

Box Hill Institute (BHI Group) Response to: The Australian Business Council's paper released October 2018; 'Future-Proof: Protecting Australians Through Education and Skills'

Introduction and context

Box Hill Institute (BHI Group) welcomes the invitation to provide a response to some of the question posed on the Business Council's paper, 'Future-Proof: Protecting Australians Through Education and Skills'.

BHI Group, including the Centre for Adult Education, is an Institute of Technical and Further Education (TAFE), a Non Self-Accrediting Higher Education Provider and non-School Senior Secondary Education Provider. Box Hill's purpose as a community educator is to provide tertiary education for employment, workforce development and industry productivity. We build community capacity and enrich the lives of young people and adults through lifelong learning and personal development. The mission of the BHI Group is to provide an applied learning environment characterised by innovation, quality and teaching excellence, which enables students to acquire skills, knowledge and attributes relevant to industry needs and achieve employment goals in the global economy.

BHI Group offers over 300 VET accredited courses and qualifications, from training packages such as certificates, diplomas, advanced diplomas, graduate certificates and graduate diplomas and trains more than 30,000 students each year, both onsite at workplace and at our campuses. All of the qualifications offered by the BHI Group have been designed in consultation with relevant industry bodies and emphasise the acquisition of practical skills through active engagement with industry leaders. Drawing on its strong track record of providing vocationally-focussed skills, BHI Group aims to deliver training that develops in students an applied knowledge of their chosen field.

BHI Group continues to demonstrate its long held commitment to the ongoing provision of high quality higher education and training to a socio-economically and culturally diverse group of students. BHI Group has offered associate and bachelor degrees since 2005 and higher education postgraduate qualifications from 2012. The BHI Group specialises in teaching applied degrees. All of the degrees offered by the BHI Group have been designed in consultation with relevant industry bodies and emphasise the acquisition of practical skills through active engagement with industry leaders. Drawing on its strong track record of providing vocationally focused skills to a global community of learners, BHI Group aims to deliver unique degrees that develop in students an applied knowledge of their chosen discipline in conjunction with significant theoretical and analytical understanding. BHI Group seeks to graduate students from its degrees that possess strong work relevant skills that are able to compete in an increasingly complex global economy.

Over many years BHI Group has built considerable institutional capability for delivering education and training programs across a wide range of industry areas and to a wide cohort of students enrolled in pre-vocational programs through to applied degrees. BHI Group designs, develops and manages both formal and informal training products and services to a wide variety of industry and community-based clients, in Australia and overseas. BHI Group seeks to graduate students from all its qualifications who possess strong work-relevant skills, and who are able to compete in an increasingly complex global economy. BHI Group is focussed on producing graduates who are confidently able to take their place in their chosen field and become a valuable contributor to society through the workforce. We seek to ensure that employability skills are embedded in all of our courses and are applicable at each qualification level. In addition, graduates who are work ready may also:

- have gained specific work skills through work-integrated-learning programs in their courses
- have developed specialist knowledge and skills
- be capable of using workplace-relevant information technology systems and software.

'Future Proof' Consultation Questions

Overall tertiary system

1 What is your view on the proposal to move to a tertiary model and why?

BHI Group suggest the goals for a unified tertiary education system need to improve access to higher level education, improve regulatory and quality assurance, and reduce outmoded and burdensome administration.

BHI Group recommends the adoption of a Tertiary Pathway Model similar to that in other OECD countries. The model would enable industry curriculum development to be sourced from a range of industry sources to focus on individual curriculum needs.

This recommendation could form part of a broader approach of restructuring both the higher education and VET sectors. BHI Group considers that there is merit in a system which includes:

- a smaller number of research only universities
- a range of teaching and learning universities
- a tertiary pathway model incorporating a small number of TAFE providers offering a broad range of programs including Bachelor degrees and applied research
- a system of community colleges meeting local needs
- Secondary schools which have as an element a specialist stream in areas of particular vocational focus or other areas of specialty

BHI Group also recommends those TAFE providers with extensive experience in delivering a full range of qualifications from Certificate level to Bachelor qualifications should be approved as Tertiary Pathway Institutes. Eligibility criteria would need to be established for each group.

