
Submission in response to the review of the NSW vocational education and training system

Introduction

Thank you for the opportunity to make a submission to the review of the NSW vocational education and training system led by Dr Michele Bruniges AM, the Hon. Verity Firth AM, Mr Jason Ardler PSM.

The University of Technology Sydney (UTS) believes that a strong and vibrant vocational education and training (VET) sector is a critical component of a strong education sector. VET has an important role as a significant contributor to addressing skills shortages, preparing and training people to access new employment opportunities and supporting people to overcome social disadvantage. At UTS, we are keen to work with the NSW Government, TAFE NSW and the VET sector on initiatives that provide better opportunities for students, prepare them for a future of lifelong learning and support industry in addressing skills shortages.

As a university of technology, it is our role to ensure that our graduates shape the future professions and businesses that will be needed in Australia and around the world. Since our inception, an integral building block of our success has been our outward, global focus and ability to partner with industry. We are focused on providing students with relevant and timely learning, equipping students with creative problem-solving and design-thinking skills and helping students to be adaptive, flexible and resilient throughout their lives.

As the nature of education and the workforce changes, we believe it is incumbent upon universities to work with vocational education providers (including TAFE NSW), schools and employers to address emerging educational and skills needs, highlighting the complementarity of vocational and university education.

In line with this approach, UTS has invested in a series of partnerships with TAFE NSW. These partnerships include:

- The Institute of Applied Technology- Digital (IAT- D) – a partnership between UTS, TAFE NSW, Macquarie University and Microsoft, based at Meadowbank and focused on microcredentials in digital and IT related professions.
- The UTS TAFE Integrated Engineering Pathway – an integrated course offering, where students undertaking a Diploma of Engineering at TAFE study the UTS Foundation Mathematics subject as part of their Diploma.
- The Diploma of Fashion and Sustainability – a combined offering between UTS and TAFE where students complete TAFE's Undergraduate Certificate in Sustainable Practice and then progress onto the UTS Diploma.

UTS has had a positive and constructive relationship with TAFE NSW and has found the TAFE leadership to be collaborative and open to innovative approaches that benefit students and industry. UTS is continuing to work with TAFE NSW and is keen to find new opportunities to develop initiatives that benefit both institutions.

Overarching feedback

In order to meet Australia's skills needs and grow a culture of lifelong learning, UTS draws the Review Panel's attention to the Australian Universities Accord process and the likely reform directions relevant to the VET sector, namely an integrated tertiary system with connected pathways, partnerships and an updated qualifications framework. While it may currently be out of scope for the Review Panel, achieving a fully integrated tertiary system will require substantial commitment and coordination across the sectors (e.g. recognition of prior learning); government (e.g. National Skills Passport) and other key stakeholders (e.g. professional bodies) and should aim to facilitate students' ability to navigate university and VET education seamlessly.

Returning to the scope of this Review, UTS seeks to highlight three issues:

1. The success of the IAT model, and the potential for the IAT approach to be used in new areas that are facing high skills demand.
2. The potential for better sharing assets and infrastructure between TAFE and other educational institutions such as universities.
3. The potential of other innovative microcredential based models, such as the New Education and Training Model (NETM) developed by the Western Parkland City Authority.

The IAT model

UTS is partnered with TAFE NSW, Macquarie University and Microsoft as foundation partners in the IAT Digital at Meadowbank. The IAT Digital opened in February this year and has shown strong early promise as a model of education that is complementary to both traditional university education and traditional VET education. By creating a strong and collaborative partnership between industry, VET and higher education, the IAT Digital is delivering the skills that industry is demanding in a model that is flexible, attractive to students and industry relevant.

The IAT Digital is currently in a pilot phase, supported by the NSW Government. We believe the early promise shown by the IAT shows the value of the model, and its potential to play an important long-term role as part of the broader NSW education system, subject to appropriate evaluation by the NSW Government at the end of the pilot phase.

