

June 2008

In Brief

TAFE Facts

- In 2006, there were 1.68 million students in the publicly-funded vocational education and training system in Australia, or about one in nine of all working age Australians. 1.33 million of these students study in TAFE, an increase of 4.6% over 2005.
- There are 1984 registered training organisations (RTOs), including 66 TAFE institutes, in Australia. Over 1400 of these are private providers who compete with TAFE for government funds. Only 10% of students go to private providers.

TAFE Provides a Wide Variety of Qualifications and Courses

- Entry level education and training.
- Further education and training for people already in the workforce.
- Second-chance and further education for socially and economically disadvantaged people.
- Tailored training through nationally-recognised qualifications for industries of all sizes.
- Community development opportunities, including innovative industry development, particularly in regional communities.

TAFE Students

- 89% of VET students study part-time.
- 19.1% are in apprenticeships and traineeships in off the job training.
- 10% study at Diploma level or above.
- 52.4% were male.
- 42.1% were aged under 24.
- 4% identified as Indigenous.

TAFE's Advantages

- accessible to a large number of people because of its geographical diversity.
- actively engaged with local communities.
- close connection with industry.
- poised at the intersection of schools, higher education, adult community education and industry.

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How is TAFE Funded?

- The Commonwealth-State Agreement for Skilling Australia's Workforce was established in 2005 to run from 1 July 2005 to 31 December 2008. It is an "agreement" between the states and territories achieved coercively by the Howard government following the 2004 federal election using threats to withhold funding.
- 28% of recurrent government funds come from the Commonwealth Government, 72% come from State/Territory governments.
- More than 13.7% of VET revenue is fee for service activity, an increase from 10.6% in 2002 and 9.7% in 1997.
- The Commonwealth government share of capital funding has fallen from 68% in 2005 to 56% in 2006.

TAFE's Funding Crisis

Since 1997, Commonwealth funding has decreased by 26%, and state/territory government funding has decreased by 16%.

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| 1996 – 1997 | Howard government cuts funding, reduced base for 1998-2000 ANTA Agreement. |
| 1998 | Commonwealth funding freeze, "Growth through Efficiency", de-regulation of the training market. |
| 1997 – 2001 | 16.3% decrease in per unit funding, 16.3% enrolment growth. |
| 2001 – 2003 | limited growth funding restored, total growth funding \$460m over three years, about a half of what was required. |
| 2004 | rollover of 2003 funding with no indexation of 2003 "growth" funds and Commonwealth direct purchase of Australians Working Together programs (\$20.5m). |
| 2005 | ANTA is abolished, WorkChoices and Skilling Australia's Workforce Act – forces states to comply with Howard government's industrial agenda to maintain funds. |
| 2007 | Rudd government elected on Education Revolution platform. |
| 2008 | Release of Boston Consulting Group Report. Rudd announces 450,000 Productivity Places to be delivered contestably. |