

Question Time Brief – Skills and Training

QB24-000003

Last Updated by Department: 05 September 2024

Fee-Free TAFE & TAFE Technology Fund

(This is an election commitment)

HEADLINE

- The purpose of Fee-Free TAFE is to support training places in areas of high demand and skills need, provide access to priority cohorts, including the most vulnerable, and support students by removing financial barriers to study.
- Based on preliminary data reported by states and territories to 30 June 2024, over 500,000 enrolments in Fee-Free TAFE courses have occurred since 1 January 2023.

TALKING POINTS

- Through the Fee-Free TAFE Skills Agreement, the Commonwealth Government has partnered with states and territories to invest over \$1.5 billion to deliver:
 - 500,000 Fee-Free TAFE places over 2023-2026. This includes:
 - 180,000 Fee-Free TAFE places in 2023 (Tranche 1)
 - 300,000 Fee-Free TAFE places over 2024-2026 (Tranche 2)
 - 20,000 Fee-Free TAFE construction places over 2025-2026 (Fee-Free Construction). This is currently being negotiated with state and territory governments
 - the \$50 million TAFE Technology Fund
 - \$7 million to support essential VET data reforms.
- The Commonwealth is contributing almost \$1 billion of the overall \$1.5 billion investment to deliver Fee-Free TAFE with states and territories.
- The TAFE Technology Fund is investing \$50 million to modernise IT infrastructure, workshops, laboratories, and other facilities at TAFEs across Australia.
- The VET data streamlining project is focused on improving the collection and use of VET activity data. Funding was provided under the Fee-Free TAFE Skills Agreement to supported states and territories with transition planning over 2023.

KEY FACTS & STATS: Fee-Free TAFE

- At the conclusion of Tranche 1 on 31 December 2023, there were over 355,000 students enrolments in Fee-Free TAFE courses, against a target of 180,000 places.
- Based on preliminary data reported by states and territories to 30 June 2024, over 500,000 enrolments in Fee-Free TAFE courses have occurred since 1 January 2023.
- As at 31 March 2024, Tranche 2 has already supported over 118,000 Fee-Free TAFE enrolments in its first quarter of its first year, against a target of 300,000 places (by the end of 2026), demonstrating Fee-Free TAFE is on track to exceed the 300,000 places target ([Attachment A](#)).
- Demographic data shows Fee-Free TAFE is supporting disadvantaged and in-need Australians, with enrolments from 1 January 2023 to 31 March 2024 including:
 - over 158,000 young people
 - over 117,000 job seekers
 - almost 35,000 people with disability
 - over 26,500 First Nations Australians.
- Women make up the majority (almost 63 per cent) of enrolments, with almost 296,000 women taking on a qualification under the program.
- Around a third of enrolments (almost 35 per cent) are located in inner and outer regional locations.
- From 1 January 2023 to 31 March 2024, the most enrolled Fee-Free TAFE courses were:
 - Certificate III in Early Childhood Education and Care, with 25,403 enrolments
 - Certificate III in Individual Support with 23,769 enrolments
 - Diploma of Nursing, with 19,868 enrolments
 - Certificate IV in Training and Assessment, with 17,407 enrolments
 - Certificate IV in Accounting and Bookkeeping, with 17,185 enrolments.

KEY FACTS & STATS: TAFE Technology Fund

- Fourteen TAFE Technology Fund projects, announced as Election Commitments and worth \$28.2 million, were rolled out as part of Tranche 1.
- Ten projects, worth \$21.8 million, were rolled out through a targeted bids process as part of Tranche 2.

- All states and territories have at least 1 project funded under the Fund (Attachment B).

IF ASKED

How is Fee-Free TAFE delivered?

- Fee-Free TAFE is delivered through the Fee-Free TAFE Skills Agreement which is a schedule to the Federation Funding Agreement - Education and Skills. States and territories deliver the Fee-Free TAFE program through their TAFEs and in some instances, private RTOs.
- The VET system is a shared responsibility between the Australian Government and state and territory governments. States and territories are responsible for running their own training systems, including decisions regarding courses in priority sectors and student eligibility.

What is the difference between Fee-Free TAFE Tranche 1 and Tranche 2?

- Fee-Free TAFE Tranche 1 is 2023 and Tranche 2 is over 2024-2026. The key differences include:
 - VET Workforce has been included as a priority industry to increase the pipeline of qualified VET trainers and assessors
 - provides funding for 300,000 existing training places (as identified by jurisdictions) that are fully funded by the Commonwealth
 - student support services being funded through existing states and territory programs.

