

Media Release —

Time for a radical overall of the nation's skills funding system

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The peak body representing independent higher education, vocational education and training providers is calling for radical reform of how the workforce is educated, trained and reskilled. The advocacy by the Independent Tertiary Education Council Australia (ITECA) is backed by new research that highlights the benefits of placing student choice at the centre of the funding model.

“In the years ahead Australia will face constraints as a result of not having a workforce with the skills required to meet the demands of a changing economy. The training system needs to support a culture of life-long learning where constant reskilling is the norm. The challenge for governments will be to achieve this within a tight fiscal framework,” said Troy Williams, ITECA Chief Executive.

The *2019 ITECA State Of The Sector Report* released this week provides the evidence required to overhaul the funding arrangements that underpin Australia's vocational education and training system. The report highlights that, by virtually any measure, independent achieve outcomes equal to or better than public providers.

“We need one tertiary education funding model that supports students throughout their working lives and allows them to transit between the higher education and vocational education and training sectors. This will support a culture of life-long learning,” Mr Williams said.

ITECA believes that present policy settings are unlikely to provide Australia with the skills needed to support an economy in which rapidly changing technology is the norm. The demands are such that governments at all levels will struggle to make the required investment in workforce reskilling without the support of the independent tertiary education system that includes independent higher education, vocational education and training providers. A funding model that preferences the public TAFE system is no longer fit for purpose according to ITECA.

“Policy settings must promote the complementarity of the public TAFE system and the independent vocational education and training system. Students should be able to select the quality provider of their choice – whether public or independent – and government funding models should be based on this approach,” Mr Williams said.

The *2019 ITECA State Of The Sector Report* highlights the fact that independent providers support more than 60% of the 4.2 million students in vocational education and training. It notes that for domestic students it costs government \$2,400 per student trained by independent providers in the vocational education and training system but \$5,500 per student trained by public TAFE institutes.

“It's time to put the student at the centre of the funding model, where they can select the provider of their choice, whether they be a quality independent provider or public provider,” Mr Williams said.

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