

Discussion Paper

Encouraging women to complete their vocational training and studies – it is good for women’s economic security, it is good for the economy April 2024

In recent years, there has been some progress in achieving improved financial security for women, but many challenges remain to enhance the economic well-being of Australian women. There are a range of policy initiatives that are still yielding benefits for women but there are other reforms that are essential if these gains are to be built upon.

The focus of this Discussion Paper is:

- to canvas the implementation of measures that will encourage and assist women to complete their vocational training and studies.
- The aim of this is to tap the pool of women who have partially undertaken training and studies and for whatever reason, have not completed those courses. If successful, the reforms would build the skills of women which in turn will enhance their prospects for long term, skilled and well paying jobs.
- It is a reform that adds to the labour supply and skill set of the workforce at a demand when labour shortages are acute.

At the outset, it is important to note that skilled employment associated with higher workforce participation, higher pay and higher superannuation contributions all of which enhances economic security.¹

Successful implementation of such reforms would have the macroeconomic advantage of adding to skills in many sectors of the economy where there are persistent shortages of workers. Expectations are for many of these shortages to persist given population and other demographic changes within the Australian economy.

The data

As with the analysis of many aspects of gender inequality and issues associated with the economic security of Australian women, there are difficulties and shortfalls in the specific data on who and in which sectors women are only ‘part-completers’ in training, skills attainment and education.

That said, these data shortcomings in no way reduce the importance of the problem experienced by many women, nor the strength of the proposed solutions that are needed to boost women’s economic security by building their training and skills.

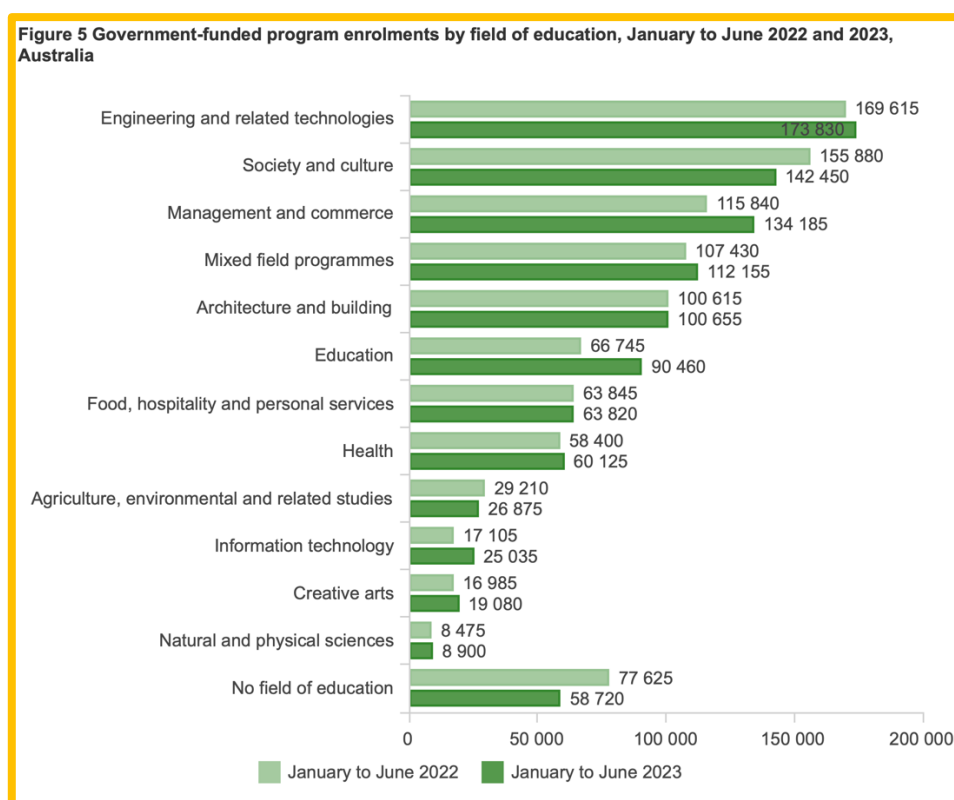
Specifically, data on the gender of those only part-completing training or an accredited qualification is not available. That said, there are wide ranging data on those who only part-complete their courses and reasons for not completing courses. The data, from the National Centre for Vocational Education Research (NCVER), shows that female dominated sectors of the vocational education sector also have a relatively high part-completion rate which is at the crux of the issues in the paper.

In broad terms, 21.3% of qualification part-completers discontinued their training because they changed job or started a new job, while 20.7% discontinued due to personal reasons.

