



# FACT SHEET



## Howard Government threatens to cut \$1.2 billion from VET funding

The Federal Government has tabled the Skilling Australia's Workforce Bill 2005 on 11 May. If the legislation is passed, federal funding for TAFE and VET will cease from 1 July 2005 unless the states and territories agree in writing to the conditions set out in the Government's Bill.

These conditions include offering AWAs to all staff, increasing the authority of TAFE Directors, introducing performance management systems, expanding User Choice, removing requirements for time-based training and providing third party access to TAFE facilities. (see Fact Sheet of 17 May 2005, 'No federal funding from July 2005?')

Notwithstanding all the rhetoric about skills shortages, the Federal Government is threatening to deny any federal funding for VET if the states refuse to comply with these federal directives.

**If the states and territories refuse to accept these onerous conditions, they will be denied \$1.2 billion in federal funding. That's the equivalent of around 450,477 students of the total 1.7 million VET students each year who will not be funded.<sup>1</sup>**

### Annual funding that could be denied to each state and territory

NSW:	\$410.3m	152,538 students
VIC:	\$311.1m	115,647 students
QLD:	\$208.6m	77,534 students
WA:	\$113.1m	42,039 students
SA:	\$ 96.4m	35,842 students
TAS:	\$ 31.5m	11,717 students
ACT:	\$ 23.9m	8,895 students
NT:	\$ 16.9m	6,264 students
<b>TOTAL:</b>	<b>\$1,211.8m</b>	<b>450,476 students<sup>2</sup></b>

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<sup>1</sup> Based on NCVER statistics for student numbers and funding for 2003; average student cost is \$2690.

<sup>2</sup> Rounding effects apply.