

## AEU ANTA Agreement funding claim

Currently there are over 1.75 million students undertaking programs in the vocational education system. Ten years ago there were fewer than 1 million students. This means the system is growing at about 5.8% per year. On the basis of existing growth trends, the Commonwealth must provide growth funding for new enrolments of at least \$1080m for 2004-2006 made up of \$180m for 2004; \$360m for 2005 and \$540m for 2006 indexed for inflation.

Growth funding is needed in order to address unmet demand and to provide a 'youth training guarantee' and ensure that the training needs of existing workers are met.

### In addition the following programs need to be funded:

- Commonwealth and State and Territory Governments should fund Quality Improvement Programs (QIP) to provide:
  - a. a national curriculum development program
  - b. a national staff and professional development program
  - c. applied research and innovation projects
  - d. a national TAFE/VET teacher registration body
  - e. cooperative partnership programs for VET in schools
- Governments should jointly establish an Education Equity Program (EEP) which would ensure that services, programs, and support structures meet the needs of disadvantaged students and local communities. Such a program would provide resources for a whole of government approach combining industry policy, labour market programs, job creation, job placement, education and training and community and welfare support and services.
- The Commonwealth Government should contribute additional funds on a dollar for dollar basis to the states and territories to assist TAFE institutions enrolling a disproportionate number of disadvantaged students.
- Commonwealth capital funding should be at least maintained in real terms and capital funding to private training providers be reviewed.

*Authorised by R. Hewett, AEU Federal TAFE Secretary, 120 Clarendon St., Southbank Vic. 30*



# Parliamentary Brief

## TAFE teachers and students need your support

### What is TAFE?

Every year more than 13% of all working age Australians (15 - 64 year olds) participate in the vocational education and training (VET) system.

There were 1.8 million students enrolled in VET in 2001, including 1.3 million in the public TAFE systems. Since 1997, the number of VET students has increased by 298,200, or 20.4%.

TAFE provides entry level vocational education and training for young people and further training for older workers. It also provides second chance and recurrent education for socially and economically disadvantaged Australians.

TAFE and VET students come from all parts of Australia and all age groups. Around 90% of VET students study part time and about 15% are in apprenticeships and traineeships. 30.9% of students are in rural and remote areas and Aboriginal and Torres Strait Islanders are 3.3% of VET students.

TAFE's advantage derives from its capacity to reach large numbers of Australians through its geographical accessibility (particularly for young people in partnership with secondary schools), its inclusiveness and ability to engage with local communities, its understanding of and closeness to industry and its commitment to high quality education. TAFE is also at the 'education institution' intersection through the development of partnerships with schools and higher education institutions and adult and community education providers.

A high quality and strong public TAFE system is essential to developing the highly skilled workforce needed for a prosperous, economically sustainable and culturally diverse society. It must be driven by goals of quality and equity.

## The resource pressures on TAFE

The Commonwealth and State and Territory governments have worked together to develop agreed national frameworks for a national VET system that provides consistent, high quality vocational education and training programs leading to portable national qualifications.

The Commonwealth provides around 30% of government funding for VET. Since 1996, the system has been under enormous pressure because of the declining Commonwealth support. In 1996 and 1997, Commonwealth budget cuts were imposed which then created a reduced base for the 1998-2000 ANTA Agreement.

In 1998 a three year Commonwealth funding freeze was imposed. The policy of ‘growth through efficiency’ and deregulation of the training market seriously undermined quality in the national VET system. The clearest evidence of the loss of resources and quality is the 16.3% decrease in per unit funding from 1997 to 2001 (in 2001 prices) at the same time as enrolments grew by a massive 20.4% (298,000).

Although the Commonwealth restored limited growth funding in the 2001-2003 ANTA Agreement this was on a matching dollar for dollar basis rather than on the basis of ‘maintenance of effort’ breaking an already shaky national consensus. Even with the states’ contribution, the total growth funding was around \$460m over three years, half of what the states and territories said they needed.

It has recently been revealed that at least two states/territories have been unable to provide matching funding for their TAFE systems. A new national consensus and funding principles need to be brokered before further progress can be achieved.

Announcements of a new offer in the recent Federal budget remain unclear as to whether and to what extent any additional funds will be provided. It will certainly be too little to address the needs of a growing system.

## Impact of the resource pressures

Surveys of student outcomes and employer views indicate overwhelming support for TAFE. However the pressures on TAFE resources at a time of rapid system growth have undermined the quality of our national system.

- Over 48,000 Australians were unable to get a place in VET in 2002 – unmet demand is back to 1998 levels.
- Independent inquiries by Kaye Schofield revealed serious concerns about traineeships
- The overall rate of student failure/withdrawal has increased from 13.7% in 1997 to 18.9% in 2001.
- There have been higher class sizes, rationalisations and reductions in TAFE courses, cuts to student services, amalgamations and closures and colleges facing significant financial difficulties.
- There has been a massive growth in precarious employment, although the states have recently begun to address this to some degree.
- There has been increased workload and stress for TAFE teachers.
- 68% of TAFE teachers say their ability to maintain professional standards/provide quality has been eroded.
- There has been increasing reliance on fee for service activities.

## A new funding deal for TAFE

*“The Commonwealth Government must recognise that it has an obligation to ensure that VET in Australia is adequately funded and that it must restore base funding to adequate levels and resume its share of contributions to growth funding”.* (Senate report, *Aspiring to Excellence*, November 2000)

The Commonwealth role should be to build consensus on nationally consistent funding arrangements that place emphasis on quality delivery and assessment. TAFE funding and provision must be recognised as a national priority within funding arrangements under the ANTA Agreement.

The States and Territories should at least maintain their own base funding effort in real terms and be responsible for operational and staffing issues while ensuring quality assured delivery and assessment processes including a non-duplication test between states.

### Main sources:

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