

*Submission by Adult Learning Australia to the
Discussion Paper & Consultation on
LANGUAGE, LITERACY AND NUMERACY PROGRAM SERVICES*

Purpose:

This submission addresses issues raised in the Discussion Paper on the delivery of the Language, Literacy and Numeracy Program for 2009-11. The submission provides evidence-based advice on:

- the capacity, effectiveness and accessibility of the adult and community education (ACE) sector as providers of literacy and numeracy training for LLNP's target clients and as exemplars of service delivery within the COAG framework for participation and productivity, and
- the optimal structural, funding, performance measurement and accountability arrangements that would enable the ACE sector to maximise the impact of the LLNP and secure the achievement of required literacy and numeracy outcomes among the most disadvantaged clients

Overview:

The Language, Literacy and Numeracy Program serves the Australian Government's objectives in (a) workforce productivity, skills and training and (b) social inclusion. Both the COAG National Reform Agenda, and the Government's *Skilling Australia for the future* explicitly require a more responsive education and training system that engages people marginally attached to the workforce, removes barriers to further education and employment, and motivates people to acquire and utilise new skills.

The ACE sector, comprising 1200 diverse, decentralised and accessible providers, has proven remarkably effective at engaging with, and providing relevant and effective education and training to, Australians who are marginalised, disengaged and who have limited literacy, vocational and general life skills. Much of that provision is through non-accredited foundational skills programs within a 'case management' operational paradigm of individual support, flexible learning and the building of platforms of capacity from which people can re-enter the workforce or embark on further education. These distinctive qualities of the ACE sector are eminently suited to meeting the needs of the LLNP's target clients, and achieving the Program's goals of literacy and numeracy development and social inclusion.

The LLNP's existing procurement models, operational structure and reporting requirements are significant impediments to the participation in the Program of many providers who have the capacity and commitment to deliver precisely those outcomes – skills and inclusion - which the Program intends, and who will do so cost-effectively.

This submission provides robust evidence of the capacity of the ACE sector to engage and teach, to support and sustain, and to deliver educational and training outcomes that enable re-entry to the workforce and promote ongoing learning. It also suggests a number of procurement principles, operational arrangements, and accountability and reporting mechanisms that would assist the LLNP to benefit from the diverse and accessible array of ACE providers who are currently excluded or discouraged from involvement in the Program.

Capacity, effectiveness, accessibility

There is abundant evidence of the ACE sector's capacity to engage individuals and connect them to further education and work. For example, a recent three-year longitudinal study of learners of ACE providers in Victoria found that 60% went on to further study or full-time work (36% and 24% respectively) with 38% going on to part-time work. Course completion rates were high; unemployment rates halved.¹

While an estimated 1.4 million Australians participate annually in not-for-profit community based adult learning programs, NCVER data reveals that (for 2005) the ACE sector delivered formal VET training to 256,000 (15.6% of all) VET students, and represented 16.3% of VET revenues. Moreover, 36.7% of this provision was in rural and remote areas – nearly double the VET average of 18.9%.² The sector's workforce skills orientation is notable.

ACE providers record the highest numbers of VET literacy teaching hours after public TAFE providers (46 million hours), but this is a significant under-estimation because (a) only one group of ACE providers are included in the NCVER statistics³ and (b) ACE providers offer significant non-accredited language, literacy and numeracy provision beyond the scope of NCVER statistical collection.⁴

Non-accredited literacy and numeracy training, because it is 'not subject to the same reporting and auditing processes as accredited training, can be overlooked as an important contributor'. Yet it is especially important for 'those disengaged from education and lacking the self-confidence to undertake accredited courses.'⁵

There are over 1200 diverse and decentralised ACE providers, of which 770 are RTOs⁶ (nearly double the number of training locations provided by the LLNP's current 39 providers). These numbers of dispersed ACE providers mean that the sector 'has unparalleled community linkages that should be leveraged in the reform process'.⁷

NCVER Student Outcomes statistics show that VET graduates from ACE providers have their needs met at least as well as graduates from TAFE and private providers, and importantly 'have the highest satisfaction levels of the three provider types'.⁸ This is particularly significant in the context of the COAG 2007 Reform Agenda (Human Capital Stream) seeking to make training providers more responsive to their (disengaged) clients.

Overall, the available research indicates that ACE providers are addressing 'key economic and social priorities of Australian governments as indicated by the COAG National Reform Agenda'.⁹ In particular, the research¹⁰ shows that ACE providers:

- are becoming significant players in economic and community development
- are successfully re-engaging adults with learning, especially those welfare recipients for whom COAG is seeking assistance to raise workforce participation rates, and who are targeted by LLNP
- are providers of first choice for second-chance (and third-chance) learners
- build platforms of basic skills in literacy and numeracy and other general 'employability' skills for the full range of disadvantaged Australians
- are connecting learners to further study in TAFE colleges and elsewhere
- are delivering accredited VET programs in their own right
- are assisting in skills shortages areas that are affecting the immediate growth of the Australian economy.

