Adult
Learning
Australia

Response to the Productivity Commission's Interim Report:

National Agreement for Skills and Workforce Development Review

July 2020

Endorsed by

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VICTORIA

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Discussion

This is a response to the Productivity Commission's Interim Report into the National Agreement for Workforce Development Review and more specifically to the Productivity Commission's Round Table on Foundation Skills held on 10 July 2020.

Our comments more broadly, in terms of the interim report are that:

- Marketisation of VET has created significant adverse outcomes for students, providers and employers and is not supported by evidence of its efficacy.
- Regulatory failures leading to vulnerable learner exploitation and poor-quality provision, undermine faith in the value of VET qualifications.
- Competitive market structures undermine authentic collaboration between providers and sectors.
- Public and community education providers respond to unmet needs in thin markets.
- High needs and disadvantaged learners require high levels of resourcing and support mechanisms.
- Public–private benefit analysis should not be used to determine subsidies because it does not recognise gender imbalance and other forms of discrimination in the labour market such as aged discrimination and disability and race-based discrimination.
- Subsidies for those at risk of prolonged unemployment, underemployment and requiring welfare support should be prioritised.

Our comments on foundation skills in term of the interim report are that:

1. Foundation skills programs for high needs and disadvantaged cohorts must be quarantined to community education and public providers without a profit imperative.
2. Accessible and affordable foundation skills and LLND programs that specifically target disadvantaged cohorts are in low supply.
3. Local coordinators capable of brokering foundation skills training relationships with employers and across all local education and training provider types would improve efficiency.
4. A systematic approach to partnerships between community and public providers of foundation skills programs would reduce barriers to education and training and promote a culture of lifelong learning.
5. Specific non-accredited foundation skills programs should be linked to VET recognition processes to support stronger pathways to qualifications and facilitate pathways for disadvantaged cohorts.
6. A regional planning approach would improve participation and success in VET for disadvantaged learners and enable greater collaboration between industry, community education and public providers.

(Please refer to Adult Learning Australia's and Neighbourhood Houses Victoria's original submission to the Productivity Commission for further details.)

Literacy in a policy context

In an Australian policy context, language, literacy, numeracy and digital (LLND) skills are measured in terms of how they support economic goals including participation and productivity. However, it is important to highlight that literacy is a social practice that is meaningful to people beyond the workplace and the economy, and includes all dimensions of life.

Deficit-based approaches to literacy development – where individuals are defined by the LLND skills they lack – impact an adult's ability 'to develop the literacies required to embark on a lifetime of learning and to manage change in an increasingly complex, technologically enhanced globalized society' (ALA, 2014).

Literacy development has intergenerational dimensions and occurs throughout life in families, communities, the workplace, educational institutions and beyond. Interconnected and nuanced policy approaches are required that can respond to this level of complexity rather than blunt instruments.

In VET, LLND skills are simplified as core skills, foundation skills, employability skills and enterprise skills, etc. Foundation or core skills encompass reading, writing, oral communication, numeracy and learning as described by the Australian Core Skills Framework. Employability skills incorporate teamwork, communication, initiative etc. and extend to enterprise skills which include critical thinking, problem solving and other C21 skills[1].

Defining foundation skills differently to the broader interpretation of LLND and encompassing core skills as well as employability and enterprise skills does offer a national and consistent language and supports the linkage of particular non-accredited literacy programs into the VET system.

Literacy is a shared responsibility

The role of community education providers and other educational institutions in developing non-vocationally orientated LLND skills is relatively clear. But who is responsible for developing workplace-contextualised LLND skills?

In practice, the answer is that all parties have a role to play in this interrelated process according to their core purpose, proven expertise and strengths. For example, education providers within the VET system should not be expected to deliver all the LLND requirements of any one workplace. The workplace has a responsibility to build on the infrastructure provided by educational institutions; to develop their own workforces and to see the obvious merits of investing in higher levels of LLND (Waterhouse & Townsend, 2008).

Community providers deliver both non-accredited and accredited LLND programs that support people (particularly disengaged or disadvantaged adults) to pathway into further learning or work. They also upskill and reskill low skilled workers. These areas are their proven strengths. They are community based, agile and can adapt to the needs of local businesses; particularly if supported by appropriate levels of investment. However, the Productivity Commission's Interim Report is silent on the

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[1] C21 skills are defined as skills and abilities required for social and economic success in a rapidly changing, technologically enhanced 21st Century.

contribution of community education providers and in particular non-accredited foundation skills programs.

