



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