



**SUBMISSION TO THE INDEPENDENT PRICING AND REGULATORY TRIBUNAL (IPART)
PRICING VET UNDER SMART AND SKILLED
ISSUES PAPER**

Response: 3 May 2013

Introduction

Community Colleges Australia (CCA) acknowledges the comprehensive work that has been undertaken by IPART to prepare the Issues Paper on “Pricing VET under Smart and Skilled”. The concept of a VET entitlement model, where the emphasis is placed on demand-driven learning, with an individual or employer receiving government funding for training to spend at an approved provider of their choosing, is the most significant change for the NSW VET sector in the past two decades.

The Issues Paper incorporates a great deal of new phrases including for example, “relevant externalities”, “efficient costs”, “legacy infrastructure”, “spillover benefits” etc. It may be helpful to discuss some of these comments and the theories raised in the paper through personal consultation. CCA considers this may assist to more clearly define the scenarios about how VET pricing will be established; through debating the strengths and weaknesses of proposals in the paper.

This consultation suggestion is due to some of the commentary and writing which, whilst respectfully aiming to achieve informative feedback, has raised in several instances, more questions. This may be particularly so for small, busy RTOs; where the paper’s suggestions have invoked significant discussion but not necessarily allowed the time for clarifying a position or providing a specific reply.

CCA is therefore providing the following input and feedback which has been provided from the industry association’s members. The submission focuses on key areas of relevance to them, including:

- CSO clarification and definition;
- Differentiation between CSO and Entitlement Pricing and Costs;
- Foundation Skills;
- Efficient Costs;
- Student and Concession Fees.

The fundamental shift in the provision of VET funding in NSW warrants a depth of discussion to ensure that residents and businesses of NSW obtain the best possible outcomes. We consider that this Issues Paper is to some degree the beginning of the debate and there is a need to be able to develop the proposed scenarios for further feedback and input from key stakeholders, including RTOs.

CCA welcomes the opportunity to provide input into the IPART Issues Paper, considering it vital that the unique perspective of community VET provision be included in the pricing and fee considerations being undertaken by the NSW Government. CCA as noted above is willing to participate in further consultations prior to delivery of the final report to the Minister on 31 August 2013. Please contact Kate Davidson, CEO of CCA for further information.

Context for this review

The Issues Paper identifies that prices and fees are to reflect “efficient costs of providing training”. CCA would note that in setting prices for NSW students, it must be recognised that not all VET learners are the same. As stated on page 12, clause 2.1.2, a higher proportion of VET students in NSW come from equity groups, than the national average.

The members of CCA provide VET to a diverse range of students. However, most of the members work with a number of equity groups within their venues. The range of learners who need ‘additional assistance’ to enrol and complete VET certificates is broad and includes some from outside the well-defined groups such as indigenous, non-English speaking or students with a disability.

For a range of historic reasons, CCA members have a high proportion of female learners. Whilst members’ scopes include the subject areas within “Management and Commerce” e.g. business, management, tourism, office studies and TAE, a significant percentage of the members also have “traditional female vocations” on scope including a wide range of community service certificates, e.g. Aged Care, Child Care, Disability as well as Health and Beauty.

The commentary in this submission will emphasise that when assessing a student’s appropriate fee contribution to the base price, our considerations are based on years of members working with learners whose personal circumstances do not allow them to pay a significant contribution.

In addition, the future value to a student of a qualification may not be a factor that impacts to current pricing for course cost of some learners in VET. Using a pure economic argument to identify costs and fees is not necessarily relevant to individuals undertaking VET. Whilst we note that the paper decries the lack of empirical research in “relevant externalities”, CCA members can all provide anecdotal evidence of learners whose self esteem and contribution to community has increased by undertaking VET studies at some level.

What may be relevant to future value and current cost is the desire by the NSW government to increase workforce participation and productivity in the state. Their current costs compared to future economic outputs may identify a range of concession fees relevant to encourage as many individuals and businesses as possible to participate in VET courses.

In the context of also establishing an “efficient cost” for each certificate, CCA will highlight some misconceptions and omissions in identifying what should be included in course costing. This will also be relevant in our points relating to “thin markets”.

