

Recommendations

Recommendation 1

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That the NSW Government require IPART to revise its market price testing procedures to reflect current market conditions in the vocational educational and training sector.

Recommendation 2

Page 43

That the NSW Government ensure that the Smart and Skilled review being overseen by the NSW Skills Board takes into account concerns regarding inadequate pricing of qualifications and high student fees.

Recommendation 3

Page 43

That prior to endorsing any fee structure, the NSW Skills Board model the price elasticity of demand of different qualification prices.

Recommendation 4

Page 43

That the NSW Skills Board research whether an 'efficient price mechanism' is suitable for estimating the cost of a non-commodified service like vocational education, or whether alternative pricing mechanisms would produce more equitable and efficient outcomes.

Recommendation 5

Page 44

That the NSW Government make vocational education and training under Smart and Skilled more accessible to students with a disability by:

- abolishing the current 'one size fits all' 15 per cent disability loading
- developing and implementing a new disability loading system based on the principle of individual needs, which may include a sliding scale, in consultation with the disability sector
- removing the requirement to declare disability on enrolment in order to access the disability fee exemption and loading, allowing students with a disability to access these supports at any stage throughout their studies
- providing more information around why disability questions are asked only at the enrolment stage.

Recommendation 6

Page 45

That the NSW Government improve the Smart and Skilled contractual arrangements with training providers by:

- extending the contracts to three-year terms, subject to the budget appropriation process and providers demonstrating satisfactory performance
- amending its current policy so that private providers are paid upon completion of a unit rather than in stages, similar to the policy in use in Victoria, Queensland and Western Australia
- continuing to look at ways of improving its arrangements with providers as part of the Smart and Skilled review being overseen by the NSW Skills Board.

Recommendation 7*Page 56*

That the NSW Government improve the Smart and Skilled provider application process by:

- enabling applicants to provide more qualitative information
- including industry standing and Australian Skills Quality Authority accreditation track record as part of the criteria used to assess providers
- making public the methodology used to assess providers
- establishing a phone line for providers to ask questions and receive feedback on the provider application process.

Recommendation 8*Page 65*

That the NSW Government modify the Smart and Skilled funding arrangements to limit contestability for regional, rural and remote areas by:

- considering placing a cap on the level of contestable funding for areas deemed to be thin markets
- considering allocating additional Community Service Obligation funding to TAFE NSW institutes operating in thin markets
- conducting an annual review to identify thin markets and decide on funding needs, involving consultation with industry, training providers and the community.

Recommendation 9*Page 84*

That the NSW Government establish and enforce minimum face-to-face delivery hours for all courses subsidised under Smart and Skilled to ensure that there is adequate teaching time.

Recommendation 10*Page 85*

That the NSW Skills Board study the post-qualification outcomes of graduates of online courses, compared with graduates of face-to-face courses, to determine whether there is any variance in employment, income and participation in further vocational or tertiary education.

Recommendation 11*Page 85*

That TAFE NSW:

- allow other training providers to use its facilities for a commercial fee, subject to rigorous safety precautions
- be guaranteed secure access to its buildings and facilities.

Recommendation 12*Page 86*

That the NSW Government continue to support the IPROWD program and liaise with the Australian Government regarding continued funding and support for this program so that it may expand in the future.

Recommendation 13*Page 86*

That the NSW Government:

- make public the amount and breakdown of TAFE NSW's direct funding allocations
- make public the memorandum of understanding regarding the accountability arrangements for the direct funding allocations
- expedite the development of clear and transparent guidelines for the use of Operational Base Funding and Community Service Obligation funding.

Recommendation 14*Page 97*

That the NSW Government abolish the SALM/EBS system used by TAFE NSW, and go back to the drawing board.

Recommendation 15*Page 97*

That TAFE NSW introduce simpler online and hard copy course, fee and enrolment information for students, and establish a phone line to guide students through the enrolment process.

Recommendation 16*Page 109*

That the NSW Government lobby the Australian Government to:

- introduce a new model for VET FEE-HELP as a matter of urgency, with stronger safeguards against abuse
- ensure that the Australian Skills Quality Authority has adequate funding and powers to deal with ‘dodgy’ providers.

Recommendation 17*Page 109*

That the NSW Government ensure that the Smart and Skilled review being overseen by the NSW Skills Board examines ways of improving the performance monitoring and compliance provisions in the Smart and Skilled contracts.

Recommendation 18*Page 110*

That the NSW Government recognise that it has primary responsibility for regulating quality outcomes and ensuring contractual compliance for all providers in receipt of Smart and Skilled contracts.

Recommendation 19*Page 110*

That State Training Services include in all Smart and Skilled contracts:

- performance standards reflective of all the conditions contained in the Smart and Skilled Quality Framework
- the requirement for a provider to consent to any inspection by an authorised State Training Services agent, and any request for any document relevant to a State Training Services investigation.

Recommendation 20*Page 110*

That independently of the Australian Skills Quality Authority, State Training Services develop an audit and compliance strategy that, throughout the course of a three-year contract, ensures that every provider is checked for contractual compliance, and continued compliance with the NSW Quality Framework.

Recommendation 21*Page 111*

That the NSW Government investigate:

- further compliance measures that may allow State Training Services to recover any student fee or contribution for any student found to have been adversely affected by a breach of a Smart and Skilled contract
- the option of banning any vocational provider from participation in the Smart and Skilled program if that provider, at any time, has been found to have unscrupulously offered any inducement to a student to enrol in a vocational education and training course

- the option of including in all Smart and Skilled contracts a termination clause that lets State Training Services terminate any contract if a contractor has been found to have unscrupulously offered any inducement to a student to enroll in a vocational education and training course while contracted to State Training Services.

Recommendation 22

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That the NSW Government improve school careers advice on vocational education and training by:

- providing better quality guidance to students, parents and teachers in relation to vocational pathways
- promoting the range of vocational education and training options available
- seeking input from industry.

Recommendation 23

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That the NSW Government review the funding arrangements for school-based vocational education and training programs to promote equity of access between public and private school students.

Recommendation 24

Page 126

That the NSW Government expand the school-based apprenticeship and traineeship program to facilitate greater participation by students, including those living in regional, rural and remote areas.

Recommendation 25

Page 127

That the NSW Government promote equity by amending the Smart and Skilled eligibility criteria to allow registered home-schooled students to access subsidised Smart and Skilled entitlement training.