Of those engaging in training, only 77.2% of part-completers achieved their main reason for training which is more than 10 percentage points below the 88.1% of qualification completers who achieved their main reason for training. This suggests that a large share of part-completers prematurely ended their training without achieving their objectives for taking on the training.

It is largely the one-fifth of part-completers that the reforms in this paper are aiming at. This is estimated to be as many as 100,000 people.

If these are spread in proportion of enrolments by field of education – see graph below - reforms that encourage women to finish currently partially completed courses will be add to the supply of skilled workers available across sectors as well as enhancing the job prospects and potential incomes of those who complete their training.



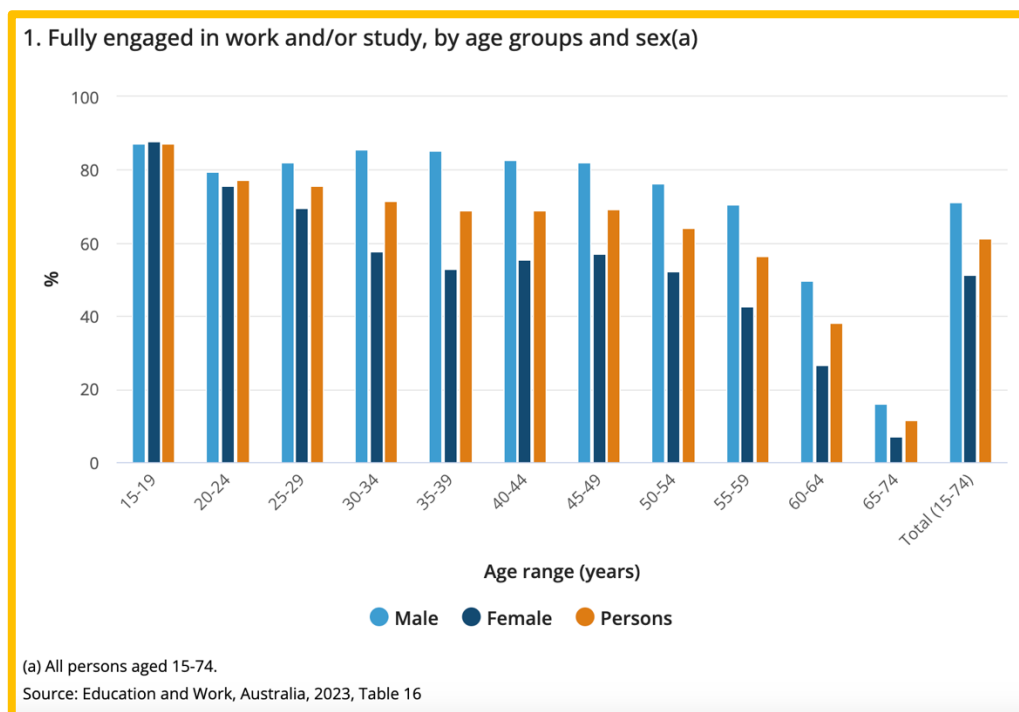
Source: NCVER²

Industries and sectors that have a high proportion of females in paid employment include education, food, hospitality and personal services, childcare and health and creative arts.

Jobs in these sectors require a level of skills and training which makes the case for reforms that encourage the completion of incompleting training compelling.

Data from the ABS show a sharp fall in the proportion of women fully engaged in work and / or study falls in absolute terms and relative to the proportion of men, between the age cohorts 25 years through to 64 years with the biggest short-fall for those in their 30s.

This is partly explained by the fall in the overall paid workforce participation rate for women in this childbearing / child raising years, but it also indicates that there remains a need to encourage women to have a great opportunity for workforce participation, including via the completion of their training and studies.



Source: Australian Bureau of Statistics, Education and Work³

This is also evident in the labour force status of men and women based on their non-school qualifications (see graph below).

There is a stark divergence in labour force participation between men and women without a non-school qualification. Around 45 per cent of men without a non-school qualification are in full-time employment, compared with just 25 per cent of women, while 32 per cent of men in the same category are not in the labour force which contrasts sharply with 45 per cent of women.