Key equity groups

Community education providers support many adults to improve basic foundation skills and provide pathways into work or further vocational learning. In 2018, ACE providers accounted for 7.3 % of all program enrolments in government-funded and 8.8% of total VET accredited adult basic education programs. They are significant providers of accredited adult basic education to key equity groups; such as people with a disability and people who are unemployed. These cohorts are significantly more represented at community education providers than all other VET providers of adult basic education. Furthermore, students in accredited adult basic education at community education providers have a rate of success above that for students at all other VET providers (ALA, 2020).

In 2018, 481,200 students were enrolled in nationally recognised training at ACE providers. Fifty-five per cent of program enrolments at community education providers in government-funded VET were students from SEIFA quintile 1 (the most disadvantaged) and SEIFA quintile 2, which is around 10% higher than all other providers. For government-funded community education VET program enrolments in 2018, where providers often achieve equivalent or better outcomes:

- 36% were in regional and remote areas
- 46% were unemployed
- 21% were people with disability
- 21% were people from non-English speaking backgrounds.

Community education VET enrolments account for the most significant shift from unemployment to employment after their training, showing better results than all other providers. Students at ACE providers are also the most satisfied with the quality of their training (ALA, 2020).

Non-accredited programs

Community education providers are significant providers of non-accredited pathway programs that offer invaluable points of access to the VET sector for many Australian adults. Non-accredited foundation skills programs build capacity, enhance social cohesion and foster skill development. Community-based providers have a strong presence across Australia, particularly in rural and regional communities, where they offer a broad range of programs and services alone or in partnership with other agencies. The sector is recognised for its ability to engage jobseekers in foundation and industry skills programs as a 'soft point of entry' to VET, often working with the jobseeker to address a broad range of barriers impacting on employability.

Resources in relation to foundation skills programs should be orientated towards community and public providers with proven expertise in supporting key equity cohorts. Affordable and accessible high-quality foundation skills programs are required, especially in a post-COVID environment, to link people into programs that will help them gain meaningful work.

In order to improve outcomes in Australia's VET system, upskilling or learning through non-formal foundation skills programs, such as those offered through the

community education sector, could be linked to VET recognition processes. This would support stronger pathways to qualifications; particularly for disadvantaged cohorts. The needs of disadvantaged cohorts, including those with low formal education attainment, older learners, learners with disabilities, Indigenous Australians and those from other cultural backgrounds could be better supported through the VET system by investigating specific and complementary roles for ACE providers, the public TAFE system and for-profit providers.

ACE providers are well positioned to offer LLND training to learners undertaking accredited training with public providers to aid course completion and learner success. The 2010 Ministerial Declaration on Adult Community Education identified the ACE sector as having a significant role in developing pathways to further training and workforce participation.
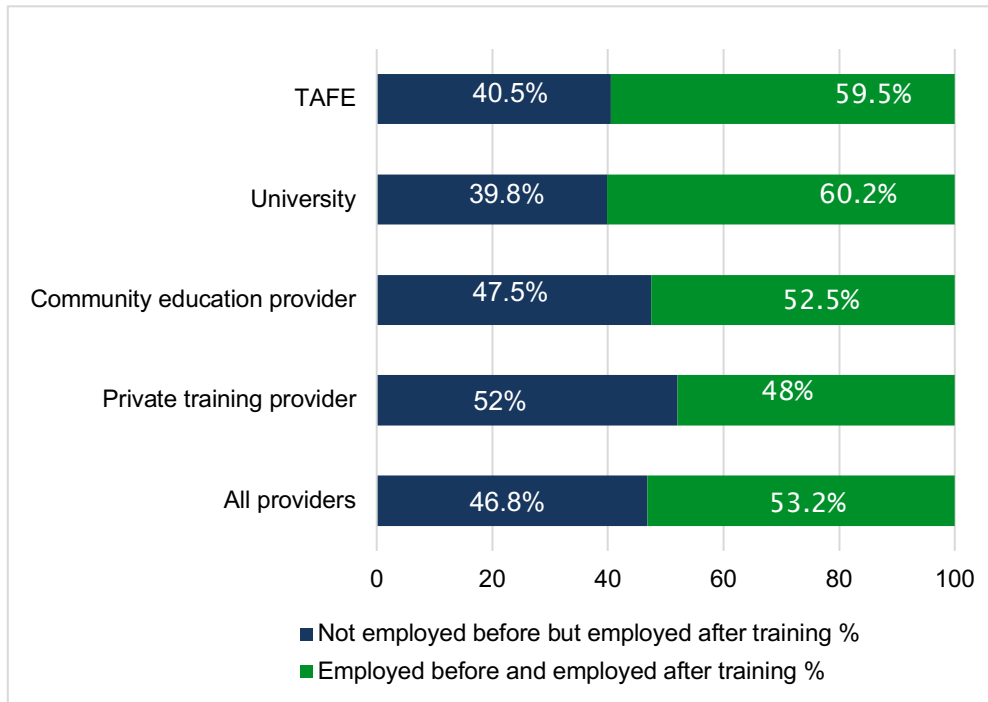
Research shows that '[l]earners from disadvantaged backgrounds who enrol in VET are less likely to complete by comparison with their non-disadvantaged peers' (McVicar & Tabasso, 2016). Victorian research conducted by Deloitte Access Economics (2017) shows participation in pre-accredited (non-formal) learning ACE significantly increases completion rates for those transitioning to accredited training where 64% directly attain a qualification with a further 14% indirectly attaining a qualification. This compares to the average Victorian VET completion rate of 47.3%. Given that 90% of pre-accredited learners in Victoria experience multiple instances of disadvantage, the result is all the more significant.

