



# Why VET needs to offer degrees

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While it might be a slight exaggeration to say that VET is facing an existential crisis, the fall-off in the delivery of diplomas in VET threatens it as a realistic alternative to university education. Overall, we have seen the extent of provision of government funded diplomas decline very significantly. If we exclude health and education, the number of government funded diploma commencements has declined by around 50% between 2004 and 2020. This parallels the expansion of higher education (one factor being a decline in the ATAR scores needed to get into university).

We have seen declines from numbers which saw similar levels of VET diploma provision and higher education undergraduate provision to a position where VET is now only a bit player in many areas, notably the natural and physical sciences, information technology, engineering and related technologies, agriculture, environmental and related studies, health, society and culture and the creative arts. Only in three areas have diplomas flourished. The first one is education, where the numbers of childcare and early education diplomas have reached high levels, driven by regulatory changes in the childcare industry. The second one is nursing, where the health sector has decided that enrolled nurses with a VET diploma are an important part of the health workforce. The third - hospitality and personal services – consists essentially of diplomas in beauty.

Overall, it is a pretty bleak picture for VET. One would conclude that governments are happy to vacate the higher VET qualifications space to universities offering degrees.

It also suggests that the idea that a high level vocational approach can be a genuine alternative to the more academic approach (with its emphasis on research) provided by higher education is becoming less and less tenable. VET will be left as a provider of lower level training to meet short term industry needs. University education, with its emphasis on research and theory, will be the only game in town in the delivery of training for professional occupations.

This is in contrast with international practice where there is diversity in terms of the delivery of higher level education, with many examples of specialised, professional or practice orientated institutions which complement the research based universities. The grandes ecole in France, university colleges in Scandinavia, colleges of higher education in the UK and polytechnic universities in Italy and Spain come to mind.

If we wish to emulate these models, and to address the decline in Australia of practice based education, we need a new type of tertiary education institution which straddles the VET and higher education worlds. We are envisaging a tertiary institution, focused on teaching and practice, delivering VET certificates, diplomas and bachelor degrees. Ideally, there would be pathways from certificates to diplomas to degrees.

However, current structures are very unhelpful. The main problem is that Australia's tertiary education space is a dog's breakfast. It's as if VET comes from Mars and higher education

from Venus. We have a fundamental confusion between qualifications and the institutions which deliver them. We have a qualification classification that separates VET and higher education. We have two regulatory bodies, with quite different ways of operating. We have funding arrangements which reflect history rather than logic. We have fee and loan arrangements which are all over the place.

So when we argue a new type of tertiary institution, we are really arguing for coherence in the system to provide foundations for a variety of tertiary institutions. Reforms needed include:

- changes to the AQF so that it is agnostic in respect to whether a bachelors degree is VET or higher education;
- an amalgamation of TEQSA and ASQA so that accreditation and regulatory oversight of a tertiary provider is the responsibility of one body;
- a rebalancing of government funding such that the Commonwealth is responsible for supporting tertiary education at levels five and above (that is, diplomas and above) with States being responsible for Certificates I-IV;
- an emphasis within VET on general education so that a student had multiple options to both acquire technical skills and leave open the possibility of higher level study;
- a consolidation of statistical data such that we would have a complete picture of the activity of each provider.

Thus it would need a fundamental shift in philosophy and serious institutional reform to create an environment in which there is a genuine alternative to university education.

There are a number of reasons why this is worth arguing for.

The first is an educational one; there are numerous fields where a practice based training philosophy (as distinct from a theory based approach) is a good one and, arguably, will meet the needs of the labour market more effectively.

The second is a diversity argument. The so-called unified system in which colleges of advanced education morphed into universities, has led to a system where all universities aspire to become comprehensive research universities. Surely, some diversity, with strong institutions with a different focus, would be of benefit to the nation – and it would bring Australia in line with the practice in many countries.

The third is an efficiency argument. Teaching only institutions do not have the option of cross subsidising research with funds notionally allocated to teaching.

The fourth is an equity argument. While there is much rhetoric from the universities concerning equity, it is unarguable that VET has a broader reach than universities in terms of students' age, educational background, social and cultural backgrounds. And it would be

VET, with its emphasis on training for the labour market, that would underpin the new type of tertiary institution.

Thus there are very good reasons for VET to embrace bachelor degrees as a key element of vocational education, so that we can create a genuine competitor for universities. At the least we need a proper debate on the future of tertiary education.