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Group of Eight submission on Free TAFE Bill 2024

The Group of Eight (Go8) consents to the publication of this submission and has no wish for any of it to be treated as confidential.

The Go8 comprises Australia's leading research-intensive universities which are central to achieving the Australian Government's national target of 80 per cent of the workforce having a tertiary qualification by 2050. Go8 universities educate more than a quarter of all higher education students in Australia and graduate some 120,000 quality graduates each year.

The Go8 supports the broad intent of the *Free TAFE Bill 2024* ("the Bill") to lift tertiary education participation, including by addressing financial barriers for students, and also targeting areas of skills shortages. We do, however, raise the following points for consideration in the broader context of the national tertiary education target:

- The national target relates to tertiary education attainment and not only enrolment. The current publicly available data on the existing free TAFE program provides limited information on attainment rates. The Bill should therefore specify that ongoing funding from the Commonwealth to the States and Territories under "FT agreements" be contingent on meeting specified attainment rates. By linking funding to tangible improvements in attainment rates, progress towards the national tertiary education attainment target will be more transparent.
- Given the intent of the Bill is also to address targeted areas of skills shortages, the States and Territories should be required to regularly report on the extent to which the ongoing funding they receive is achieving this objective. This requirement could form part of the "performance milestones" matter in Section 8 of the Bill.
- Economic forecasts prepared for the Department of Education indicate that over the next 30 years, nine in 10 new jobs will require a tertiary qualification and most of these will require higher education (defined as at least bachelor degree) qualifications.¹ The Bill should therefore require the Minister responsible for skills and training to consult the Minister for Education on overall progress of the national tertiary education attainment target, including university education attainment rates. This is particularly important in assessing and adjusting the overall balance of future Commonwealth funding for free TAFE compared to, for example, funding for "FEE-FREE Uni Ready Courses".

¹ Oxford Economics Australia. (2023). *Tertiary education qualification demand*, Report produced for the Department of Education, December.



- Related, the Australian Government should ensure its fee-free policies do not create disincentives to students pursuing a bachelor degree (or higher qualification) relative to a TAFE qualification. For example, a fee-free TAFE place may cover a complete TAFE qualification, whereas fee-free university funding has to date been limited to support for preparatory or enabling courses. This disparity in funding may result in some students, particularly those from economically disadvantaged backgrounds, opting to pursue a TAFE qualification based on financial incentives, when the forecasts indicate that we will need relatively more university graduates.

I would be pleased to discuss the contents of this submission and can be contacted via email: chief.executive@go8.edu.au or phone:

Yours sincerely

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CHIEF EXECUTIVE