As the CSO has been identified as being offered to approved ACE providers (as well as TAFE) in the first year of Smart and Skilled, we have received considerable feedback from CCA members in regard to the section on this in the Issues Paper. Our input we trust will be considered carefully; due to our current limited knowledge on the process for CSO our points are aimed at seeking clarification in some of the hypotheses and statements made in the Issues Paper.

Finally, the paper acknowledges in places that the collection of data will be required to assist in calculating base prices. In our submission we are providing actual events relating to what happens currently in our member entities to strengthen some of the points we make in calculating the CSO and also loadings for the entitlement model.

Proposed approach for developing methodology

In Chapter 3 the paper identifies that to set the prices, identifying “efficient costs” of VET training must be established. We fully endorse that the pricing will need to reflect different costs to providing the same training and that different industry areas will have different costs.

CCA provides recommendations in regard to identifying what “thin markets” may include and seeks clarification to the statement “CSOs for thin markets should not include the additional costs to be recovered through loadings”. We also refute Figure 3.1 on page 24; CCA consider it incorrect to show the CSO as part of “total price”, as well as showing lower loading rates for foundation skills clients.

The CSO market, as we understand it, will be separate from the entitlement funding. The 'skills list' (as decided based on the economic conditions in NSW) will determine the VET qualifications that individuals and businesses can gain government funding for; Community Service Obligations should assist individuals who require significant support in their vocational education and who may benefit from skilling in areas that are not included in the list of subsidised training.

In developing a methodology as outlined on page 25 we question if VET should be directly compared to university study. The mode of study is very different and as highlighted later in the paper, for some VET areas there is limited evidence of significant income benefit to certificate level achieved, as compared with university outcomes. An “appropriate contribution” requires careful consideration.

Efficient Costs

CCA and its members seek clarification on what “efficient delivery” means; as it currently appears in the paper to be somewhat of a subjective statement. How will the benchmark be identified or determined?

For example; does efficient delivery take into consideration an organisation that is enabled to provide the community with government facilities (state or local) use for VET courses? What are implications of applying commercial rates to such venues?

Our feedback indicates that there are ‘bigger cost issues’ which IPART appears not to have considered as part of the base price costings. CCA cannot identify where there has been acknowledgement of costs relating to:

- regulatory frameworks and compliance costs;
- the proposed NSW Quality Framework which could substantially increase amount of work over and above the national VET regulator
- duplication of quality systems, documentation and processes – for ASQA, NSW Quality Framework and new NSSC standards;
- Partnering – currently proposed as a possible NSSC reform, but could add to the base cost of delivering VET;
- Lack of economies of scale. There are high quality smaller RTOs but their base costs per student may be more than a very large RTO;
- Professional Development costs for trainers/assessors and senior VET/training staff;
- Career counselling a person before they commence a course.

The Issues Paper seems to indicate that flexible/online delivery may be seen as a 'cheap' option. 'Blended' learning is expensive to deliver and if done properly may not be cheaper than face-to-face classroom teaching. It is just as costly if students are to be supported by a trainer/assessor to a successful completion. Using online 'tutoring' as part of a VET course requires the learner to have access to someone at the 'other end of the computer' for support and assistance.

When the methodology is finalised and concession fees identified, will there be an opportunity for RTOs to waive or reduce the fee based on individual circumstance. Welfare and disadvantaged learners will have no greater capacity to pay, whether they are enrolling in a Diploma or a Certificate I (see graph curve on page 24 Figure 3.1).

As noted previously, having a banding for different qualifications/industry levels and different geographic areas will also be important. One CCA member noted that it costs approximately double to deliver and assess a Cert II in Engineering compared to a Cert III in Aged Care, without identifying the students' additional learning support or mentoring requirements. In addition, the maximum class size for Engineering may be smaller than Aged Care, depending on community demographics.

CCA notes that under clause 3.1.1 (d) there is an intention to "test" the concept of thin markets for determining CSO; however, we believe that thin markets may also exist for entitlement funding and should therefore form part of the loading calculations.

