

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation, Science, Research and Tertiary Education Portfolio
Additional Estimates Hearing 2011-12
15 February 2012

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUCATION

TOPIC: VET Funding

REFERENCE: Written Question – Senator Rhiannon

QUESTION No.: AI-172

In relation to the impact that long term underfunding is having on the TAFE sector, and the threat that this presents to quality, and given the policies being enacted and contemplated in a number of states and territories to increase the exposure of the TAFE system to competition from private for-profit providers:

1. What strategies or policies is the Australian government contemplating in the next VET funding agreement to protect the quality of the TAFE system?
2. What strategies or policies is the Australian government contemplating in the next VET funding agreement to protect the government's investment in the system?
3. What terms will the Australian Government include in the new funding agreement to at least maintain TAFE institutes' total funding levels and funding per student (full year training equivalent)?

ANSWER

1. The Australian Government is committed to the key role of TAFE. It provides the vast bulk of high quality technical and capital intensive training, as well as servicing the needs of industry, regions and local communities, and delivering improved skill and job outcomes for disadvantaged learners. This has been made clear to the states. The states run the mainstream training system and are responsible for making funding decisions at state level.
2. The Australian Government has invested heavily in the infrastructure of TAFEs, as part of the \$4.5 billion commitment in tertiary infrastructure from the Education Investment Fund, including \$235 million for VET (skills) projects. That investment has seen many facilities updated for the first time in forty or more years, including automotive workshops and building trades centres.
3. The Australian Government will also require in the new national skills agreements that states provide Implementation Plans which support the continuing role of TAFE and that any competition introduced to improve responsiveness in the training system does not damage the work of the historic role and investment in TAFEs.