2 If Australia were to adopt a tertiary model, do you think the proposed five elements of the tertiary system (structure, funding, information, governance and lifelong learning) are appropriate, and why?

As said, a key feature of BHI Group response covers the introduction of a Tertiary Pathway Model. A Tertiary Pathway would be built on improved governance, funding, management and delivery structures that would:

- provide greater autonomy to support the complexity of operations, planning knowledge, industry knowledge and market demand, including delivering education and training offshore
- provide more funding certainty due to changed funding model similar to those provided to publicly funded Universities
- remove existing operational constraints restricting, for example, the need to better attract and retain high calibre staff
- bring about greater efficiencies in reporting, auditing and regulation across sectors at both state and national level
- facilitate the servicing of national clients in multiple jurisdictions
- reduce the inexorable pressures of administrative and organizational separation of tertiary provision within multi sector institutes
- more effectively deliver tertiary sector programs to meet the needs of employers and employees drawing, as in the European Union, UK and North America and Asia, on a range of inputs from industry in curriculum development
- provide higher credential value for courses with vocational and key skills developed through work experience and applied learning projects and research
- enable and value credit transfers in a Tertiary Pathway Model across the sectors of the institution to be more easily facilitated and promoted

As tertiary education teaching institutions the TAFE sector in Victoria is similar to Tertiary Pathways in other OECD countries. Tertiary Pathways have in common with the TAFE sector the central objective to provide both applied academic and practical qualifications. The common focus is to teach applied knowledge and skills for employment that is referenced to business, industry and enterprise requirements.

BHI Group believes that an Australian Tertiary Pathway Model would more effectively deliver TAFE tertiary applied learning programs to meet the needs of employers and employees. In an Australian Tertiary Pathway Model curricula would be developed to interpret training package performance criteria into learning outcomes within an applied vocational learning pedagogy. Knowledge construction would be designed to more fully support student transition from Advanced Diploma to undergraduate degree programs. Courses would be highly valued in the job market with vocational and key skills developed through work experience and applied learning projects.

BHI Group would operate within the Australian Tertiary Pathway Model to provide tertiary whilst retaining their traditional role and responsibility as a VET provider. The Tertiary Pathway Model builds curriculum strength with a range of professional and industry input and is designed to deliver a workforce with the requisite and congruent industry skills that meet the needs of employers. Credit transfers via Learning Pathway Model between an Australian Tertiary Pathway Institute and a university would be more easily facilitated and promoted.

Component one: structure

3 Do you agree it is important that the two sectors (VET and HE) maintain a unique identity?

Systems challenges

BHI Group is keen to participate in the evolution of a new model that values, maintains and celebrates the unique identity of the two sectors (VET and HE). However, the continued use of the nomenclature

Higher Education is counter-productive in terms of aspirations of schools and parents to direct students to the right stream. We suggest that there is one Tertiary Sector, with sub-sets of Applied Learning and Academic Learning; each of these 'sub-sectors' should maintain a unique identity to reflect the nature of their intended outcomes. In such a model, the BHI Group is adamant that it would retain its core mission focusing on workforce development, in an industry led system.

4 The continuation of sector specific standards and regulators are designed to support each sector maintaining their unique identify. Do you think any other mechanisms are needed to ensure each sector maintains their own identify?

The newly established Tertiary Education Quality and Standards Agency (TEQSA) and Australian Skills Quality Authority (ASQA) reference group now meets to discuss current activities and future programs of work in the tertiary sectors. During the meeting, both agencies provided an overview of regulatory activity and other key matters of interest, including an update on the TEQSA-ASQA working group. This group works on joint approaches to regulatory risk and assessment where appropriate, given that half of TEQSA regulated HE providers also have VET provision (eNews 2017 TEQSA).

