Vocational education and training once held a proud place in Australia’s education system, providing opportunity along a less academically and more practically oriented path.

There is still high interest in, and need for, vocational education and training but the sector has been drawn into a downward reputational spiral. Reforms have been introduced in abundance to reverse the problems caused by the privatisation of VET, but instead have contributed to loss of status and scandal after scandal.

At the heart of the debilitation of the VET sector has been lack of respect and support in the reform process for the professionalism and skill of teaching.

This has been compounded by the drop in funding to TAFEs, which has for years been at the core of the vocational training system in Australia, and the repository of much of the sector’s expertise.

Restoring, recognising and encouraging quality teaching in both public and private VET are the key to lifting standards and restoring VET’s reputation.

Delivery of quality education and training is much touted, but a schism sits below this mantra. Privatisation has failed to reward quality teaching, and has in fact led to an increase in lower-standard providers, damaging both TAFEs and better quality private operators.

The market failures of the privatisation of VET, were recognised by the Federal Government decision to end the VET FEE-HELP loans scheme from December 31, 2016.

The expectation was that the scheme would create a more equal playing field and a more integrated tertiary education sector. Registered Training Organizations (RTOs) approved by government were able to receive the benefits that previously had only been offered to universities - to enrol students with a VET FEE-HELP loan.

This would expand the market in vocational education providing easier pathways for students moving between the vocational and university sectors.

These expected benefits, however, have been overshadowed by unanticipated failures. The reputation of the VET sector has been marred by high incompletion rates, high student debt, bankruptcy among colleges, and predatory behaviour by RTOs to enrol students and obtain government funding.

Privatisation rewarded the significant proportion of providers whose...
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goal was profit maximization with little regard for delivering educational objectives.

Arguably the integrity of the TAFE system has been less tarnished with all TAFEs automatically eligible for the new VET Student Loans scheme in 2017. Yet TAFE is not immune from the broader reputational damage wreaked on the sector.

Students have struggled to “read” quality in the VET market, to determine in advance the quality of education they are paying for, while many providers have ignored the message that quality in education matters.

In fact, the ease of access to VET FEE-HELP rendered the rewards for providing quality education irrelevant, as providers were rewarded simply for signing up students. VET FEE-HELP failed to create a meaningful market in quality education.

Similarly, the formal regulatory system, imposed on top of the cultural regulatory system, has proven disappointing in lifting the quality of education in VET.

For regulation to be maximally effective it needs to provide both a safety net at the bottom and an impetus to lift standards at the top, inching standards gradually upwards across the sector. Regulatory standards must be central to the activities and aspirations of RTOs, and to the evaluations of students and business.

The prime reward offered by the VET regulatory system is approval for an RTO to enrol students into government-funded loans schemes. Having taxpayer dollars to provide some security for a for-profit educational business venture is a privilege. However, as the recent Senate Inquiry concludes, the reward has turned into a basic expectation for operation.

To correct this problem, taxpayer-funded loans need to be restricted to programs offered by RTOs with certification as a high-quality provider based on assessments by government, industry and educators. If taxpayer funding is to flow into an RTO, the bar for admission to the scheme should be high, even if this means the market philosophy of an equal playing field is eroded.

Basic compliance should only allow providers to legally offer courses to students. It should not be a ticket to unfettered government subsidies.

Rewarding RTOs for going beyond compliance to produce quality education provides regulatory authorities with the means to set a high bar and re-define quality in vocational education and training.

Needless to say, failure to meet these high standards should result in the removal of government subsidies.

Regulation is not only about placing constraints on those doing harm. It is about lifting the standards of everyone in the sector. Regulatory interventions in a weakened VET sector need to be geared to RTO continuous improvement with the intention of motivating, not de-motivating improvements in quality. This means engaging in the challenges confronting VET. Loss of experienced teachers, reliance on a casual workforce, poor rates of pay and low morale are among the challenges that are likely contributors to a poor educational experience for students.

A teaching curriculum, no matter how detailed and prescriptive, is not going to translate into a positive educational experience if teachers are poorly motivated because they are excluded from key educational decisions, insecurely employed and poorly remunerated. Revival of a professional culture
is synonymous with motivating quality teaching in the VET sector.

For the dedicated teachers in the VET sector who do their best to maintain standards, any suggestion that teachers are to blame for the problems will be repugnant and rightly so. Committed teachers and providers are doing an extraordinary job keeping the sector going in spite of the problems it is experiencing. Recognition of their efforts, however, does not negate the proposal that there are not enough of these committed professionals to steer the VET sector out of trouble.

This raises the question of pathways. What is it that committed VET teachers can do practically to steer their colleges and their industry into the space they want it to occupy – good quality provision of education that makes a difference to the lives of students, their families and the nation?

This is where a regulator can praise and support and help revitalise the sector. An effective regulatory system should identify these positive pathways and support them - and reward those taking them every bit as enthusiastically as they close down illegitimate pathways that undermine quality education.

The regulatory mission includes tending the pathway of recruitment and retention of teachers, trainers and managers who have high professional standards. After all, they become the internal benchmark for staff development in the organization. These pathways to lifting standards through actively supporting high performers are not discussed in the VET regulatory space. We are not recognising that expertise in teaching is essential to build our capacity to innovate.

Part of the explanation is policy makers’ blind faith in markets. But part is also likely to be regulatory constraints on course structures and delivery that discourage innovative teaching and experimental partnering with industry.

The VET landscape seems to be trapped in a pattern of attack and defensiveness, with little trust between those who need to work together to repair the sector: governments (at different levels), teachers and trainers, business and industry, RTOs, unions, the regulators (ASQA as well as the consumer protection regulators), peak bodies, licensing bodies and professional associations.

Experts in vocational education and training have suggested ideas for redesigning curricula and bringing more educational coherence to what has become a modularised skill delivery structure. Along with these reforms, regulatory reforms are necessary to establish a sensibility of best practice training and teaching in the sector.

Three stages are begging attention: (a) legitimising ASQA; (b) building a public coalition around ASQA and best practice standards; and (c) using enforcement to sanction poor practice that puts students, government funding, industry and the public at risk.

Underpinning reform is a change of culture from conflict and domination to collaboration and resource pooling. The most important repair job for the VET sector is to encourage, recognise and praise quality education. In the current situation, regulators can only do so by co-opting professional teachers and trainers onto their panels for site visits and opening up regulatory debriefings to students and other stakeholders when plans of action are formulated for correcting compliance problems.

There is no suggestion here that professional educators and trainers and other stakeholders (industry, consumer bodies) replace auditors and business advisers.

However, including others strengthens the regulator’s legitimacy as it plays a leadership role in lifting standards in the sector. This is not to challenge the regulator’s independence as a decision maker, which in governance speak needs to be safeguarded.

The issue is the process by which decisions are made and how a shared sensibility for high standards is developed and shared, not just in terms of understanding, but also practice. High standards become embedded in the culture. Leadership for protection of this culture then occurs within organizations and outside.

At the outset, however, leadership for change demands a resourced alliance of knowledgeable and respected vocational education devotees, in and outside government.

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