Thin Markets

Feedback from CCA members indicates that undertaking modelling for base costs with 15-20 students per class is unrealistic. Average class sizes for many community education providers are between 6 - 8 learners across all course offerings. CSO groups will require small class sizes to enable individual support and delivery and assessment adjusted to meet their needs.

However, thin markets also exist under the government entitlement as well. Some learners, who do not fall into welfare recipients, indigenous, disability cohorts, will have a learning difficulty. It may be that their levels of literacy and numeracy are below what is required for a Certificate III, or they may not have studied for >10-15 years and require assistance in coming back into education. Whatever the issue, these students may be overawed by studying in a class of 20, be more likely to persevere and complete their certificate through smaller class sizes; and this may be despite the RTO being based in a metropolitan or large regional centre.

TAFE Pricing

On page 31 of the Issues Paper, there is a statement regarding "additional costs faced by TAFE..." We seek clarification of this sentence in terms of other RTOs, noting that a significant benefit for the public provider is that of 'brand and perception'. In the marketplace for many individuals and businesses, VET is TAFE, as the two words are often used interchangeably.

To suggest that TAFE has higher teaching costs is, in many cases, wrong. To compete for good trainers' private and community RTOs often need to offer the same rates of pay and conditions and under federal modern awards we have similar IR issues and HR compliance to uphold. With regard to "legacy infrastructure" we note that private and community RTOs have not received state funding for investment and therefore incur costs either in leasing or purchasing/maintaining capital assets.

Case Example

One RTO has raised several specific concerns about the phrase *efficient number of students* as noted in the two suggested methodologies used in the paper. IPART has assumed that a class has 15 or 20 students and therefore, income from 15-20 students. Our RTO *never* has 15 or 20 learners to any class either in full qualification or short accredited courses.

In 2011, our 'raw' \$ per Student Contact Hour was \$10.09. The higher spend is required as the latest published *ABS SEIFA Index of Disadvantage* shows our College's catchment LGAs, are among the very lowest score of 43 Sydney Local Government Areas. The College is operating in an area of extreme economic disadvantage with many in the local population having low literacy in their first language, and limited education qualifications and English language skills. Our LGA also has one of the highest unemployment rates in the country. These demographic factors should be taken into consideration when CSO loadings are determined as well as being considered when loadings may be discussed for what the paper calls *thin markets*. *My Skills* also confirms our potential students have a high degree of disadvantage, being placed in the 5th percentile - the highest band of disadvantage - with close to 90% of our students deemed disadvantaged, 60% of them in the most disadvantaged percentile.

For the RTO to deliver VET training to a population with the above background, we operate very small class sizes so that completions can be achieved. Historically the college has conducted VET courses with two - three or four students; delivering them for social equity reasons. The successful completion rates were 91%. If the college operated courses with higher enrolment numbers the successful completion rates would be likely to be much lower given the student population profile.

Recently, we have had a student with an intellectual disability enrol in an accredited IT Unit of Competency. Even in a class of just 8 the student struggled as she basically needed one-on-one attention. In order to make a reasonable adjustment, the College arranged for two different trainers to conduct two days of additional out-of-class training and assessment without charging this student any additional fees. This kind of intensive investment increases costs dramatically.

Base prices, loadings and CSOs

In Chapter 4 of the Issues Paper, some of what IPART is stating, CCA has already commented on under general methodology. However, we question the statement made on page 28 where it is stated "*CSO payment is warranted on top of the base price and any loadings for a service.....market is thin*". This statement is contradicted elsewhere in the paper where it is suggested that if a CSO is paid, a loading will not be. That is, on page 23 point c) the last sentence states "*CSOs for thin markets should not include the additional costs to be recovered through loadings.*" In noting our confusion with the way CSO is interpreted throughout the paper we offer some commentary below in regard to the topic.

Types of Costs

We again reiterate, based on feedback provided by members, that in estimating base prices, the methodology must take into account more than direct teaching costs, operating costs and recurrent costs. In referring to Table 4.1 no mention is made of the costs for RTO registration and compliance with the National Regulator. This is mentioned in Chapter 4 page 28 but no identification is provided

into IPART's understanding of what the cost of NVR is to an RTO and how such costs will be calculated for base pricing.