It is important that the Review understands key drivers of the early success of the IAT Digital, to help to understand where such a model may be able to be successfully deployed. Key factors in the design of the IAT model are:

- Industry relevance and flexibility. Digital technology is a sector in which rapid change requires an education model that is flexible and responsive to dynamic industry needs. IAT microcredentials are not considered as accredited, nationally recognised training as regulated by ASQA, however through they benefit from the expertise of each of the foundation partners. Through this approach, they have been able to adapt effectively to industry requirements, while maintaining academic rigour. The IAT-D has also focused on opportunities for industry engagement and, where possible, work integrated learning as part of the education model.
- Co-production from the beginning. Each of the foundation partners at the IAT Digital have been deeply invested in the success of the IAT model from the beginning. Foundation partners were selected through a contestable tender process, and the foundation partners co-designed the education model, and co-designed courses together. This deep level of engagement was a significant time commitment for all parties involved, but has been essential to the success of the model.
- Stackability and pathways. While the IAT Digital education model is based around microcredentials, from the beginning the design of the education model at the IAT has been based around stackable and progressive education, with a clear structure of courses within the IAT, as well as clear pathways for students from the IAT to both of the university partners. This includes recognition of prior learning from the IAT into university courses.
- Inclusion of industry recognised credentials. Each microcredential currently offered under the IAT includes a Microsoft Certification. This combination of industry certification as well as a credential from a recognised education institutions such as UTS, Macquarie University and TAFE NSW has been an attractive combination for students.
- Flexible delivery model. Courses at the IAT are offered both in person and online, and at a variety of times. This has particularly suited upskillers and reskillers, who have been able to attend classes at times that work for them, in addition to their existing jobs.
- A physical presence for collaboration and an investment in quality. The IAT Digital has had a clear home location, which has been focal point for the collaborative efforts of all parties. The quality of the investment in facilities, as well as skilled teachers, and clear industry connections at the IAT have been essential in establishing the status of the IAT as a high-quality education provider. In turn, this has helped to attract students and further industry partners wishing to collaborate with the IAT.
- A funding model that recognises the public benefits of the education provided. IAT courses are offered at affordable price levels for potential students, because of funding from the NSW Government. This funding has allowed investment in a high quality, industry linked educational model, while meeting an attractive price point for students.

UTS believes that there is the potential for the IAT model to be extended to other sectors. In considering areas where the IAT model would be appropriate, factors should include:

- A clear and growing employer demand for skills,
- The potential for an additive and stackable learning approach, that can build on the existing skills and experience of students,
- Strong potential for industry partnership, where industry leaders recognise the need for a talent pipeline and are prepared to invest their time in addressing skills challenges, and
- The need for an educational approach that requires a mix traditional of VET and higher education delivery. As such, the skills need is unlikely to be well served by existing educational models.

To identify these areas in greater detail, there is potential for the NSW Government to work with the Commonwealth Government's Jobs and Skills Australia. From our perspective, areas of high potential may include the caring economy – where there is growing need for upskilling and cross skilling. For example, an IAT may be able to support opportunities for childcare workers to become childcare centre managers, or to support upskilling and retraining for specific skills in aged care, disability care and in the broader health care sector.

Renewable energy might be another area where a targeted IAT based approach would be valuable. Working with industry, there is strong potential to train and accredit staff in areas of growing demand, including solar, wind, offshore wind, and electricity transmission development.

Opportunities for sharing assets

TAFE NSW has a significant physical footprint across NSW, and over time has invested in a wide range of equipment and facilities to support skills development for students and respond to industry needs. As industry continues to evolve and adopt new technology ever more rapidly, there is an ongoing challenge for all education providers to continue to invest in the facilities that support education delivery with up to date and relevant equipment. At the same time, once an investment has been made in equipment and facilities, there is an ongoing challenge in driving appropriate levels of utilisation of equipment and facilities to justify the investment made.