BHI Group supports the continuance of the distinctive missions of vocational training in a tertiary applied learning environment. The VET sector is strongly aligned to the needs of industry and this places the TAFE system in a unique position to assist with the demands of Australia's current skill shortages and the predicted skill shortages of the future. The delivery of degrees in a TAFE environment adds weight to this position. The VET sector is well placed to concentrate on the delivery of undergraduate programs that have an emphasis on applied learning and which work to dissolve the nexus between industry practice and skills and knowledge acquisition.

BHI Group sees its capacity as aligned more to providing 'comprehensive specialism's' to deliver applied education and training. It seeks to be an institution that offers the full range of vocational

qualifications, associate degrees, bachelor degrees, graduate certificates, graduate diplomas, master's degrees all on an applied basis and industry informed.

It is BHI Group position that the provision of work integrated learning is integral to the success of its degree students. BHI Group retains an emphasis on applied learning opportunities assisted through its maintenance of close ties to relevant industry stakeholders. The present model of higher education base funding makes no provision for assisting with the cost of these applied learning experiences for BHI Group degree students.

The following is a list of brief summary recommendations for consideration in the optimum strategic positioning of BHI Group within a new national tertiary pathway system:

- build understanding of applied learning markets
- build marketing capacity and in particular strengthen links to secondary school careers counsellors
- establish large well known courses and programs
- establish flagship middle higher level courses
- anticipate a move to graded higher level VET qualifications
- judiciously rationalise programs sooner than later
- plan a position on VET lower levels regarding funding
- identify strategies for improving participation and graduation targets
- focus on teaching and learning quality processes and outcomes

5 Do you think the proposed new institution (the body that will contract manage funding the LSAs and the market information platform) needs to differentiate between the two sectors?

The VET sector has expertise and experience in competitive positioning and will see the expansionist potential in linking in with universities for confirming sustainability.

BHI Group supports the following approach:

- the development of a new level of provider entitled “Tertiary Pathway Institute”;
- a greater focus on the student in terms of choice being based on learner styles rather than on cost or price decisions;
- a focus on accessible applied learning relevant to industry needs and which leads to better employment outcomes for our students.

It is recognised that implementation of this approach will involve challenges involving legislative changes at both the Commonwealth and State level. The BHI Group would be happy to participate in a staged approach towards the establishment of Tertiary Pathways which may involve, for example, re-branding in the first instance, followed by amendment of State legislation to have Tertiary Pathway Institute recognised in their own right as well as amendments to Commonwealth legislation and higher education protocols in order to address funding issues.

Lifelong Skills Account (LSA)

BHI Group support the model proposed in the discussion paper for the two sectors outlined in the discussion paper:

Establish a single funding model that is sector-neutral.

- The centrepiece of the funding model is a Lifelong Skills Account, including:
 - Access to a government subsidy for accredited learning in VET or HE (lifetime cap of a set number of years of accredited learning, for example 10 years)
 - Access to an income-contingent loan (ICL) for accredited learning at AQF Levels 5–9 (lifetime cap, to be determined). Potential learners will have the choice about what they study and where.
- All accredited providers can seek approval to offer a subsidy, loan or both.

- A separate fund is established where businesses can directly access government support to develop their workforce.

Component two: funding

6 What is your view on the proposal to create a Lifelong Skills Account, and why?

BHI Group maintains that LSA could be well supported by the implementation of a 'Learning Pathway Model'. A Learning Pathway Model incorporates a concise document that provides a roadmap for the student. BHI Group believes the method to establish the Learning Pathway Plan includes:

- identification and documentation of students' current skills;
- identification of personal learning style;
- identification of educational support required specifically in the area of literacy and numeracy;
- plans for future knowledge and skills development with the advice of an appropriate support person;
- development of an e-portfolio.