In Table 4.1, Section 4.1.1 the Direct teaching costs include no reference to the costs of student guidance and advice by staff, trainer/assessor PD, maintenance of industry currency, additional tutorial/support time, LLN teacher support, mentoring/case management, follow up/outcomes information and reporting.

In identifying sources of information to use in calculating unit costs it should be acknowledged that the SSP tender pricing submitted is now 2 ½ years old and costs have increased from that time. In addition, The IPART paper does not take into account the future NSSC changes.

Method 1

Under the figures identified in Box 4.1 the Core UOC - Apply OHS legislation is costed at 20 hours x \$5 x average 6 students = \$600 to deliver and assess as the base cost in a thin market. However, the actual cost currently is 1 Trainer @ 20 hours x \$40/hour + 15% on costs = \$920. This is using a very low trainer cost and does not incorporate travel, administration, infrastructure, resources/learning materials, compliance and all the other VET costs involved.

This is one example where a class size assumption, somewhere near 18 to 20, appears to be used to determine the purchase price of the training.

Method 2

This model may have a flaw as it assumes an RTO only offers a pre-defined group of electives rather than electives to suit the local industry needs in different locations or when training specifically for a particular workplace. Students and workplaces need to be able to select UOC to meet their needs and that's the fundamental concept in training packages and of the VET system.

In considering base costs, will the student entitlement be flexible enough to allow students to "dropout" of training briefly to deal with 'life circumstances' and then re-enter training at a later date?

CSO and Entitlement (Thin Markets)

CCA has previously understood from government statements, that CSO payments were to be identified separately from Entitlement funds. We seek urgent clarification of the approach to CSO as the members are already commencing their business planning for 2014 and if this is not the case; a different risk management process may be required.

In the paper there are some references (e.g. the graph at 3.1) where it is indicating that the CSO funding to TAFE and approved ACE providers will be on top of the entitlement funding to assist the CSO students. The graph may also appear to show that TAFE and ACE providers could have the discretion to waive the course fee contribution expected to come from students. If the CSO target group can't afford the student fee for a cert III then will an exemption be possible?

CCA prefers to consider that CSO funding will be based on a formula to ensure that the state's more

challenging learners can be given full opportunity to achieve their educational goals (and this formula must take into account ACE provider costs as well as identifying TAFE operational base funding). Pricing for CSO should therefore be on a different basis than pricing loadings for disabled or regional or indigenous students in the entitlement funding model. It is a very different costing model.

In evaluating CSO, IPART should take into account the following groups of learners (not necessarily exhaustive):

- Youth at risk
- Young people and adults who have left school not completing Year 10
- People with culturally and linguistically diverse backgrounds
- Disadvantaged women
- People at risk of redundancy in industries that are failing e.g. manufacturing
- Unemployed (long and short term)
- Older isolated adults (particularly living in public housing)
- Homeless
- People recovering from drug dependency or mental health issues
- People whose literacy and numeracy skills are insufficient for a workplace

These groups of learners will require different (and very high personal) levels of assistance to commence, maintain attendance and complete a vocational qualification. In addition, they may need to undertake a vocational course that is not included on the entitlement funding model, but which will give them confidence and an opportunity to attain a first job or a job in a new industry very different to what they have previously worked in.

To identify a 'fair and reasonable' price for a student contact hour for CSO, it may best be attained through historic knowledge of TAFE and ACE providers already assisting such learners. CCA would be prepared to offer, in confidence, \$ figures from members to identify a reasonable base cost.

CSO funds will be used not just for VET costs, but to fund extra support, career search and advice along with mentoring and meeting our compliance obligations for disadvantaged groups. These costs need to be funded out of CSO payments or there is a risk that these learners will not finish their studies and not participate in the NSW economy. CSO funding should ideally be considered an investment payment; supporting high cost delivery but ultimately improving the lives of disadvantaged individuals and allowing them to contribute both in the workforce and their local communities. In order to have the best chance of success CCA recommends that CSO funding ensures small class sizes e.g. 6-15, in order to cover the true cost of training disadvantaged and traumatised participants.

CCA also seeks clarification that CSO funding will be able to be used to fund training for marginalised youth not attending school. As CCA currently has members working with this client group, we would hope to ensure these programs will have their funding 'locked in' through the CSO objectives.