The ACE sector has a well-documented track record of attracting significant rates of high needs and disadvantaged learners in a highly constrained funding environment where providers' capacity to engage learners through outreach activity is not funded. Investing in the outreach and engagement in the community education sector is possibly the single most effective strategy that can lead to increased participation by learners with high needs and low LL&N (ALA & NHVic, 2019).

Figure 1: Equity groups % of program enrolments by provider 2018
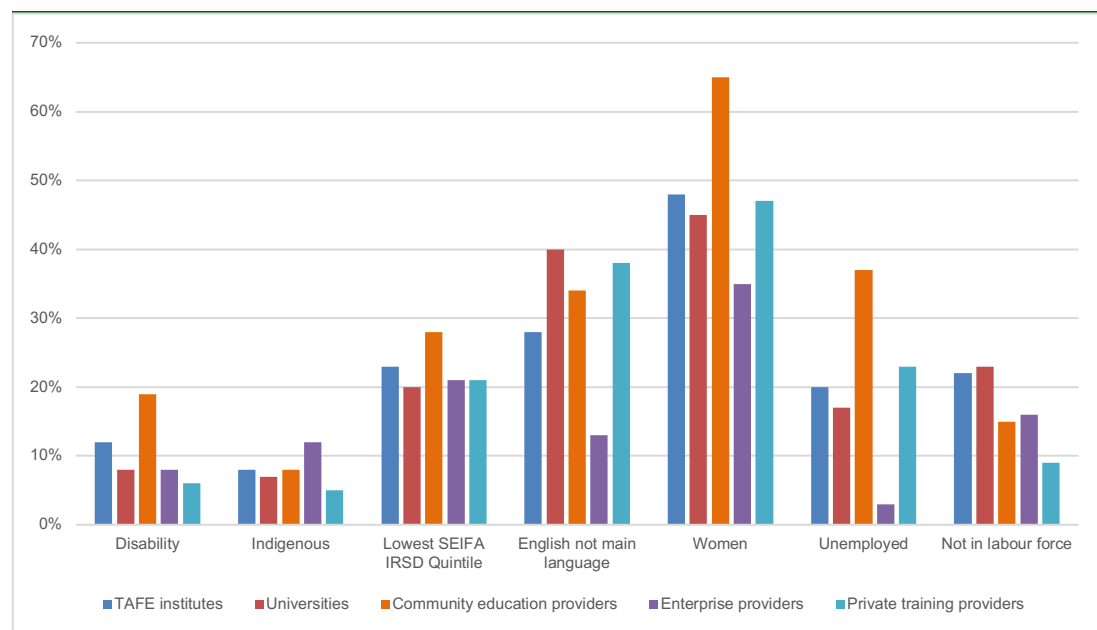
Figure 2: % of VET graduates unemployed/employed before training and employed after training by provider 2019

Figure showing horizontal stacked bar chart with the following data:

Provider	Not employed before but employed after training %	Employed before and employed after training %
TAFE	40.5%	59.5%
University	39.8%	60.2%
Community education provider	47.5%	52.5%
Private training provider	52%	48%
All providers	46.8%	53.2%

Embedding literacy in vocational programs has pedagogical value, however, LLN experts also recognise that learners with very low-level skills benefit from stand-alone, face-to-face delivery methods, without any vocational context. Policy support for this and funding for non-accredited, non-vocationally orientated LLN programs is patchy across Australia. The provision of wraparound supports for many of these vulnerable cohorts is essential to success and funding models (ALA & NHVic, 2019).

