

13 January 2025

Committee Secretary  
Senate Standing Committee on Education and Employment  
Parliament House  
Canberra ACT 2600

Dear Committee Secretary,

### **Submission to the Senate Committee Inquiry into the Free TAFE Bill 2024**

I am pleased to provide Federation University Australia ('Federation') submission to the Senate Standing Committee on Education and Employment's Inquiry into the Free TAFE Bill 2024.

As Australia's leading regional dual-sector university, Federation plays a critical role in addressing skills shortages and supporting regional development across Victoria's regional and outer suburban communities with campuses in Ballarat, Berwick, Horsham and Gippsland. Free TAFE offered from Federation TAFE across the Central Highlands and Wimmera Southern-Mallee regions is a transformative policy that enhances equitable access to education, addresses critical workforce gaps, and provides sustainable pathways for underrepresented groups.

Our submission highlights how Free TAFE strengthens our ability to deliver industry-relevant, locally designed education that meets the needs of regional communities. Initiatives such as Federation's Co-Operative Education Model ensure students gain the skills and opportunities needed for meaningful careers in key industries, including healthcare, renewable energy, and digital technologies.

With the right policy alignment and considerations, enacting Free TAFE can help drive economic and social prosperity by integrating seamlessly with higher education reforms under the Universities Accord, expanding access to post-secondary education, and equipping learners to meet future workforce demands.

Thank you for considering this submission. Federation remains committed to empowering regional Australia through innovative, accessible, and workforce-aligned education. We are dedicated to supporting the aspirations of students, industries, and communities across regional Australia.

Yours sincerely,



Professor Duncan Bentley  
Vice-Chancellor and President



# Federation University Australia ('Federation') Submission to the Senate Standing Committee on Education and Employment's Inquiry into the Free TAFE Bill 2024

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## Overview

1. Federation University Australia ('Federation') welcomes the opportunity to make a submission to the Senate Committee for Education and Employment's Inquiry into the Free TAFE Bill 2024.
2. As a dual-sector institution, Federation operates Federation TAFE in Ballarat and Horsham alongside higher education campuses and collaborates with other TAFE partners from campuses in Gippsland and Berwick to offer post-secondary pathways into higher education. This network provides accessible, affordable, and industry-relevant vocational education and training (VET) outcomes to the communities Federation serves. In addition, through a focused place-based approach, Federation actively supports regional development by tailoring programs to meet the unique needs of local industries and communities. This approach extends to equity cohorts, ensuring underrepresented groups have access to education and training that fosters personal and professional growth.
3. In this context, Free TAFE policies implemented by the Victorian and Commonwealth Governments have enhanced Federation's capacity, as a regionally based dual-sector university, to support the social and economic development of the communities it serves by increasing access to education and training aligned with priority skills needs. As a result, and subject to the considerations outlined below, Federation supports enacting legislation to enable an enduring Free TAFE scheme that:
  - a. fairly and effectively promotes education access for all community groups,
  - b. coordinates approaches to ensure critical skills needed for economic and social prosperity are met, and
  - c. reduces systemic barriers to education for equity cohorts, particularly regional and rural students.
4. Federation has identified that the rapid expansion of Free TAFE has led to significant positive impacts in the Central Highlands and Wimmera Southern Mallee regions through its Ballarat and Horsham campuses. In these regions, Free TAFE has supported growth in the healthcare, trades, and agriculture sectors, addressing workforce shortages while enabling students from regional and low socioeconomic backgrounds to access high-quality training.
5. However, important considerations must be addressed to ensure the long-term success of these reforms. Rising enrolments may strain infrastructure and staff capacity, particularly in regional areas where resources are already limited. Programs must be adequately resourced to meet both the volume and diverse needs of students. Additionally, supporting students to complete their studies and transition effectively into the workforce will require ongoing investment in student services, career guidance, and retention initiatives.
6. Federation has outlined key considerations to ensure Free TAFE and related reforms operate effectively. These considerations focus on addressing systemic barriers, aligning course delivery with regional workforce needs, and advocating for investments in resources and infrastructure critical to sustaining growth and equitable access.