Furthermore, as Australia is grappling with the impact and depth of gender violence, we believe that there is merit in flagging approaches that recognise experiences of student-victim-survivors of gender-based violence and the subsequent time required to seek out assistance and protection services. It is irrelevant to the nature of the abuse or where the abuse occurred, but rather, it would be beneficial for Universities and the Adult Education sector to have established support with the prompt enabling of 12 months of leave

Case studies:

Feedback from women as to why they had only part-completed their training and study

“left because of domestic violence, then the court. I now have HECS debt and no qualifications”

“Lack of support from Academia”

“Loss of income working fewer as the workload of training was time consuming”

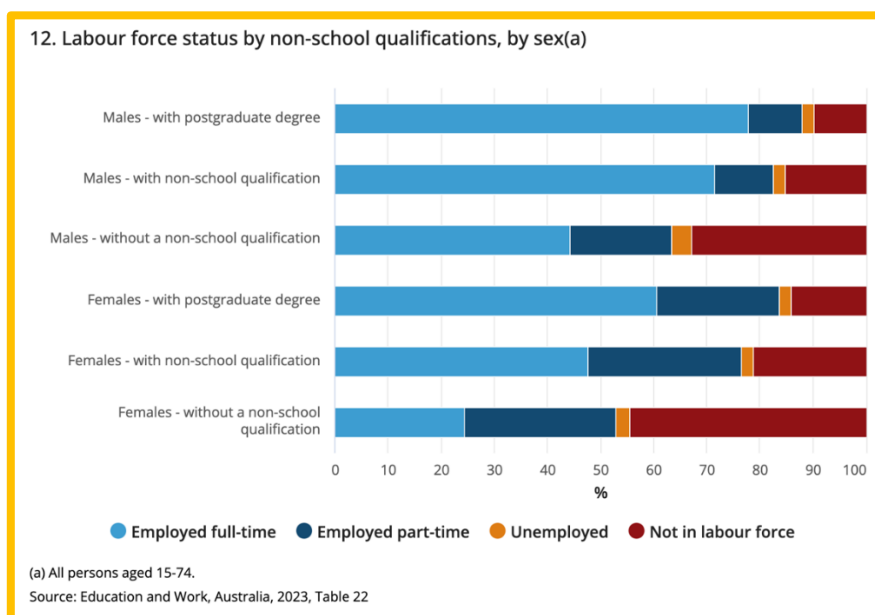
There was a theme that centred around the University making it difficult to coordinate placements. Students were prohibited from approaching schools directly even though the administration team at the university was efficient. The general theme is that Universities lack accountability.

“8 weeks full time teaching is the final unit to complete degree – with no pay it was not financially viable”

“Rigid hours for study / teaching generally ranged from 7.30am – 4.30pm which did not allow for any unplanned absences, such as illness. You would be required to make these up; i.e. 3 days sick, add 3 more days to 8 week plan.”

This divergence in the take up of paid employment shows how women’s financial security is impaired by the shortfall in full-time employment and being outside the labour force.

To the extent policy reforms can facilitate an increase in women’s full-time employment and workforce participation via skills and training, there is a clear and demonstrated lift in full-time employment and workforce participation, both basic and fundamental issues in enhancing women’s economic security.



Source: National Skills Commission⁴

Recommendations:

Provide financial and other incentives for those who have part-completed training and other courses to finish their studies.

The broad recommendations are:

- At a starting point, the National Skills Agreement provides an opportunity to incentivise the vocational education and training sector to develop the processes that will enable the reconnection with students who had interrupted and incomplete study
 - fee waivers for those who complete their training. The cost of some training programs is a major constraint for many women
 - paying a salary for on the job training and experience. The loss of income while unpaid experience is being gained to complete the training is a disincentive to complete training
 - 12 months leave for women who had to pause their studies because the impacts and consequences of gender violence
 - job offers at the end of completed studies
 - greater flexibility in study options to allow for courses to be completed
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Sources

1. Australian Government, Department of Education, Integrated Data Research, Benefits of education attainment, Income - <https://www.education.gov.au/integrated-data-research/benefits-educational-attainment/income>
2. NCVET “Australian vocational education and training statistics, Government-funded students and courses – January to June 2024” <https://www.education.gov.au/integrated-data-research/benefits-educational-attainment/income>
3. Australian Bureau of Statistics, Education and Work, Australia, Data on engagement in work and/or study, current and recent study, qualifications, and transitions to work <https://www.abs.gov.au/statistics/people/education/education-and-work-australia/latest-release>
4. Australian Government, National Skills Commission “The state of Australia’s skills 2021: now and into the future https://www.jobsandskills.gov.au/sites/default/files/2022-03/2021%20State%20of%20Australia%27s%20Skills_0.pdf
5. Students as victim-survivors: the enduring impacts of gender-based violence for students in higher education <https://www.tandfonline.com/doi/full/10.1080/09540253.2023.2242879>
6. Investigating Online versus Face-to-Face Course Dropout: Why Do Students Say They Are Leaving? <https://www.mdpi.com/2227-7102/13/11/1122#:~:text=Specifically%2C%20online%20students%20in%20comparison,to%20indicate%20higher%20rates%20of>