

## Media Release —

### Prime Minister's Vocational Education & Training Reforms Hit The Mark

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For Immediate Release

The major overhaul of the Australian Government's investment in skills is the right way to go. It ensures that funding is directed to providing the economy with the skills needed to sustain the recovery in the post Covid-19 environment. That's the view of the Independent Tertiary Education Council Australia (ITECA), the peak body representing independent providers in the higher education, vocational education, training and skills sectors.

"The Prime Minister is right, current funding arrangements that assist states and territories fund vocational education and training are broken. Students and their employers are bewildered by competing study and funding options. Reform is long overdue," said Troy Williams, ITECA Chief Executive.

Reform is particularly important for independent Registered Training Organisations (RTOs) that support more than 80% of the 4.1 million students in vocational education and training, that's four times as many students at independent providers than at public TAFE colleges.

"Independent providers do some great work helping students navigate the maze of funding programs; it's a daunting task. Different loan programs and different levels of government funding make it hard for students. That the Australian Government has stepped-up to offer reform is great," Mr Williams said.

ITECA welcomes the Prime Minister's announcement of a new architecture that will see funding directed to the skills areas which will best support economic growth.

"Students need to know where the jobs will be when considering their study options. Similarly, independent training providers need to know what courses will be in demand. That's what makes the work of the National Skills Commissioner most important," Mr Williams said.

Importantly, the fact that this funding will be available to both quality independent RTOs and public TAFE colleges is welcomed. It is precisely what ITECA has worked with government to achieve.

"The move towards an activity-based funding model that provides state and territory governments with clear guidance on where money will be provided to support students is welcomed. Students, employers and taxpayers will be served well by this approach," Mr Williams said.

Independent RTOs are the backbone of Australia's vocational education and training system. There are around 3,500 independent RTOs operating around Australia that, according to the National Centre for Vocational Education and Research (NCVER), employ 200,539 people.

As the sector's peak body, ITECA has been extensively engaged by the Australian Government in reforms, not only on funding matters but also on regulation of the sector.

"Today's announcement by the Prime Minister is a clear signal that positive reform is on the way and ITECA looks forward to further engagement with the government to achieve the outcomes that students, their employers and independent training providers need," Mr Williams concluded.

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Media Contact:  
Michellé Mabile – ITECA Communications Director  
e: [media@iteca.edu.au](mailto:media@iteca.edu.au) m: 0436 522 189  
[ITECA Ref: N4.10.2]