Moreover, the research confirms that ACE providers excel in employment advocacy, referral and careers advice,¹¹ and in the full range of student support services.¹² These are critical success factors when it comes to re-engaging with learning those adults who are disengaged from the labour market or education and training systems.

The latest research (2008) on employers' views on developing workers' literacy, numeracy and employability, further reinforces the strengths of the ACE sector's capacity to deliver in this key area of human capital development.¹³ A conclusion from that research, quoted hereunder, is particularly significant in that it has employer endorsement and resonates exactly with the pedagogies, accessibility, flexibility and responsiveness that characterises the ACE sector.

Considerable diversity in strategies and approaches is called for to address the multiplicity – and the particularity, of the literacies, numeracies and employability skills required in the world of work. However, we also note that these skills are skills *for life*, not just for work. Therefore opportunities to attain and develop these skills need to reflect policy commitments to social justice, and to full and effective citizenship, as well as employability. Strategic policy support for this diversity of provision should be apparent. The diversity also has implications for reporting and evaluating what counts as progress in the development of these skills.¹⁴

Optimal funding, performance measurement and accountability arrangements

Training providers –whether in the formal VET or ACE sectors - face many challenges in responding to the productivity and training aspects of COAG's National Reform Agenda. These include:¹⁵

- offering learning in a way that appeals to people, and can demonstrate positive impacts on productivity and future income
- engaging people who are marginally attached to the workforce and then providing pathways to further study or employment
- meeting the extra demand for both low level and high level qualifications simultaneously

Community education providers, as the research continues to demonstrate unequivocally, are particularly effective in addressing the above kinds of challenges. However, because governments at both state and national levels have not provided the policy environment, nor the structural and financial support, commensurate with the effectiveness of the ACE providers, the LLNP cannot immediately rely on its traditional mechanisms of funding, performance measurement and accountability to manage its relationships with ACE providers other than those who might already be Registered Training Organisations (RTOs).

If the LLNP is serious about fulfilling its mission to provide language, literacy and numeracy assistance 'to those jobseekers who are experiencing significant disadvantage ... including Indigenous people, young males, people with disabilities, isolated female clients and/or cases of aged based workforce exclusion' then the LLNP cannot afford to ignore or underutilise the services of ACE providers who have a unique track record in engaging, teaching, counselling and re-connecting precisely the kinds of disadvantaged and disengaged citizens targeted by the Program.

While the LLNP tends to operate within the workforce policy paradigm of literacy and numeracy skills training, the Discussion Paper acknowledges that the Program must play 'a key role in driving the Australian Government's social inclusion agenda'. This 'life skills' aspect of literacy training has always been the distinguishing feature of ACE providers' largely non-accredited but

very successful literacy programs. To be effective in this role, ACE providers have tended to operate within a case management paradigm. The LLNP would benefit greatly by bringing into its service ACE providers whose case management approach and life skills orientation is eminently suited to the social inclusion goals of the LLNP.

Indeed, many of the questions listed in the LLNP Discussion Paper about ‘what services?’ invite powerfully the response ‘those provided by the ACE sector’. Such questions include those dealing with:

- effectiveness in preparing client for daily life and employment
- what strengths from other services could be incorporated into LLNP
- what flexibilities can be incorporated into LLNP
- improved servicing arrangements to provide better outcomes for the client
- what program would best meet clients’ needs, particularly for disadvantaged clients

There are compelling reasons for LLNP to pursue a coordinated approach for the involvement of ACE providers *whether or not they are RTOs* (see elaboration of this point later in this document). These reasons are:

- the distribution of 1200 plus providers nationally, providing optimal community coverage, particularly in rural communities
- the sector’s reach with segments of the adult population that do not use, or avoid, the formal training system, including adults from postcodes that identify them as likely to be significantly disadvantaged
- the proven capacity of community-based providers to maximise access, to respond flexibly, to personalise training, to link both vocational and social inclusion elements of learning, and to build bridges and establish platforms for disengaged adults to re-enter the labour market
- value for money, through low cost community infrastructure, flat administrative structures, cost-effective staffing arrangements, and a thoroughly-embedded culture of community capacity-building.

A coordinated, tailored approach to the involvement of ACE providers in LLNP can utilise elements of the LLNP’s existing funding, performance measurement and accountability processes, adapted as necessary to the structural and operational realities of smaller ACE providers in particular. Such adaptation should seek to combine pragmatism with prudence, achieve a balanced share of public accountability between the Program and the provider, and apply procurement models that allow for an appropriate apportionment of risk.