Which courses are eligible through Fee-Free TAFE? / What does Fee-Free TAFE cover?

- States and territories have included courses relevant to priority sectors on their Fee-Free TAFE eligible course lists. States are also providing preferential consideration to the priority cohorts in applications for Fee-Free TAFE places.
- The Commonwealth and States agreed the following priority areas for Fee-Free TAFE Training (these sectors were outlined in the Government's election commitment):
 - agriculture
 - the care sector (aged care, health care, disability care)
 - construction
 - early childhood education and care
 - hospitality and tourism
 - manufacturing

- sovereign capability (e.g. defence industries)
- technology and digital
- VET workforce from 1 January 2024.

Are state and territory Fee-Free TAFE course lists the same for both Tranche 1 and Tranche 2?

- The course lists differ between Fee-Free TAFE Tranche 1 and Fee-Free Tranche 2. Fee-Free TAFE course lists are agreed between the Commonwealth and each state and territory. Selected courses for Tranche 2 align to the national priorities outlined in the Fee-Free TAFE Skills Agreement, and to state priorities that respond to local demand which have shifted in some jurisdictions since Tranche 1.

Who is eligible for Fee-Free TAFE?

- Eligibility for Fee-Free TAFE is set on a state by state basis and is available to a range of students. The Commonwealth and States agreed Fee-Free TAFE will be prioritised for a number of priority groups, including:
 - First Nations Australians
 - young people (17-24)
 - people who are out of work or receiving income support payments
 - unpaid carers
 - women facing economic insecurity
 - women undertaking study in non-traditional fields
 - people with disability
 - certain categories of visa holders.

What happens when you reach 300,000 under Tranche 2?

- Fee-Free TAFE Tranche 2 will deliver a further 300,000 Fee-Free TAFE and VET places from 2024 to 2026. Having only commenced on 1 January 2024, there still remains capacity within the 300,000 enrolment target for Tranche 2.
- The department works closely with states and territories to monitor take-up of places, with jurisdictions managing their programs to meet the local demand and supply for training places to ensure places are available over the forward three years.

Can private RTOs deliver Fee-Free TAFE?

- While the primary purpose of the Fee-Free TAFE Skills Agreement is to deliver through TAFE, governments do not want to see a learner miss out on

an opportunity to upskill where a TAFE may genuinely not be able to deliver training.

- The government has been working closely with State and Territory governments to provide flexibility where it is appropriate for other providers to deliver training.

What is the government doing to ensure there is enough training in regional areas?

- As at 31 March 2024, almost a third of enrolments (35 per cent) in Fee-Free TAFE Tranche 2 courses have been in regional, rural and remote areas since it commenced on 1 January 2024.
- Through the TAFE Technology Fund, 11 out of 24 projects valued at a total of \$20.3 million are in regional locations, with regional projects making up almost half of all projects.

Are Fee-Free TAFE places really new places?

- Under Tranche 1 of Fee-Free TAFE, funding was provided to support 180,000 Fee-Free TAFE places, including 60,000 new Fee-Free places. The 180,000 target was exceeded in June 2023.
- Based on reported enrolments to 31 December 2023 from states and territories for Tranche 1, almost 120,000 (119,946) students enrolling were new Fee-Free places, while over 235,000 (235,611) enrolments were students in existing places benefiting from fee savings.
- Tranche 2 of Fee-Free TAFE will make 300,000 existing places fee-free, allowing more students to benefit from fee savings.

If pressed about new students

- Based on Government-funded students and courses 2023 released by the National Centre for Vocational Education Research (NCVER) on 10 July 2024, there was a 5.6% increase in government-funded TAFE program enrolments from 782,625 in 2022 to 826,630 in 2023. This demonstrates more people are participating in VET training.

How can you be certain Fee-Free TAFE numbers are not being double-counted?

- Fee-Free TAFE figures are provided to the Commonwealth by states and territories through a reporting framework set out in the Fee-Free TAFE Skills Agreement.

- The Department has its own quality assurances processes and is unaware of any evidence of double counting with Fee-Free TAFE enrolments in the reporting provided by states and territories.

How much does a student save from Fee-Free TAFE?