The Learning Pathway Plan functions as a living document that is reviewed at least once per semester. The purpose of the review is to celebrate the achievements of the young person against their goals, reassess strategies and alter if needed. The reviews enable additional support strategies to be put in place if required, thus increasing the probability of retaining student engagement within their learning and enhance likelihood of qualification completion.

The ePortfolio directly linked to the Learning Pathway Plan via goals and objectives would further strengthen the transparency and usefulness of the LSA. BHI Group will use the ePortfolio to:

- celebrate and reflect upon learning
- assist with the implementation of the individuals' pathway plan
- assist with transition into and from qualifications

- a mechanism for collection of assessment evidence while apprentices are on-the-job or where mainstream students are undertaking practical placement
- mechanism for employers to obtain information on how their apprentice is progressing
- a social media for students to interact with each other external to formal learning events
- project and assessment collaboration
- evidence collection for recognition of prior learning and current competency

7 Do you support the principle that the contribution by learners should be based on the cost of the learning and the ratio of public and private benefit, and why?

BHI Group meets a need for high quality, industry relevant and responsive provision in the Victorian community through its unique emphasis on applied tertiary learning. As a respected provider of VET courses it remains well-placed to contribute to the delivery of degree level programs that meet the standards of both the practical needs of industry groups and the academic rigor of disciplines of study. This quality is reflected in the currency of discipline specific knowledge and skills of its teachers and is recognised by engaged students who, while succeeding at applied learning through BHI Group, are often not the traditional student cohort catered to by universities.

BHI Group has devised a two tier tuition costing arrangement for its degree programs. The costs attributed to the delivery of the degrees as represented through this model are frequently less than the total per student revenue received by Australian universities under the current funding arrangements. This funding model does not adequately take into account the relative costing requirements for the total provision of high quality tertiary education according to specific discipline needs. Presently, a gap exists between the true costs of delivery and the amount charged to students. It is testament to BHI Group commitment to the provision of high quality education that it is relevant and responsive to the labour market that it continues to offer degrees for which the BHI Group must effectively subsidise the true operational cost of delivery.

8 Do you think there should be a cap on the subsidy and/or the income contingent loans? If so, how should the cap be determined?

BHI Group suggests that removal of the cap for income contingent loans would continue to allow TAFE to use VET diplomas and advanced diplomas to maximise student pathways to tertiary education and future employment. It would also provide taxpayers with the security of knowing that FEE HELP and VET Student Loan (VSL) is largely in the hands of reputable public providers who support government policy, provide high-quality training and meet the all requirements of its regulators.

13 Do you agree with the proposed split of funding responsibilities between the different levels of government? If not, what alternative approach would you propose and why?

The BHI Group's position of funding and governance includes:

- a) The Victorian Government should work with the Commonwealth Government to modify existing terminology and sector boundaries through the adoption of a redefined tertiary sector.
- b) That within a redefined tertiary sector the Victorian Government should work with the Commonwealth Government and the Tertiary Education Quality Standards Agency (TEQSA) to change The Higher Education Standards Framework (Threshold Standards) 2015 (HES Framework) and include the provider category Tertiary Pathway Institute.
- c) The Victorian Government works with the Commonwealth Government to amend legislation as necessary to allow for BHI Group to be regarded as a Tertiary Pathway Institute.
- d) The Victorian Government should work with the Commonwealth Government to encourage it to implement TAFE tertiary pathways with access to Commonwealth supported places for students studying Applied Degrees.

- e) That the Victorian Government seeks agreement from the Commonwealth Government that as a Tertiary Pathway Institute BHI Group students studying for Applied Degrees would be eligible for Commonwealth supported places.

- f) The continued use of the nomenclature Higher Education is counter-productive in terms of aspirations of schools and parents to direct students to the right stream. We suggest that there is one Tertiary Sector, with sub-sets of Applied Learning and Academic Learning.