

Question on notice no:	<b>9</b>
PAEC transcript page reference:	9-10

**QUESTION**

Please provide details of the supplementary funding being provided to promote the sustainability of TAFEs.

**RESPONSE**

*Skills First* is delivering this Government's vision for a revitalised training and TAFE system, which puts TAFE at the centre so that it can deliver for communities and learners in Victoria.

Funding is being provided to TAFE institutes through a number of mutually reinforcing programs to build capacity and provide strategic support to both the TAFE sector and Victoria's skills system more broadly.

Under *Skills First* the Stronger TAFE Fund supports TAFE to deliver on its distinct role by recognising the unique costs institutes face as public providers.

This funding will support TAFEs to continue to maintain over \$2 billion of state-owned assets, have experienced trainers and have established relationships with industry and their local communities.

In 2017 the Government is providing \$107 million through the Stronger TAFE Fund to ensure that our TAFE institutes have the resources needed to address industry skill gaps, deliver new innovative training and grow enrolments at the institute.

Fifty million dollars in Community Service funding is available in 2017 for vital community service obligations that support students to thrive.

In advance of *Skills First*, the Government provided over \$90 million of TAFE Boost funding in December 2016 to strengthen TAFEs so that they can successfully transition to *Skills First* in 2017 and deliver their new distinct role.

Question on notice no:	<b>10</b>
PAEC transcript page reference:	15-16

**QUESTION**

What is the percentage target for improvements on apprenticeship completions? Can you provide further details of the targets and performance measures in relation to apprenticeships?

**RESPONSE****Training completions**

As shown in Table 1 below, the 2017-18 budget includes one measure of training completions — ‘*the number of government subsidised course completions*’ — which was introduced for the 2017-18 budget to replace the previous ‘successful training completions as measured by module load completion rate’ measure.

There are currently no separate *completion* measures or targets for apprentice training.

**Table 1 Extract from BP3, p. 191 — Number of government subsidised course completions**

Performance measures	Unit of measure	2017-18 target	2016-17 expected outcome	2016-17 target	2015-16 actual
Number of government subsidised course completions	number	108 000	107 905	nm	nm
<i>This performance measure relates to the calendar year. This performance measure replaces the 2017-18 performance measure ‘Successful training completions as measured by module load completion rate’. This new performance measure for 2017-18 is proposed to reflect Government priorities regarding the Education State and measure the impact of Skills First reforms and will provide an improved measure of training completions in comparison to module load completion rate, which is proposed for discontinuation.</i>					

The Apprenticeship and Traineeship Taskforce chaired by the Victorian Skills Commissioner will look at barriers stopping people from taking up an apprenticeship or traineeship and whether issues are specific to particular industries or if there are broader systemic issues. While terms of reference or issues papers have yet to be released, options for improving completions are likely to be considered as part of the review.

**Performance Statement measures and targets for apprentice training**

There are two measures in the 2017-18 Budget Performance Statement that specifically relate to apprentice training:

- *Number of government subsidised apprenticeship enrolments* — this is a new measure introduced for the 2017-18 budget to replace the previous ‘number of apprenticeship/traineeship commencements by new employees’ measure (see Table 2 below).

**Table 2 Extract from BP3, p. 189 — Number of government subsidised apprenticeship enrolments**

Performance measures	Unit of measure	2017-18 target	2016-17 expected outcome	2016-17 target	2015-16 actual
Number of government subsidised apprenticeship enrolments	number	44 300	43 420	nm	nm
<i>This performance measure relates to the calendar year. New performance measure for 2017-18 to reflect Government priorities regarding apprentices as part of the Skills First reforms.</i>					

- *Proportion of employers of apprentices and trainees who are satisfied with training* — this is a new measure introduced for the 2017-18 budget to replace the previous ‘proportion of employers satisfied with the training provided by the Registered Training Organisation for apprenticeship and traineeship completers’ measure (See Table 3 below).

**Table 3 Extract from BP3, p. 190 — Proportion of employers of apprentices and trainees who are satisfied with training**

<i>Performance measures</i>	<i>Unit of measure</i>	<i>2017-18 target</i>	<i>2016-17 expected outcome</i>	<i>2016-17 target</i>	<i>2015-16 actual</i>
Proportion of employers of apprentices and trainees who are satisfied with training	per cent	76.5	76.5	nm	nm
<i>This performance measure replaces the 2017–18 performance measure ‘Proportion of employers satisfied with the training provided by the Registered Training Organisation for apprenticeship and traineeship completers’. The new measure provides a more complete picture of the quality of training delivered for both continuing and completing apprentices and trainees. This performance measure relates to the calendar year. The 2016-17 result refers to the 2016 survey of employer sponsored training in 2015.</i>					

Question on notice no:	<b>11</b>
PAEC transcript page reference:	16

**QUESTION**

Please provide a copy of the correspondence from all state skills and training ministers to the Federal Government on concerns as to how the 2017-18 Federal Budget will impact the skills and training targets and outcomes.

**RESPONSE**

Please refer to the following attachments to this response:

**Attachment 1:** Letter sent in December 2016 on behalf of all state and territory training and/or skills ministers to the Commonwealth Assistant Minister for Vocational Training and Skills seeking progression of a new National Partnership supporting skills development.

**Attachment 2:** Joint press release on 11 May 2017 by Minister Tierney and the training and/or skills ministers of QLD, SA and WA Ministers in response to the Federal Budget.

