first few years of a TAFE course so they can skip first year university and then go in. Does that happen much here?

Ms FRY — I have heard that but I do not have any statistics. From feedback I have heard that people are choosing that as an option just to get in. And some mature age people are choosing that option particularly.

The CHAIR — Here you have a university funded by the federal government and the same institution at TAFE is funded by the state government. You would think there would be a lot of interchange. You would think that there would be a lot of students who would do TAFE and then go to university or vice versa?

Ms FRY — I think it has taken the Ballarat community a long time to see Ballarat University as two separate entities. It was not long ago that they were two separate entities.

The CHAIR — Does it work now?

Ms FRY — I think probably the joint resources are better for the community as a whole rather than trying to separate them — for example, joint music and libraries and things like that.

The CHAIR — In terms of demand at universities, what would be the major thing you would want to improve the provision of here in Ballarat — one thing — if you could do it?

Ms FRY — Probably increased communication with higher education and community and industry to see what the future needs are going to be, particularly where the skills gaps are involved.

The CHAIR — Thank you very much for coming and good luck with the learning city.

Ms FRY — You are welcome.

Committee adjourned.