



# FACT SHEET



## **No federal TAFE funding from July 2005?**

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

The conditions imposed by the Commonwealth government include:

### **Industrial Relations**

- offer Australian Workplace Agreements (AWAs) to all staff, or other individual agreements where AWAs do not apply, which undermine collective bargaining;
- more authority for directors including recruitment and remuneration of employees;
- performance management systems including performance pay and managing underperformance;
- colleges must neither encourage or discourage union membership;
- existing Certified Agreements/Awards will still apply but new Agreements/Awards must meet these conditions;
- Workplace practices and policies must be changed to comply except where this would be directly inconsistent with an existing EBA/Award;
- increase TAFEs' entrepreneurialism and commercial activities to enable government funding to be reduced.

### **User Choice**

- fully comply with User Choice policy and introduce 'genuine competition';
- increase the proportion of apprenticeships and traineeships eligible for user choice funding by 5% each year;
- consult with state training authorities and employers to decide which apprenticeships/traineeships and employers and new apprentices are to be eligible for User Choice funding;
- participate in establishing a national unit price band for each apprenticeship/traineeship;
- jointly develop a template for a national contract on terms and conditions for VET providers eligible to receive User Choice funding.

### **Abolition of length of time requirements for training**

- remove requirements in State awards for time-based training;
- work to achieve consistent national licensing requirements.

### **Third party access**

- VET providers that operate in publicly funded premises must make them available to third parties on a commercial basis.

### **Increased Ministerial control of state training**

- No payments will be made until the Federal Minister has authorised the annual state VET plan.

*States and territories will cease to receive funding from the Commonwealth from July 2005 unless they agree to these conditions.*

Michaela Kronemann, Federal Research Officer, 17 May 2005