Question on notice no:	<b>12</b>
PAEC transcript page reference:	17-18

**QUESTION**

In relation to the Victorian Training Guarantee Fund:

- a. How much of the Victorian Training Guarantee fund was spent for the calendar year 2016?
- b. How much of the unspent \$365 million has been carried forward from the Victorian Training Guarantee Fund (2016) and been rolled into the 2017 VTG?
- c. How much of the unspent \$365 million has been reinvested into training and workforce development?
- d. Has any of the unspent \$365 million from the Victorian Training Guarantee fund in 2016 been returned to consolidated revenue? If so, how much?

**RESPONSE**

Expenditure from the Victorian Training Guarantee is reported on a financial-year basis and the response to this QoN is based on financial years. Question 12 of the 2017-18 Budget Estimates questionnaire also asked for details on a financial year basis.

**In relation to the Victorian Training Guarantee Fund:**

**a. How much of the Victorian Training Guarantee fund was spent for the calendar year 2016?**

The training system in Victoria is entitlement based and demand driven. Fluctuations can occur in demand due to a range of reasons. In the 2015-16 year, the Government spent \$937 million on the Victorian Training Guarantee (VTG) fund.

This reduced expenditure, compared to the 2015-16 Budget, was primarily due to past policy changes from 2011-2012 including tightened eligibility for subsidised training and foundation courses, and reduction in subsidies.

It was also impacted by the shift of students to VET FEE-HELP funded training and demand-driven places in Higher Education, and fewer enrolments in sub-standard training as part of the Government's implementation of the Review of Quality Assurance.

Actual 2015–16 expenditure was also lower due to adjustments in the timing of certain programs, and reinvestment in training and workforce development initiatives in future years.

Demand has been met with no eligible student missing out on training.

**b. How much of the unspent \$365 million has been carried forward from the Victorian Training Guarantee Fund (2016) and been rolled into the 2017 VTG?**

In the 2015-16 financial year, the Department of Education and Training (DET) reported in its Annual Report unspent appropriation of \$702 million. This included \$365 million of lapsed Treasurers Advance, appropriation and carryover that was not applied across the entire department and all DET portfolios.

Approximately \$295 million was related to the VTG in the Training and Skills portfolio. The majority of this funding (\$252 million) was reinvested back into the training and skills portfolio across the forward estimates. This included \$94 million rephased into 2016-17.

**How much of the unspent \$365 million has been reinvested into training and workforce development?**

As per Question 12b above, \$252 million of the \$295 million has been reinvested into training and workforce development portfolio.

**c. Has any of the unspent \$365 million from the Victorian Training Guarantee fund in 2016 been returned to consolidated revenue? If so, how much?**

Funding of \$43 million from the VTG in 2015-16 was not applied and lapsed. As per Q12 b above, \$252 million of the \$295 million of the VTG underspend was re-allocated into the training and skills portfolio across the forward estimates.



**Hon Yvette D'Ath MP**  
Minister for Training and Skills



**Hon Susan Close MP**  
Minister for Higher  
Education and Skills



**Hon Gayle Tierney MP**  
Minister for Training and Skills

Email Rcvd 29/06/2017



**Hon Sue Ellery MP**  
Minister for Education  
and Training

Thursday, 11 May, 2017

## TURNBULL'S BUDGET A DISAPPOINTMENT FOR TRAINING AND TAFE

The Andrews, McGowan, Palaszczuk and Weatherill Labor Governments have today called on Malcolm Turnbull to increase funding for a new National Partnership on Skilling Australians and provide a stable funding model for the sector.

The fund, announced in the Turnbull Budget, has left the heavy lifting to the states and territories who have been picking up the slack for years.

At a time of economic stress and a soft labour market, the Federal Government should be investing in the training sector.

Training numbers are declining nationally, something the Commonwealth has acknowledged in the Budget, so we need to make sure this new agreement is a good deal for all states and territories.

For months, the states and territories have been calling for the Commonwealth to negotiate a new national partnership; instead, Malcolm Turnbull has outlined a new deal without any consultation or guaranteed funding.

Victoria's Minister for Training and Skills Gayle Tierney said it is disappointing the sector is still in limbo with minimal details of how the new fund will work.

"This is a wait and see budget for apprentices and the training sector with the final details of a new national partnership to be agreed to just weeks before the current agreement expires," Ms Tierney said.

"Victoria stands to lose around \$40 million next financial year compared to what we are getting this financial year under the current agreement."

Western Australia's Minister for Education and Training Sue Ellery said if the previous National Partnership Agreement had continued WA would have been better off.

"What we want to see is a net increase in training places. This announcement means WA will get approximately \$63.6 million less over four years than under the previous agreement."

Queensland Minister for Training and Skills Yvette D'Ath said the funding in the Federal Budget was not adequate.

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“The funding in the Federal Budget relies on foreign workers to come in to fund it. This is a flawed funding model and will not replace all of the funding and programs that have been slashed over the past four years by the Federal Government,” Mrs D’Ath said.

“We need adequate funding for training in Queensland and the Commonwealth has to come to the party. It is not good enough to drop a National Partnership Agreement four weeks before it is due to expire.”

South Australia’s Minister for Higher Education and Skills Susan Close said the Federal Government had let down the VET sector.

“For 12 months, all Ministers have been asking for a genuine and strategic partnership with the Commonwealth about the future of skills development and how we best support economic development.

“This late proposal lacks detail and, importantly, lacks breadth and vision. Apprenticeships and traineeships are undoubtedly important but the VET sector is much more than that.”

Training Ministers are due to meet with the Commonwealth in June, just weeks before the current agreement ends.

Victoria, Queensland, Western Australia and South Australia want Malcolm Turnbull to urgently release more details before this meeting takes place.

#### **Media Contacts**

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