## **Federation is Focused on Delivering the skilled workforces needed to advance regional development**

7. The Committee may wish to consider that Federation's submissions on higher education reform to the committee, including this one, have been guided by its mission under its Victorian enabling legislation to support regional, remote, and rural students and apply the values of equity and access in delivering its services. As a result, Federation's focus has been on equipping higher education and vocational education and training students with the competency and capabilities needed to secure local careers. Federation's alignment with economic aspirations and regional development goals of the communities it works in has been critical to the success of its approach.
8. Most recently, Federation has advanced this mission by progressing its transformation into Australia's first Co-Operative Education Model. This model aligns all programs with the needs of local industry by co-designing and delivering programs with local employers, ensuring students gain hands-on experience and graduate workforce ready. This innovative approach further reinforces Federation's commitment to empowering regional communities through education.
9. The Committee may wish to consider that policy settings that expand access to higher education and vocational education and training can support the economic and regional development aspirations of each region:
  - a. **Ballarat Campus and the Central Highlands Region:** Enhancing Federation TAFE's education and training pathways in new energy industries and the digital economy alongside its higher education programs can build the skilled local workforces needed to meet the Central Highland region's aspirations. Investment in health and education training programs will strengthen critical services, while higher education initiatives can drive growth in knowledge-based industries, reducing reliance on external talent.
  - b. **Berwick Campus and the Greater South East Metropolitan Region:** Expanding access to higher education pathways, particularly through vocational education and training in partnership with local TAFEs, for the region's fast-growing population can unlock their potential to contribute to knowledge-intensive industries, fostering innovation and economic growth within the region.
  - c. **Churchill Campus and the Gippsland Region:** Expanding access to higher education pathways, particularly through vocational education and training in partnership with local TAFEs, can support the region's renewable energy, agriculture, tourism, healthcare, and education sectors. This will equip residents with the skills needed to drive regional development and establish a sustainable population base.
  - d. **Horsham and Ararat Campus and the Wimmera Southern Mallee Region:** Strengthening Federation TAFE's offerings in areas supporting the local agriculture, food processing, critical minerals and construction sector can help the region adapt to shifting changes in industry. These efforts will support the development of a sustainable population and enhance resilience through local skill-building.

## Potential impacts from expanding TAFE enrolments in the Central Highlands and Wimmera Southern Mallee regions

10. The Committee may wish to note that Federation's experience demonstrates that TAFE enrolment and participation have played a transformative role in meeting the unique workforce and education needs of the Central Highlands and Wimmera Southern Mallee regions. These programs have dramatically improved equitable access to post-secondary education for the predominantly large low post-secondary attainment or high-needs cohorts served by Federation.
11. Federation's data suggests that Free TAFE has strongly supported Federation's efforts to align its education programs with the regional demand for skilled workers in these regions, acting as an effective pathway for broader educational attainment and community growth. These benefits include:

- a. **Meeting workforce needs across key industries:** Expanding TAFE programs have addressed critical shortages in industries such as healthcare, early childhood, trades, and agriculture. For instance, in Ballarat, increased enrolments in healthcare programs have supported staffing in facilities such as Ballarat Health Services and aged care homes, alleviating critical workforce pressures. Similarly, the Horsham campus has equipped students in trades programs, bolstering the local construction and maintenance industries. Agricultural technology courses in the Wimmera Southern Mallee have driven innovation, empowering students to advance farming practices essential for regional resilience.

Free TAFE is also integral to Federation's Co-Operative Education Model transformation by enabling closer collaboration between Federation and industry to meet current and emerging skills needs. This approach delivers strong employment outcomes linked to skills demand in areas identified by the Victorian Skills Plan and Skills and Jobs Australia's priority skills areas.