- There is not a uniform fee saving by students from Fee-Free TAFE. Course fees in each state and territory are different, with some regulating course fees while others have unregulated course fees. Fees also vary between jurisdictions based on the costs of course delivery and level of subsidy provided by a state or territory.
- As an example of the fee variation nationally - students could save between \$1,230 in Queensland and \$2,614 in the Australian Capital Territory when enrolling in the Certificate III in Early Childhood Education and Care.
- Under Tranche 2 of Fee-Free TAFE a new reporting line item was introduced, requiring jurisdictions to report on the fee savings (actual or estimated) for students.

[Completions] How many Fee-Free TAFE students completed their course?

- Fee-Free TAFE has been operating for 18 months, and the rate of completions is expected to increase over time.
 - Most courses supported by Fee-Free TAFE are full qualifications (89%) at Certificate III and above
 - These courses take longer to complete, up to 3 years (with full time study)
 - Students are at different stages of progress.
- Further, enrolments include a mix of part-time and full-time qualifications which impact completion dates.
- From the start of Fee-Free TAFE in 2023 to 31 March 2024, there have been 61,072 completions in Fee-Free TAFE courses, representing around 13% of total enrolments for the period.

Fee-Free TAFE communications campaign

- On 8 October 2023 a 6-month Fee-Free TAFE campaign (television, digital video, digital socials) commenced to inform target audiences of the availability of Fee-Free TAFE training places available and direct them to the YourCareer website to find out more about courses, eligibility and where to enrol.

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- A further 6-month Fee-Free TAFE campaign is expected to commence in October 2024 to inform target audiences of the availability of Fee-Free TAFE training places.

BACKGROUND

- Fee-Free TAFE is a joint initiative with states and territories to prioritise VET courses in areas of highest skills need in the care sector (aged care, health care, disability care), early childhood education and care, construction, agriculture, hospitality and tourism, digital and technology, sovereign capability (including defence industries), and VET workforce from 2024.
- The Fee-Free TAFE initiative provides immediate opportunities and prioritises: First Nations Australians, young people (17-24), people out of work or receiving income support, unpaid carers, women facing economic insecurity, women undertaking study in non-traditional fields, people with disability, and certain categories of visa holders.

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Fee-Free TAFE Jurisdiction Snapshot from 1 January 2023 to 31 March 2024 (Tranche 2 Quarter 1)

Australian Capital Territory

Talking Points

- From 1 January 2023 to 31 March 2024, the **Australian Capital Territory** has seen 3,153 students enrol in Fee-Free TAFE Tranche courses.
- In the Australian Capital Territory, the **most enrolled** in Fee-Free TAFE courses include:
 - Certificate IV in Cyber Security, with 325 enrolments
 - Certificate III in Early Childhood Education and Care, with 270 enrolments
 - Certificate III in Business, with 196 enrolments
 - Certificate IV in Community Services, with 162 enrolments
 - Certificate IV in Mental Health, with 110 enrolments.
- To help areas of **high skills need and demand** in the Fee-Free TAFE has supported:
 - 1,048 enrolments in the National and State Priority sector
 - 741 enrolments in the Care sector
 - 693 enrolments in the Technology and Digital sector
 - 304 enrolments in the Early Childhood Education and Care sector
 - 194 enrolments in the Hospitality and Tourism sector.
- Examples of **student savings** in 2023:
 - A student training in the Certificate IV in Cyber Security can save up to \$3,452
 - A student training in the Certificate III in Early Childhood Education and Care can save up to \$2,614
 - A student training in the Certificate IV in Community Services can save up to \$2,256
 - A student training in the Certificate IV in Mental Health can save up to \$1,940
 - A student training in the Certificate III in Business can save up to \$1,290.
- **Under Tranche 2 of Fee-Free TAFE** 3,600 places will be available in the Australian Capital Territory from 2024 to 2026.

Background

Fee-Free TAFE (1 January 2023 to 31 March 2024)			
Commonwealth Funding Commitment for Fee-Free TAFE (Tranche 1 and 2)	\$15.64 million		
Commonwealth payments for Fee-Free TAFE made to 31 March 2024	\$11.22 million		
2023 Fee-Free TAFE Tranche 1 enrolments	2,549 enrolments		
2024 Fee-Free TAFE Tranche 2 enrolments to date	604 enrolments		
Total Fee-Free TAFE enrolments since January 2023	3,153 enrolments		
Cohort Information			
	Tranche 1 (1 January 2023 – 31 December 2023)	Tranche 2 (1 January 2024 – 31 March 2024)	Cumulative (1 January 2023 – 31 March 2024)
Female	1,523	313	1,836
Male	980	277	1,257
Non-binary/other/unspecified	46	14	60
First Nations Australians	156	16	172
Enrolments by Other Priority Sectors			