CSO should be considered funding through education that develops social inclusion; identified locally by the need in specific communities and not by a skills shortage/entitlement list. The individuals

assisted through this education funding program have high needs and require considerable extra face-to-face learning; but the future value proposition for the government from the present day cost will be highly positive.

Finally, CCA seeks clarification on whether the emphasis for the CSO investment is to provide higher qualifications, as suggested in Figure 3.1? We would anticipate that CSO funds should focus at Foundation Skill levels so that following their successful completion in lower level courses, individuals could then access entitlement funding.

Foundation Skills

An educational area that the Issues Paper does not comprehensively address is Foundation Skills, that is, low levels of language, literacy and numeracy. Foundation Skills should be embedded comprehensively across Smart & Skilled entitlement funding. The Australian Workforce and Productivity Agency has recognised that ~7 million adult Australians do not have levels of LLN high enough to enable them to perform their jobs effectively. In their most recent report, *Future Focus: National Workforce Development Strategy*, they conclude on page 78 that

The adult and community education (ACE) sector can also play a significant role in assisting disadvantaged learners to re-engage with learning. The National VET Equity Advisory Council noted that the sector: offers largely unacknowledged access to foundation skills and provides pathways into further learning, community participation and work.

The Council believes this sector is an undervalued community asset which, with an increased profile and coherent policy and funding approaches, could further support the VET system's performance in relation to improving access, participation and outcomes for people with low skills. In the Council's view, the time has come to: further acknowledge the role of ACE in building social inclusion; place it in the context of the current COAG agenda; clarify its policy, funding and regulatory frameworks; & formalise recognition of its pathways into further learning.

Foundation skill training is not limited to those VET students engaging in lower level certificates, however, many learners who have no/limited post-secondary education may require formal foundation training prior to/or in conjunction with other VET courses. Currently, CCA members offer both the Foundation Skills NTP as well as foundation curriculum and would hope that both will be recognised in the entitlement funding model and CSO investments.

The graph at 3.1 that loadings and CSO payments will be very limited at foundation training level; this seems to be in inverse proportion to where such subsidies may be required. It is very important that Foundations Skills and additional loadings required for them are fully funded across the entitlement model.

CCA members have noted in response to the graph that skilled migrants may need additional English LLN assistance for higher level quals, and that should be available. However, the ATSI, disabled, long-term unemployed and other disadvantaged learners need most assistance at the lower level where the graph indicates the funding will be minimal. If the NSW Government is keen to ensure higher completions and employment outcomes these are the people who need most support to encourage change to long term disadvantage and lifestyles of dependence.

CCA believes it has interpreted the paper correctly whereby we assume that where a student undertakes a foundation skills training certificate, they will still be eligible to undertake another VET qualification (up to Cert III) with entitlement funding in the same year. The Issues Paper has made comprehensive references to “human capital theory” in Chapter 5 as part of determining the setting of student fees. We would observe that for many learners requiring foundation skills training prior to undertaking a vocational certificate, there will be limited capacity and limited desire to contribute to their foundation skills training.

As with all learners studying at community education providers, LLN trainers and teachers and assessors are paid on the modern award and often at higher salary levels as we compete with private RTOs and TAFE. Many of the LLN / foundation skills students will require additional one-on-one time with their trainers and administration and compliance costs are the same as other VET studies.

Case Study

Students with no language or little language are most costly to train. In the case of Auslan - when a student has little or no skills- it will take twice as long to teach and provide skills, therefore if a course is provided for 40 hours, a deaf student will need 80 hours. If a student is a refugee or from overseas they will also need a relay interpreter to translate from one language to the teacher and onto the student.

Cost associated with interpreting can range from \$90.00 - \$110 ph at a minimum of 2 hours. Interpreters are paid a maximum of two hours. For WH&S issues two interpreters are required. Over a course this can be quite expensive. In prior SSP applications our SCH is marked at \$14.00 an hour for Certificate II and IV and \$15.00 for Diploma. When our submission for purchasing was initially submitted we were advised to include all costs associated with running the course e.g. training room, lighting etc. Due to interpreting we costed on this basis but these prices may be seen as unduly high.