Federation TAFE Free TAFE Commencements 2024
<ul style="list-style-type: none"><li>1,600 commencements across 37 qualifications.</li><li>Top 5 Free TAFE courses were Diploma of Nursing, Certificate IV in Training and Assessment, Diploma of Community Services, Certificate IV in Cyber Security, Certificate III in Early Childhood Education and Care.</li><li>Align with regional skills priorities in the Central Highlands and Wimmera Southern Mallee Regions.</li></ul>



- b. **Addressing attainment gaps and barriers:** Federation recognises the persistent challenge of low post-secondary education attainment levels in regional and rural areas. For example, Australian Bureau of Statistics data for the City of Ballarat shows that in 2021, 53.4% of the population aged 15 and over held educational qualifications, and 38.8% had no qualifications. For the Rural City of Horsham 47.9% of the population aged 15 and over held educational qualifications, and 43.5% had no qualifications. Expanding TAFE participation offers these communities practical pathways to further



education and equips students with skills relevant to emerging fields like renewable energy and digital technologies.

Free TAFE removes financial barriers to participation and provides new pathways into further education, particularly for individuals from disadvantaged and underrepresented backgrounds. For example, renewable energy initiatives in Ballarat and the broader construction industry in Horsham have benefited from this pipeline of skilled workers, driving both economic and social resilience. This aligns with the Australian Universities Accord recommendations, which include innovative pathways to meet the tertiary education attainment target of 80% of all working-aged Australians by 2050 and the harmonisation between higher education and vocational education and training.

- c. **Enhancing Federation TAFE's equity and access programs:** Federation TAFE's primary catchments consist of regional and rural communities in Western Victoria with social and economic conditions that require additional support to boost post-secondary attainment.

### Possible key considerations for governments entering into Free TAFE agreements under the Free TAFE Bill 2024

12. Federation notes that the success of policies aimed at expanding the uptake of TAFE programs requires careful consideration to ensure the long-term success of these initiatives. This includes boosting attainment, managing resources effectively, and ensuring effective equity and prioritisation, particularly if arrangements are proposed to be established supported by legislation. Federation also acknowledges that these arrangements will depend on agreements between the Commonwealth and State and Territory governments.
13. To achieve this, the Committee may wish to note the following considerations for the Commonwealth Government to include as either part of the legislative design or policy recommendations to support a Free TAFE Bill 2024 that achieves the objectives outlined to Parliament:

### Consideration One: Ensuring mechanisms efficiently align with local demand and student needs

- **Student Demand and Industry Alignment:** Governments may wish to establish arrangements that address regional skills gaps through tailored Free TAFE program delivery. For example, the Wimmera Southern Mallee's focus on agriculture and critical minerals contrasts with Ballarat's emphasis on healthcare, digital, and new energy sectors. Tailored delivery ensures that TAFE courses align with the specific needs of local industries, maximising workforce readiness and regional economic growth.
- **Flexible Funding Models:** Governments may consider agreements with States and Territories that allow flexibility in allocating funding in line with local skills plans. This could include the capacity to reallocate unused funding between sectors or regions to address shifting priorities and emerging demands. Funding arrangements should promote a lifelong learning approach, focusing on attainment, commencement, and return to study alongside retention and completion. Such flexibility could operate within a national framework to ensure alignment with Commonwealth objectives while enabling region-specific solutions.

### Consideration Two: Ensuring equitable access to prioritised TAFE programs across Australia

- **Addressing Regional Disparities:** Governments may wish to establish equitable arrangements to address regional disparities in alignment with overarching development goals. Free TAFE should ensure adequate funding for regional campuses to meet the higher delivery costs associated with smaller student cohorts and diverse equity needs, ensuring all communities benefit from these initiatives.
- **Promoting Diverse Sovereign Capability and Leveraging Local Efficiency:** Arrangements could incentivise local systems to improve efficiency and balance investment into respective TAFE systems. Targeted funding for infrastructure and teacher recruitment is critical to sustaining equitable access and fostering diverse sovereign capabilities across regions, ensuring alignment with national development priorities.