The following principles¹⁶ should guide the LLNP in its funding and accountability arrangements with ACE providers:

- Make the procurement process clear, simple and accessible.
- Ensure that the funding arrangements and systems of accountability are fair, proportionate and *fit for purpose*.
- Work from a basis of trust, incorporating opportunities for discussion and negotiation into the funding process, thereby enabling the relationship to mature and strengthen.
- Encourage providers to utilise a ‘full cost recovery’ approach to the pricing of their services, so that LLNP has a sound understanding of what the provider will be providing and how, and can reasonably assess the viability of the service to be purchased.

- Develop standard, simple, clearly-owned monitoring processes that focus on key outputs and outcomes, and which recognise and discuss major risks up-front.

These principles are also consistent with the best practice regulatory principles around outsourced service delivery developed for COAG that emphasise transparency, proportionality, effectiveness, consistency and predictability.

In practice, the LLNP may wish to consider some of the following possible approaches to enabling ACE providers to take a greater role in the provision of language, literacy and numeracy services to the Program's target clients:

- Utilise ACE providers as 'learning brokers' to build bridges between disengaged learners and formal TA (training and assessment) providers. Such brokerage is a multiple stage process – from understanding a situation, to gaining entry and building trust, identifying the right learning opportunities and addressing organisational access issues.
- Where the ACE provider is delivering non-accredited language and literacy training, apply the practice common within the Australian Quality Training Framework of separating the training and assessment elements. The ACE provider can then concentrate on the crucial elements of learner engagement, training and support, leaving assessment of student achievement to approved, accredited assessment agencies. Such an approach would necessarily require the clear determination of the initial literacy/numeracy status of the students entering the ACE –delivered program.
- Allow a non-RTO community provider to be formally sponsored/endorsed by an RTO for the purposes of qualifying to be engaged to deliver LLNP directly.
- Encourage existing TA providers (RTOs) to partner with ACE providers (non-RTOs) to deliver LLNP training, and provide for fair and proportionate funding to each partner commensurate with the nature of their respective tasks and contributions.
- Use the Independent Verifier providers to assist potential (non-RTO) community providers with a track record in (non-accredited) literacy programs to submit tenders to deliver LLNP services, and to ensure subsequently that those providers benefit fully from participation in the quality assurance and moderation activities provided. The fact that an ACE program has hitherto been delivered on a non-accredited basis should not preclude its being purchased where its efficacy has already been proven.
- Reporting arrangements for small, community providers should have 'light touch' compliance requirements. If more detailed reporting activity is required, the providers should receive the funding and technological assistance to enable that to occur.

In short, a one-size-fits-all approach to the procurement of LLNP services, and the associated reporting regimes, will be a serious impediment to the involvement of many training providers who are especially well-positioned to reach out to, engage and train those clients at whom the LLNP is targeted.

The measurement of clients' educational outcomes and achievements through standardised testing, while a legitimate and useful activity, should not be the sole mechanism for assessing the efficacy of a provider's activity, especially because there are multiple possible and desirable outcomes depending on the circumstances of the individual client. Educational researchers have proven adept at investigating and surveying the impacts of ACE programs on participants, their communities, the labour force, businesses and employers. The LLNP could legitimately apply such research techniques to provide defensible and illuminating data about the effectiveness of the funding it deploys to assist its target clients through the ACE sector.

References

- ¹ Walstab,A et al *ACE Connects: Building pathways to education, employment and community engagement* University of Melbourne, 2005
- ² Unpublished NCVER data cited by Bardon, B in *Community Education and National Reform Report* to DEST August 2006
- ³ Bowman,K *The value of ACE providers: A guide to the evidence base* ALA, 2006, p16
- ⁴ This provision is the focus of a study by Dymock, D *Community adult language, literacy and numeracy provision in Australia* NCVER 2007
- ⁵ Karmel, T (Managing Director NCVER) in his *Foreword* to Dymock (op.cit.)
- ⁶ Choy, S (et al) *ACE's role in developing Australia's human capital: a meta-analysis* ALA, Canberra
- ⁷ Bardon (2006) p4
- ⁸ Figures cited by Bardon (2006) p8
- ⁹ Bowman (2006) p6
- ¹⁰ Summarised by Bowman (2006) from work by Beddie et al (2005); Foster et al (2005); Newton (2005); Sanguinetti et al (2004); Birch et al (2003); Walstab et al (2005), Young et al (2006).
- ¹¹ Beddie, F et al *Enhancing career development: the role of community based career guidance for disengaged adults* NCVER, 2005
- ¹² Harris,R et al *Private Training Providers in Australia: their characteristics and training activities* NCVER, 2006
- ¹³ Townsend,R & Waterhouse P *Whose responsibility? Employers' views on developing their workers' literacy, numeracy and employability skills* NCVER, 2008
- ¹⁴ Townsend & Waterhouse (2008) p34
- ¹⁵ Bardon (2006) p3
- ¹⁶ Adapted from those advocated by the 2000-strong UK professional Association of Chief Executives of Voluntary Organisations and endorsed by the UK Government.