Literacy and numeracy for deaf students have low levels of demand and higher costs as above. For deaf students costs may be as high as \$150.00/hour and for hearing students learning Auslan costs are at \$18/19 SCH but such levels often do not sustain successful government tendering.

Setting the level of student fee and government subsidy

In considering what a student should pay to undertake post-secondary education, CCA members have noted that choosing VET (as opposed to university) should not be considered as a low SES learning choice only. VET is about pathways, including into university as well as the workforce. As VET is assisting in building the educational level of Australia then having a fee-based system is critical. Paying a fee up front encourages people to stay in study (most of the time) and focuses learners on studying and completing.

However, this theory may not apply to niche markets. Disadvantaged groups will need to be treated differently. For example, one CCA member offering a very specialised training certificate has a waiting list because people are not prepared to undertake the study without receiving funding to do the course. CCA agrees with the Issue Paper that there is not enough information on statistics around correlating VET qualifications with a person increasing their income levels (which we note does

appear to be available around university qualifications). If such data was available it may encourage more VET students to be prepared to pay a higher fee for their course.

At page 52 of the Issues Paper, it is noted that price elasticity of demand for VET is low. However, feedback from CCA members are that currently most people already seek out funded courses. This evidence suggests that increasing student fee contributions would lower enrolments, especially where members operate in low income level communities. 50-60% of current students have advised that if fees went up it would be a major deterrent to them in undertaking training, especially if doubling the fees was proposed.

In some CCA member communities gaining a qualification may not lead immediately to employment where there are low employment areas. In these cases credit constraints will have significant impact. Some potential learners may also be 'scared' by having to take on a loan to undertake study without knowing whether they are capable of completing the course, or without work certainty. The NSW Government may need to undertake some marketing around the concept that a VET Help Loan will not require repayment until an individual's income has reached a specific salary threshold.

IPART is seeking responses to students sharing part of the VET fee burden based on taking into account the "positive externalities". However, given that on page 53 the Issues Paper notes that there is limited research available CCA is unsure of what our answer could be. We do note however that there is significant evidence from a range of government agencies indicating that to improve both participation and productivity in the workforce more Australians need qualifications at a minimum of Certificate III level. If this is the minimum educational standard for future workers, there may be an obligation on government to ensure people have the opportunity to learn and thereby work and pay taxes; so training up to Certificate III should be funded by government with very limited input from individuals.

One characteristic that CCA has noted throughout this submission is that there are still some people and learner groups who need assistance to re-engage them into the education environment. Alternative learning options which offer flexibility and supportiveness can be a 'hallmark' of community VET providers. Government subsidies should be offered to specific groups of people, for example, someone who loses their job in an industry that is declining / women who are forced back into seeking work because of changes in their domestic situation / people who have worked in physical environments and need to retrain because they have to change their job roles etc. These individuals/groups will need help in accessing education and methods in how to re-train, as well as the known equity groups.

CCA is uncertain as to whether there is a need to identify fee relativity between VET and HE. The learning concepts are different and outcomes may be different too. Higher incomes appear to be proven for those individuals who complete degree studies at university. As noted earlier, some VET outcomes lead to higher levels of income but not all. If the NSW Government is seeking more people to be participating in the state economy and at an improved productivity level then increasing the numbers of people doing VET needs encouragement and probably not higher fees. There could be a discussion regarding whether Certificates I and II should have any student fee attached to them.

CCA members did not have a unanimous view in regard to whether the student contributions should be a flat rate or an incremental rate. Some thought it may be better to use a % across all levels of qualifications. Others considered that as an incentive to encourage people to gain certificates at Certificate IV the fees could be a flat rate. Others also noted that at both Certificate III and IV there were some qualifications that offered excellent job prospects with high incomes and others that did not. This might also have an impact in designing the student fee structure; using industry groups as an approach to potential fee contributions.

Considering other matters

CCA is essentially in agreement with the proposed payment arrangements for base prices as outlined on page 64 of the Issues Paper, that is payments in 3 stages. We are uncertain if the mid-point payment should be based on 'units completed' or a timeframe of qualification length.

