



AEU Parliamentary Brief

Australian Education Union
120 Clarendon Street
Southbank VIC 3006
Phone (03) 9693 1800
Fax (03) 9693 1805
Email: aeu@aeufederal.org.au
Website: www.aeufederal.org.au



Issue Number 15: April 2008

SUPPORT THE PUBLIC TAFE SYSTEM

A well-resourced public TAFE system is vital to the future of the Australian economy and society. ALP policy endorses a critical central role for the public TAFE system in the VET sector. The AEU's TAFE Claim, released prior to the Federal election, outlined a way in which the public TAFE system could be supported and funded by the Commonwealth, in partnership with state and territory governments.

The ALP's election commitment, 'Skilling Australia for the Future', states that "Labor will not pursue ideologically-driven changes to the public, private or corporate status of institutes such as TAFE." Current events, however, tend to undermine, if not contradict this.

In mid 2007, the Boston Consulting Group (BCG) was commissioned by the Commonwealth and State and Territory VET Ministers to assess the efficacy of the Skilling Australia's Workforce Commonwealth State VET Funding Agreement. The BCG Report was kept secret from the broader VET community,

until a copy of the Executive Summary was leaked late in February, 2008. The report's recommendations were fed into a discussion paper for a strategic planning day held by the National Senior Officials Committee (NSOC) in February, 2008. The BCG Report is now on the agenda of the April 17 MCVTE meeting.

Whatever the status of the BCG Report currently, its recommendations have been influential in current debate around the future of funding in the sector. An extension of competition and competitive tendering within VET has become the foundation of the ALP's Skilling Australia for the Future policy. The push nationally to deal with individual TAFE Institutes in the distribution of Commonwealth funds through the Skilling Australia for the Future policy ties in with moves in some states to corporatise TAFE institutes.

Further competition within the TAFE and VET sector will not enhance the Commonwealth Government's capacity to address the current skills shortages, nor to plan for future economic and social needs of the workforce.

The effect of increased marketisation on TAFE would be dire, particularly in the context of decreased funding commitments from governments, with lack of recurrent funding meaning that TAFE would not be able to plan in the short, medium or longer term. Quality of programmes and services would suffer, and the capacity to recruit, maintain and support a well qualified permanent teaching workforce would be threatened. Student services and support, already run down during ten years of Howard government neglect, will continue to suffer.

- The public TAFE system, acknowledged by the ALP throughout the election campaign to be significantly under funded and neglected during the Howard years, requires a substantial re-investment strategy. This is consistent with ALP policy, and consistent also with undertakings given during the election campaign. The AEU's Funding Claim provides an excellent starting point.

What can be done?

- Increased marketisation and competition is inconsistent with the ALP's policy announcements supporting the public provision of VET prior to the election. Competition and marketisation represent the worst aspects of the Howard government's ideologically narrow market driven approach to VET and TAFE. They should be rejected entirely.
- Administration of the Skilling Australia for the Future policy has been turned over to bureaucrats, who have turned it into a defacto voucher, or individual entitlement scheme entirely consistent with the Howard government's welfare vouchers. Skilling Australia for the Future bypasses existing state/commonwealth funding arrangements and is being used as leverage by Commonwealth bureaucrats. Consistent with ALP policy announcements before the election, the administration of Skilling Australia for the Future needs to be handled cooperatively, not coercively, with the states to address current skills shortages, and allow planning for the future skills needs of the Australian workforce.

**Authorised by: Susan Hopgood, Federal Secretary,
Australian Education Union, 120 Clarendon St
Southbank 3006**