### Consideration Three: Recognising the increased demand on teaching resources and infrastructure

- **Investment in Facilities and Educators:** Rising demand from Free TAFE will place significant pressure on existing resources, requiring increased investment in facilities, infrastructure, and teaching staff. Governments may wish to model these investments carefully based on successful teaching and job outcomes to ensure effective implementation. Federation's collaboration with industry partners demonstrates how tailored programs can maximise community impact, with training programs aligned to local industry needs to ensure students graduate with job-ready skills while addressing regional workforce shortages.
- **Modernising Infrastructure and Teaching Programs:** Investments in initiatives such as Federation's Asia Pacific Renewable Energy Training Centre and Cyber Security are vital to the Central Highlands region, and more broadly, in capabilities to deliver TAFE teacher training to adapt to the adoption of AI technology across all sectors, such as through Federation's proposed Asia Pacific Applied AI Training Centre. These centres provide TAFE students with skills that remain current and relevant in rapidly changing industries. Expanding such initiatives will ensure that the growing number of TAFE students are equipped with cutting-edge knowledge and practical expertise.

### Consideration Four: Promoting and securing clear pathways to higher education, and vice versa

Expanding accessibility and pathways through TAFE is essential for fostering equity and inclusion while supporting regional development aspirations. These pathways should not only equip students with job-ready skills but also offer opportunities for lifelong learning and career progression. Federation's Co-Operative Education Model demonstrates how tailored programs can maximise both individual and community benefits, contributing to sustainable economic growth and supporting regional development initiatives.

- **Promoting Stronger Pathways Through Recognition:** Governments may wish to expand pathways between TAFE and higher education through dual-sector harmonisation and credit recognition. For instance, students obtaining TAFE qualifications in engineering or

nursing should find it easier to credit their learning towards advanced degrees or generalised programs, such as teaching or leadership qualifications.

- **Supportive Funding Arrangements:** Funding for Free TAFE should actively encourage and support programs that foster strong pathways to higher education. These pathways not only address skills gaps but also enhance equity by positioning TAFE as an accessible entry point into post-secondary education. This is particularly critical for students seeking to meet regional skill shortages.

### Interaction of Free TAFE within the context of broader accord-related higher education reforms

14. As part of its inquiry, the Senate Committee may wish to consider how Free TAFE operates as a central and complementary element of the Commonwealth Government's broader higher education reform agenda. This includes aligning Free TAFE with key pillars of the Universities Accord, such as the Managed Growth Model, Needs-Based Funding Model, and the Australian Tertiary Education Commission (ATEC), which Federation strongly supports. The key opportunities include:
  - a. **Ensuring alignment with the Managed Growth Model and Equity Demand-Based Managed Growth Models:** The Committee may wish to consider how the Commonwealth Government can ensure that Free TAFE models work in concert with the strategic distribution of Commonwealth Supported Places (CSPs). Such alignment would ensure that national-level settings for CSPs and Free TAFE complement each other in addressing skills needs in key sectors and regions efficiently and effectively. This could be supported through a clear role for the ATEC and consultation processes with relevant state and territory governments and skills authorities, ensuring Ministers' Councils receive appropriate advice on funding arrangements.
  - b. **Communicating clear strategic priorities to education systems, communities, and industries:** Integrating Free TAFE into the Accord framework could be guided by a Critical Industries Priority Skills Statement, ensuring educational programs address the evolving needs of industries such as renewable energy, healthcare, and advanced manufacturing. Federation's initiatives, including the Asia Pacific Renewable Energy Training Centre and the Applied AI Training Centre, provide clear examples of how targeted investments drive industry-relevant education and skills development.
15. By embedding Free TAFE within these broader frameworks, the Committee could support a policy that plays a pivotal role in driving equity, workforce readiness, and regional development, ensuring long-term benefits for students, communities, and industries across Australia.