



**AustCham Beijing**

**China & Australia Links in the VET Sector**

## Overview: China & Australia Links in the VET Sector

China, by many measures, is Australia's most important partner in International education. China is by far Australia's largest market for offshore delivery, representing three quarters of the market in Vocational Education and Training (VET) alone in 2012, and Australia enrolls more Chinese VET students than any other country in 'twinning' and joint qualification courses – 42,500 Chinese students in China colleges and polytechnics in 2014 (AEI)..<sup>1</sup> The increased policy driver of China's MOE for articulation pathways from school, to VET and higher education, and interest in competency training, directly relates to the AusAID \$20M VET capacity building project commissioned in Chongqing (2004-07).

China's continued economic growth will be dependent on China further developing a skilled productive workforce who can participate more effectively in high value adding industries. This presents a significant opportunity for the Australian private and public VET sector.<sup>2</sup>

A Memorandum of Understanding (MoU) on Cooperation in Education and Training between the Governments of Australia and the PRC Ministry of Education (MoE) was signed in December 2002 and renewed in 2009. In 2011 a Joint Working Group on Education and Training Cooperation was established comprising Chinese and Australian officials committed specifically to deepening understanding of each other's VET systems and explore further collaboration on excellence in quality assurance to assist in the mutual development of highly skilled workforces in both countries. China's *National Plan for Education Reform and Development 2010–2020* seeks improvements in educational participation at all levels and identifies broad reforms to promote international exchange and cooperation.

At a public tertiary education level, both the universities ('UA') and TAFE Directors Australia ('TDA') have continued for some eight years with annual mentoring university and college leadership programs, commissioned through the China MOE. In 2014, TDA joined with the China Institute for Vocational and Technical Education (CIVTE) to establish a China Australia Centre for Skills Excellence, with the MoU witnessed by the Minister for Trade and Investment, Hon Andrew Robb AO MP, during the Australia Week in China (April, 2014). As part of strategic research on emerging VET issues, the Centre will commission a survey during 2015 to survey employment outcomes for alumni from past years of Australian VET qualifications, profiling students across China's top 100 public VET colleges and polytechnics. Australian industry will be invited to collaborate with the joint research, across the industry segments of training.

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<sup>1</sup> 2012 Delivery of VET Offshore Report, Australia Education International, Department of Education

<sup>2</sup> 2013 China Country Brief, Australia Education International, Department of Education

### **Issues facing TAFE in China**

Vocational education and training is undergoing a rapid transformation in China, with the central government identifying skills training as a major priority over the next five years. At the same time, Australian TAFE institutes will seek to further expand their dominant profile in Chinese colleges and polytechnics, with high value programs, and specialised academies and public/private joint ventures to maximise market penetration. New governance arrangements for Australia's 58 TAFE's, each with statutory authorities with individual procurement capacities, will further open Australian industry joint collaborations with TAFE.

It is expected that the vocational education and training system in China will move to a more competency based system of skills training, supported by a more cohesive qualifications framework. Moreover, the policy of the MOE to invite up to 600 Chinese universities to become applied technologic and science institutions, or polytechnic universities will further open this market. This creates significant opportunities for TAFE to provide high level consultancy services in these areas, however, a number of other countries have also identified these opportunities, particularly Germany, United Kingdom, Canada, Singapore and Korea.

Australia is in a strong position to build on long standing cooperation at both a Government and education provider level, however, a more consolidated approach to promoting expertise in post-secondary education is required.

### **Issues facing ACPET in China:**

In recent years, engagement by the Australian Council for Private Education and Training (ACPET) with China has moved from being primarily focused on VET to take into consideration the key issues for the private higher education and English language learning sectors. This is reflected in the growing interest members are showing in working in China.

Despite decades of positive cooperation with China including student and staff exchanges, VET capacity building projects, articulation arrangements with Chinese universities and large numbers of Chinese students enrolling with Australian private education and training providers, there is still no formal recognition of Australia's private sector by the Chinese Ministry of Education.

It is believed that the omission of the private tertiary sector from The Supervision and Management of Cross-border Higher Education Information Website of the MoE (known as the 'JSJ list') was an oversight at the time that Australian institutions were added to the list. The 2014 ACPET delegation to China got recognition from the MoE that exclusion from the JSJ list was a barrier to quality VET providers extending partnerships with potential new Chinese institutions.

The MoE now recognises that formal recognition of high quality providers in the private sector would facilitate the establishment of joint programs between Chinese and ACPET members. This will in turn enhance higher education, VET and ELICOS studies for Chinese students, the exchange of quality assurance and standards mechanisms, and reciprocal student and staff exchanges.

ACPET also wishes to acknowledge that China has established mechanisms to have Australian higher education qualifications increasingly recognised and a number of ACPET members have used these mechanisms to gain recognition of their higher education qualifications.

The challenge for private VET and higher education (EG ACPET a, COPHE) is to position its capacity and scope market entry in the post-FTA environment. This would include making full use of public/private opportunities with existing TAFE collaboration in the sector.

### **Recommendations**

1. Develop an Australia-China tertiary engagement plan to better leverage Australia's brands and capacity across both VET and Australian higher education. This plan should be facilitated through the Ministerial international education coordinating council which we expect to be formed later this year. This plan should identify alumni, pursue links and widen pathways between VET in Chinese schools, vocational colleges and universities of applied sciences.
2. Austrade should work with AustCham on a 2015 program which promotes and highlights our capabilities in developing industry specific training programs to China's tertiary vocational colleges and universities of applied sciences. The roadshow should include representatives of Australian VET institutes and companies from the following sectors: agriculture, advanced manufacturing, energy, transportation and creative industries.
3. More funding should be allocated to the Department of Industry promoting reciprocal student and teacher exchange programs with a focus on internships in relevant companies and businesses, in order for students to apply skills more efficiently.
4. Funding for Chinese VET alumni, to better profile the employment and wealth-creation outcomes of more than eight years of public VET college mentoring, and the considerable number of Chinese students now graduating in an Australian 'twinning' and English qualification.
5. Australia's VET regulator ASQA, and Immigration (DIBC) be encouraged to scope new 'low risk – high quality' provider assessments of Australian VET providers, to better enable People's Republic of China Ministry of Education, to consider expanding the JSJ listing to the private sector more broadly - noting that the public sector, including TAFE and Universities, are already on the list.
6. Providers should consider engaging partners in China for in-country training opportunities. Australian stakeholders may wish to engage with the new TDA/CIVTE Centre for Skills Excellence, and should set up a joint industry and VET providers working committee composing of Australian and Chinese stakeholders, to meet and address Chinese training needs in the vocational and technical training sector.