Other LLND provision

Funded programs for cohorts that are not eligible for narrowly focused foundation skills programs with employment outcomes are scarce. Parents, older Australians, people with disabilities, and those already employed find it very difficult to access appropriate programs with very few offerings outside of the Skills for Education and Employment Program (SEE), which provides LLN training to jobseekers and the Adult Migrant English program, which provides English language courses to eligible migrants and humanitarian entrants.

Indigenous people whose first language isn't English are particularly disadvantaged, and LLND in the workplace has not been effectively addressed since the Workplace English Language and Literacy program closed. The Foundation Skills for your Future program is limited by comparison.

The following information has been taken from Adult Learning Australia's environmental scan of adult community education referred to as (ACE) (ALA, 2020).

ACT

The ACE Grants Program delivers accredited and non-accredited foundation skills learning programs that are focussed on 'individual empowerment and development' as well as pathway programs for participants who are 17 years of age and older. The

ACT ACE Grants Program is designed to support sustainability; optimise capacity and to establish an evidence-base that shows the sector's contribution to education and training in the ACT. It also seeks to 'maximise the vocational intent of non-accredited education and training' and 'outcomes sought by the National Partnership Agreement on Skilling Australians Fund.

NSW

NSW focusses its ACE funding on a network of providers branded as 'Community Colleges' (including three original Workers Education Associations). Community Colleges offer accredited and non-accredited vocational learning, along with a range of other learning opportunities. These learning programs and activities work to build self-esteem, re-engage early school leavers or provide a social network for older or vulnerable people. All approved ACE providers in NSW are RTOs and can apply to deliver Smart and Skilled funded training in the same way as any other eligible RTO. The NSW Government also provides ACE program funding to approved ACE providers to deliver training and support that 'cannot be effectively addressed through Smart and Skilled programs'.

ACE program funding is for training up to and including Certificate III and targets disadvantaged cohorts, including those located in rural and regional areas. This funding can be used to 'provide intensive support' to eligible participants to help them pathway into further training and employment (training.nsw.gov.au/ace). ACE program funding includes Tech Savvy For Small Business, which is subsidised accredited and non-accredited training in business, information technology and foundation skills in support of small business. Approved ACE program providers are largely Community Colleges, with the exception of the Deaf Society which is also a registered training organisation that delivers ACE programs.

NT

There are examples of community-based adult learning and family literacy programs such as the Home Interaction Program for Parents & Youngsters (HIPPY) which exist across the Northern Territory in Indigenous community organisations, charitable organisations, public libraries, seniors' centres, Working Women's Centres and U3As. The extent of this community education is not fully known nor reported.

The NT Government does offer Equity Training Grants targeted towards specific equity groups. The focus of these grants is to re-engage/engage Territorians in employment or further training programs. Key equity groups targeted through this initiative include people with a disability; parents returning to the workforce after an absence of five years or more; long-term unemployed migrants; refugees, mature-aged people; very long-term unemployed people, or those at risk becoming very long-term unemployed.

QLD

The Certificate 3 Guarantee (C3G) offers eligible people access to subsidised training places, 'up to and including their first post-school certificate III qualification' (desbt.qld.gov.au). Foundation skills and lower-level vocational qualifications may also be delivered as part of this initiative. Under C3G foundation skills training is an enabling program that can be delivered through an individual unit, a module or full qualifications in accordance with the learner's needs.

LLND program in QLD are delivered by a wide variety of organisations including community owned or operated RTOs; TAFE QLD; libraries; specialist literacy groups and computer clubs.

SA

Community education programs in SA focus on the development of foundation skills. A review of community education programs conducted in 2017 involving multiple stakeholders resulted in increased government funding to the sector and the appointment of pathway coordinators located throughout the state to work with the sector on developing pathways for learners and promoting community education providers more broadly. However, funding priorities shifted away from this with the change of government in 2018.

TAS

Libraries Tasmania hosts 26TEN, a 10-year strategy to engage the broader community and private sector in improving adult literacy and numeracy. Through its grant program, 26TEN funds employers and communities to contribute to lifting the literacy and numeracy skills of Tasmanians. These are delivered through a network of adult literacy providers, business and community organisations, and neighbourhood houses. Independent community managed Online Access Centres, funded by a grants program, also exist across the state to support adults to navigate and use digital technology (ALA, 2020).

