

Australia's Skills System Held Together By Independent Sector

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For Immediate Release

The latest data from the National Centre for Vocational Education Research (NCVER) on **Total VET Activity** in Australia for 2025 year shows that it's the independent skills training sector that continues to hold the skills training sector together, delivering critical skills for students, communities and our economy.

According to the latest data, the number of students in skills training increased by only 1,585 in 2025 compared to 2024 levels. This increase came from student enrolments in independent Registered Training Organisations (RTOs) and in schools, as the number of students at TAFE declined by 48,580 despite the huge investments directed at these public institutions.

"While the national data show a tragically stagnant skills sector in terms of the total number of students, it is clear that independent RTOs are holding Australia's skills sector together, with **independent RTOs supporting 91.1% of all student enrolments. That is, 4.69 million student enrolments in 2025**" according to Mr Felix Pirie, Chief Executive Officer of the Independent Tertiary Education Council Australia (ITECA).

The number of students supported by government funding fell dramatically in 2025, with recent NCVER data on *Government-funded students 2025* showing a decline of over 82,000 government funded students compared to 2024.

"It is fee-paying students and independent RTOs that are keeping Australia's productivity and skilling agenda alive. These fee-paying students comprise nearly 80% of all students in the skills system and they are paying for their own upskilling and reskilling, or their employers are investing in their skills.," said Mr Pirie.

The data released today by NCVER also shows that independent RTOs support 80.6% of Indigenous students in skills training and 89.7% of students in regional and remote Australia undertaking skills training. Independent skills training is the most capable and dependable avenue for successful delivery of quality training.

"This is government data and it strongly indicates that current policy settings which prioritise investment in providers rather than students, are not working. Australia should be looking to invest in students, rather than continue with the current mechanisms which discourage greater participation in skills training at a time of national skills shortage" concluded Mr Pirie.

A strong and responsive skills system depends on student choice, diversity of offering, and competition. The independent sector is calling for a more balanced and student-centred approach to skills policy, one that restores genuine student choice and delivers equitable investment and policy settings across the sector.

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