

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2003-2004 BUDGET ESTIMATES SUPPLEMENTARY HEARING

Outcome: 2
Output Group: 2.1

DEST Question No. E372_04

Senator Marshall asked on 5 November 2003

Question:

What funding levels and arrangements have been in place for the current Industry Training Advisory Body structure?

Answer:

ANTA has provided the following response:

The current national Industry Advisory Arrangements consist of 29 bodies divided into two classes:

- 23 Industry Training Advisory Bodies (ITABs)
- 6 small recognised bodies

ITABs receive money in two ways from ANTA:

- Strategic funding agreements covering their advisory and vocational education and planning role; and
- Project funding for specific activities agreed with ANTA, such as Training Package development or review. Most bodies would have multiple project contracts with ANTA at any one time.

Recognised bodies only receive project funding from ANTA.

These bodies may also receive funding from a variety of other sources for specific projects and activities. The main sources are:

- Other Australian Government Departments, usually those relating to a particular industry;
- Industry bodies and companies;
- Sale of products and services to enterprises, training organisations and individuals; and
- Occasionally State and Territory Departments and agencies, usually those relating to a particular industry.

The extent of external funding varies considerably from industry to industry, and it also fluctuates substantially over time. As an example one ITAB raises between 60% and 80% of its funds from sources other than ANTA, with the level of fluctuation being as high as 20% between years. Some other ITABs raise only 2% to 3% from sources other than ANTA.

The only regular set funds the ITABs receive from ANTA are their annual Strategic Funding Agreements, which totalled \$6,689,107 in the 2002-2003 financial year.

Project funding to ITABs and recognised bodies is normally on a submission basis, although ANTA does also commission work from them with a small amount of funds. The national program funds used to fund these projects are allocated to ANTA for specific purposes, not as funds that automatically flow to ITABs and recognised bodies. ANTA has used the ITABs

and recognised bodies as its primary conduit for work that requires substantial industry involvement and development of content, such as the development and review of Training Packages. Expenditure of national program funds for projects associated with ITABs was around \$11,776,900 in 2002-2003. However, not all of this funding went to ITABs and recognised bodies, as ANTA pays for a range activities linked to their projects out of these funds – for example the publication of the Training Packages developed by the ITABs, and follow up work on Packages to improve training delivery.

Analysis of payments to ITABs over a number of years suggests that the average amount going to them for the ITAB annual strategic role and for Training Package related projects was \$15 million. This is the amount coming from the core source for funds available to them. In addition other project funding has gone to them from other sources on funds administered by ANTA depending on annual priorities and activities, but this is not a significant or regular funding situation.