

Media Release

VET Funding Should Promote Student Choice Says Sector's Peak Body

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For Immediate Release

In what would be a major shake-up of the way government funds vocational education and training (VET), the Australian Council for Private Education and Training (ACPET) has stated that all government funding should promote student choice and be fully contestable. The move would see public TAFE and independent training providers compete for government funds using consistent and transparent criteria designed to provide high-quality outcomes for students and value-for-money to the taxpayer.

ACPET is the peak business organisation representing independent providers in the higher education plus vocational education and training sectors. In advocating for student choice with VET funding full contestability, ACPET notes that independent providers already do the heavy lifting when providing students and business with the skills required to support a growing economy.

"Independent providers play the most significant role in the delivery of VET in Australia, with some 4.2 million students choosing to study with an independent VET provider in 2017. This represents approximately 60 per cent of all VET students nationally," said Troy Williams, ACPET Chief Executive Officer.

Despite the strong support for independent VET providers, in 2017, just 27.7 per cent of the \$2.1 billion of government funding invested into VET was awarded to the independent sector, which represents a reduction of 7.1 per cent on FY2015-16 figures.

"In a training system where 60 per cent of students choose to study with an independent provider, there is clearly a mismatch in funding support provide by government to students," Mr Williams said.

ACPET's position was set out in its submission to the VET review announced by the Minister for Small and Family Business, Skills and Vocational Education in November 2018. The review is focussing on how the Australian Government's investment in VET could be more effective to provide Australians with the skills they need to be successful throughout their working life.

"It is important that the benefits of an open training market that have been developed over decades are not lost. The priority for government should remain enabling students to utilise public funds with high quality providers, regardless of ownership but with suitable quality controls, by harnessing market forces to achieve the best possible outcomes in the most effective and efficient way," Mr Williams concluded.

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