VIC

The Ministerial Statement on the Future of Adult Community Education in Victoria 2020–2025 was adopted in November 2019 outlining a six year reform agenda for ACE. The reform agenda includes a focus on the Adult, Community and Further Education (ACFE) Board and the adult community education sector's role in terms of adult literacy, numeracy, employability and digital skills training.

The (ACFE) Board – a Victorian statutory authority – funds pre-accredited programs delivered through registered Learn Local providers. Pre-accredited programs are short modular courses that create pathways for participants to further education and training or employment and target women seeking to re-enter the workforce or who have experienced or are experiencing family violence; early school leavers, both mature and youth; low skilled and vulnerable workers; Indigenous people; unemployed and underemployed people; people from culturally or linguistically diverse backgrounds; disengaged young people and people with a disability. Through its strategic plan, the ACFE Board has renewed its commitment to leading literacy, numeracy, English language, employability and digital skills education and training for adult learners in Victoria (ALA, 2020).

The Reconnect program is another Victorian initiative that supports learners with barriers to learning to help them transition accredited training and the workforce. Under the program, selected TAFEs and Learn Local registered training organisations (RTOs) receive funding to provide Victorian learners: a) to address barriers to enrolling in and completing an accredited training program and a supervised work experience placement, and b) with access to specialist support services such as health, accommodation, and personal and relationship supports. This critical wrap around support and individual mentoring offered by the program helps support participants to address barriers to participation in education and training. The program targets long-term unemployed adults between the ages of 20–

64 who have not completed high school and young people aged 17–19 who are early school leavers (ALA, 2020).

WA

Adult literacy and numeracy support is provided through Read Write Now (RWN), which is a volunteer mentoring program funded by DTWD and sponsored by North Metropolitan TAFE. RWN tutors complete four-week of training so they can confidently assist adults. Over 600 volunteers work with RWN across metropolitan and regional WA.

The state government also supports skills development through a $2 million Regional Traineeship Program, which supports Community Resource Centres (CRCs) and eligible local government authorities (LGAs) to provide training, skills and employment opportunities in their local area.

The challenge of data

Access to and the quality of VET data is a problem. The lack of timely and consistent data impairs the capacity to provide timely and informed policy advice. Inconsistencies across datasets and in sector definitions across jurisdictions make comparisons difficult.

A comprehensive audit of the current provision of adult literacy education programs around Australia (both accredited and non-accredited education programs) is required to identify and evaluate effective interventions in adult literacy education including community-based programs and literacy programs for Indigenous and other socially and economically marginalised Australian communities. The Aboriginal Adult English Language, Literacy and Numeracy in the Northern Territory Report provides some insights into the extent of low levels of adult Aboriginal LLN, who is affected and the areas of greatest need (Shalley & Stewart, 2017).

Longitudinal data that tracks student progress over time through non-accredited and accredited foundation skills programs is key to effectively measuring outcomes. Applying the unique student identifier to foundation skills pathway programs may support this.

The Programme for the International Assessment of Adult Competencies (PIAAC) data is useful but it is also nearly a decade old, and Australia Bureau of Statistics in now holding the new PIAAC survey over for another 12 months and the sample size is significantly reduced.

While PIAAC data showed an improvement in Australia's literacy scores – this wasn't the case across all demographics and by any sensible measure, it's difficult to celebrate 44% of the population with literacy levels at level 2 or below and decreasing levels of numeracy (Hagston, 2014).

The National Reading Writing Hotline also collects statistics from call data on profiles and numbers of adults seeking LLND support, which may provide insights in the nature and extent of the problem.

High quality LLND educators

The Commonwealth Government must recognise the economic value of higher levels of adult literacy through a national adult literacy strategy that prioritises LLND in various contexts, including the workplace, and has a strong focus on socially and economically marginalised Australians.

This strategy must also address the national skills shortage of qualified adult literacy educators and build the capacity of the workforce including both professionals and volunteers.

Historically, generic assessment tools (including online tools) have failed to meet the needs of people with very low levels of literacy. The key indicator in increased LLND skills is sufficiently qualified, autonomous adult LLND educators.

Conclusion

Australia is a signatory to the 2030 United Nations Agenda for Sustainable Development, which includes SDG target 4.6 to ensure that 'all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy (UN, 2016). Getting the domestic policy settings right for foundation skills education and training in Australia is key to meeting this commitment.

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