In regard to reviewing the methodology periodically, we would recommend that the first review should take place after 3 years; noting that entitlement funding is such a significant change that waiting 5 years may be too long if there are matters to be corrected. We would recommend automatic reviews for base pricing based on CPI in between reviews.

Finally, in light of both the NDIS becoming a reality very soon and the NSSC Vet Reforms advising on "equity and access" for all in VET, CCA concludes with some training observations from the Deaf Education Network (DEN) and the impacts that entitlement funding may have on their niche training. Both NDIS and NSSC Reforms will increase the demands on an already stretched workforce.

CGEA - In the past eight years working with the deaf community DEN has had no students completing the full qualification from the CGEA. Many students will pass the introduction to Certificate I in the CGEA but even this takes time and the funding for these courses are currently via social inclusion with an aim for wrap around services with our employment services.

With regards to current SSP pricing and tendering DEN does have a position on how the fees and loadings are fixed especially with interpreting, support teachers and relay interpreting. Having Auslan qualifications also means having a language that sits alongside other qualifications to assist the deaf community from being ostracised when looking for or participating in work.

Auslan is definitely a language. It has its own grammar and vocabulary, and is the native language of people who grow up in signing families. It is not, as many believe, a transliteration of English. It is also, unique to Australia, although related to British Sign Language historically. According to the academic linguists, it satisfies all the technical criteria for being a "language" rather than a code or a mere communication method.

For practical reasons, Auslan is also best recognised as a language because it takes, like any other language, years of intensive study and immersion to acquire fluency. Calling it 'a communication literacy' gives the impression that it is relatively easy to learn.

How will Auslan and all its vocational qualifications be treated in the new training landscape? For example, the Diploma of Auslan (or equivalent fluency) is the qualification that students should aim to get *before* they do the Diploma of Interpreting. Under the current IPART proposals there will be no entitlement for students wanting to do one or both Diplomas. In such a situation, people may only fund themselves to do the language, but not the interpreting qualification that actually enables them to get a job. The same could happen for people who learn Auslan and then want to work in employment or community services. They will have the language, but then not be able to access the vocational skills. Effectively, to work in the deaf community you need fluency in Auslan (Diploma) AND your vocational qualification (interpreting, employment, community services, etc.). Auslan is a language that enables you to use your vocational qualification with deaf people. Whether you can call Auslan itself a vocational competence is a matter for discussion.

Over the past twelve months DEN responded to the CSH Environmental Scan with another CCA member, which gave more background about Auslan interpreting specifically as a skills shortage area. The shortage of interpreters is getting dire (and likely to worsen) if Auslan and Interpreting do not gain some form of entitlement funding to encourage people to do the courses.

BACKGROUND TO COMMUNITY COLLEGES AUSTRALIA

Community Colleges Australia is the peak body that represents and provides services to community owned, not for profit education and training providers. CCA is committed to assisting our members sustain and grow their businesses, thereby enhancing education choice, for Australians. CCA members promote learning innovation for their stakeholders by delivery that engages with and belongs to communities.

Our members share a similar philosophy; that their organisations' assist in building community worth through offering dynamic and flexible learning opportunities with an understanding of and empathy for both an individual's and business need. CCA members are embedded into their communities, offering an increasingly diverse range of business activities devised in consultation with individuals, families, neighbourhoods, employers and industry.

The community education sector delivers accredited vocational education and training to hundreds of thousands of people each year across a diverse range of skill requirement and industry areas. Historically, CCA members have been highly successful in supporting non-traditional learners, particularly cohorts that include:

- Youth at risk
- Young people and older adults who have left school not completing Year 10
- People with culturally and linguistically diverse backgrounds
- People with a disability
- Disadvantaged women
- Unemployed (long and short term)
- Older isolated adults (particularly living in public housing)
- Persons requiring assistance with their language, literacy and numeracy levels

As stated in the introduction, CCA has welcomed this opportunity to provide input into the IPART Issues Paper, considering it vital that the unique perspective of community VET provision be included in the pricing and fee considerations being undertaken by the NSW Government.

We look forward to continuing the dialogue with IPART over the coming months.