

Students' false hope on jobs

JOHN ROSS THE AUSTRALIAN MARCH 05, 2014 12:00AM



Gary Workman says the demand-driven system is failing students. Picture: Aaron Francis Source: News Corp Australia

DEMAND-driven education systems favour colleges and universities rather than students, and will keep doing so until job outcomes are hard-wired into funding mechanisms, a Victorian peak group claims.

The Group Training Association of Victoria says policymakers' preoccupation with qualifications rather than employment has allowed educational institutions to rake in government funds while leaving some students with little more than "false hope".

"We're seeing an increase in training without a real link to employment," executive director Gary Workman said.

"(Colleges) pick whatever's the easiest thing to train with the biggest profit margin. They keep moving from qualification to qualification, chewing up the entitlements of young people to get free training.

"It increases their funding but it hasn't really achieved anything if there's no job at the end."

Group training organisations place apprentices in small businesses and take care of the paperwork. Mr Workman said GTAV's main interest was in vocational training policy in Victoria, which pioneered demand-driven funding in 2009 by introducing an open training market.

"We've seen youth unemployment increase in pockets around Victoria. When you delve into it, a lot of people have done certificate III and IV qualifications and got nothing really to show for it," he said.

"We've got the wrong drivers in place. It's been driven by registered training organisations instead of employment."

After the state government slashed funding in oversubscribed areas such as sport and recreation, enrolment spikes emerged in areas like landscape gardening and transport and warehouse logistics.

"I'm not necessarily seeing a spike in employment in those industries," Mr Workman said.

"RTOs are saying this is a space where we can get \$6.50 an hour instead of \$1.50. Why don't we just train up a whole heap of people in these areas? We're giving young people false hope. We're giving them training but there's no employment outcome."

He said his comments applied to other jurisdictions and other educational sectors, with universities training far more lawyers than the legal industry could accommodate.

An underlying philosophy of demand-driven systems is that students gravitate to disciplines where their prospects are

good. But Mr Workman said students were little better at picking winners than the government agencies that dictated training quotas under traditional funding systems.

“We’re putting a lot of pressure on young people,” he said. “We’re talking about 17, 18, 19-year-olds. They pick the sexiest things because that’s what they see on television. I don’t think people fully understand what those industries are and what it takes to achieve a sustainable employment outcome.”

GTAV’s Victorian budget submission says funding for training should be tied more closely to jobs. Mr Workman said institutions could receive an extra loading for training someone in current employment, much as they receive extra weightings for disadvantaged or regional students or those in skill shortage areas.

While this approach could easily be applied to the traditional trades, where most students have apprenticeships, Mr Workman said it should be considered in higher education. It would allow a “real time” approach to meeting skill shortages rather than relying on government modelling.

“You’ll get a truer sense that we’re training people for the needs of employers,” he said. “You have to pull that connection through to the funding model - that’s what’s going to drive people’s behaviours.”