In this context, there is the potential for TAFE NSW to support greater sharing of assets and equipment with educational partners. This would help to support the business case for government investment in specialised facilities and equipment and may also provide the basis for co-investment in assets, where there are shared benefits.

UTS encourages:

- A clear policy from government that encourages TAFE to share equipment and facilities with appropriate educational partners where there is available unused capacity. This might be similar in approach to the NSW Government's 'Share our Space' policy that applies to accessing NSW Government school outdoor facilities during school holidays.
- More transparency with education partners on space, facilities and equipment that are capable of being shared. By providing more visibility with education partners, opportunities for collaboration can be identified and new partnerships can be developed.
- Standardised terms and agreements that make it easier for TAFE NSW to partner on sharing facilities and equipment. While there will be specific issues in each case, standardisation of agreement terms should help to reduce transaction costs and allow more partnerships to occur.
- Greater visibility of TAFE's identified facility and equipment needs which should help to drive better engagement with potential partners on how those assets may be best used and allow the exploration of the potential for co-investment.

Potential for innovative models

UTS has a strong track record of innovating in new approaches to education that address student and industry needs. This has included a commitment to supporting large and small businesses in both research partnerships and through addressing their training needs.

In this context, UTS has been a significant partner with the NSW Government's Western Parkland City Authority, and particularly its New Education and Training Model (NETM) program.

NETM is a partnership funded by the NSW Government that aims to work together with industry, universities, and VET providers to help Western Sydney employers future-proof their businesses and help employees qualify for high-skilled jobs.

Under NETM, UTS has delivered training to over 260 learners since 2022 across diverse industries including: manufacturing, medicine, automation, and FMG production, in disciplines ranging from industrial automation and pharmaceutical manufacturing to statistical process control. As an example, UTS is offering microcredentials developed with industry partners including Siemens (Managing Modern Industrial Automation course) and Omron (Basic Programming and use of Collaborative Robots course).

Courses such as these support growing Western Sydney businesses, pave the way for well-paid job opportunities for Western Sydney residents and support NSW and Australian Government skills enhancement ambitions. They also provide a pathway for lifetime learners (and their employers) to future education, including university degrees or VET courses.

UTS is committed and engaged in the implementation of the NETM and recognises its value as a valuable learning model:

- The NETM is a true partnership with industry, ensuring that the skills taught are directly relevant to the current and immediate future needs of the industry.
- The model is flexible in response to industry needs, ensuring that the education and training provider aligns with the demands and trends of industry as they emerge.
- The microcredential based approach provides learners with the practical skills they need, in shorter digestible courses. For example, UTS has led a demonstrated skills uplift in areas such as automation and industry 4.0 through the implementation of the NETM.

The NETM model has been established with the funding and support of the Western Parkland City Authority (WPCA). The funding provided has been critical in attracting industry to the model and in attracting learners to the NETM microcredentials. Up until this point, courses under the NETM have been fee-free.

WPCA has recently advised that it is intending to move to a fully commercial model for NETM. Given the early stage of the NETM model, this decision may limit the opportunity to see the full potential of the approach, and the benefits that it can provide to businesses and students.

The move to a fully commercial model is also likely to make courses unaffordable for some students, and limit course uptake in areas of skill shortage. UTS would note that there are clear public benefits to education, which justifies public expenditure to support education costs faced by students.

As with other forms of VET and higher education, microcredential based courses would benefit from a clear principles-based approach to funding. This should include co-contribution by students and government towards the cost of education, where that education is provided by a recognized, trusted provider, and met demonstrated skills needs, particularly for upskilling and reskilling.

Conclusion

UTS appreciates the opportunity to contribute to the VET Review Panel's work. As a university of technology, we are invested in working with TAFE NSW and industry in addressing emerging skills needs. We believe there is strong potential to support the NSW economy and the strength of TAFE NSW and the broader VET sector through the initiatives outlined in this paper.

Should you require further information on this submission, please do not hesitate to contact Matt Crocker, Strategic Adviser, on matt.crocker@uts.edu.au.