	Tranche 1 (1 January 2023 – 31 December 2023)	Tranche 2 (1 January 2024 – 31 March 2024)	Cumulative (1 January 2023 – 31 March 2024)
Agriculture	57	11	68
Care	635	106	741
Construction	52	27	79
Defence	-	-	-
Early Childhood Education and Care	246	58	304
Hospitality and Tourism	155	39	194
Manufacturing	-	-	-
Sovereign Capability	-	-	-
National and State Priority	907	141	1,048
Technology and Digital	497	196	693
VET Workforce	-	26	26

TAFE Technology Fund – Tranche 2 Project

State	Amount (\$m)	Recipient	Description
ACT	\$3.2	Canberra Institute of Technology Fyshwick campus	Retrofitting of an existing automotive workshop between Block A and B at the CIT Fyshwick Campus for electronic vehicles (EV). Procurement of the practical learning training materials and equipment as part of the development of a fit-for-purpose classroom.

New South Wales

Talking Points

- From 1 January 2023 to 31 March 2024, **New South Wales** has seen 224,278 students enrol in Fee-Free TAFE courses.
- In New South Wales the **most enrolled** in Fee-Free TAFE courses include:
 - Certificate III in Individual Support, with 10,557 enrolments
 - Certificate III in Early Childhood Education and Care, with 9,276 enrolments
 - Certificate IV in Training and Assessment, with 6,326 enrolments
 - Certificate III in School Based Education Support, with 6,270 enrolments
 - Certificate III in Business, with 6,144 enrolments.
- To help areas of **high skills need and demand** Fee-Free TAFE has supported:
 - 47,599 enrolments in the Care sector
 - 16,467 enrolments in the Technology and Digital sector
 - 11,638 enrolments in the Early Childhood Education and Care sector
 - 10,531 enrolments in the Construction sector
 - 110,534 enrolments in the National and State Priority sector.
- Examples of **student savings** in 2023:
 - A student training in the Certificate IV in Accounting and Bookkeeping can save up to \$1,980
 - A student training in the Certificate III in Early Childhood Education and Care can save up to \$1,600
 - A student training in the Certificate III in School Based Education Support can save up to \$1,600
 - A student training in the Certificate III in Individual Support can save up to \$1,450
 - A student training in the Certificate III in Business can save up to \$1,320.
- **Under Tranche 2 of Fee-Free TAFE** 147,400 places will be available in New South Wales from 2024 to 2026.

Background

Fee-Free TAFE from 1 January 2023 to 31 March 2024			
Commonwealth Funding Commitment for Fee-Free TAFE (Tranche 1 and 2)	\$284.05 million		
Commonwealth payments for Fee-Free TAFE made to 31 March 2024	\$206.74 million		
2023 Fee-Free TAFE Tranche 1 enrolments	182,124 enrolments		
2024 Fee-Free TAFE Tranche 2 enrolments	42,154 enrolments		
Total Fee-Free TAFE enrolments since January 2023	224,278 enrolments		
Cohort Information			
	Tranche 1 (1 January 2023 – 31 December 2023)	Tranche 2 (1 January 2024 – 31 March 2024)	Cumulative (1 January 2023 – 31 March 2024)
Female	118,620	28,154	146,774
Male	62,994	13,897	76,891
Non-binary/other/unspecified	510	103	613
First Nations Australians	15,154	-	15,154
Enrolments by Other Priority Sectors			

	Tranche 1 (1 January 2023 – 31 December 2023)	Tranche 2 (1 January 2024 – 31 March 2024)	Cumulative (1 January 2023 – 31 March 2024)
Agriculture	8,447	1,908	10,355
Care	34,630	12,969	47,599
Construction	8,728	1,803	10,531
Defence	189	-	189
Early Childhood Education and Care	6,454	5,184	11,638
Hospitality and Tourism	8,557	1,862	10,419
Manufacturing	526	341	867
Sovereign Capability	1,432	772	2,204
National and State Priority	103,510	7,024	110,534
Technology and Digital	9,651	6,816	16,467
VET Workforce	-	3,475	3,475

TAFE Technology Fund – Tranche 1 Projects

State	Amount (\$m)	Recipient	Description
NSW	\$2.5	TAFE NSW, Wollongong Campus	Upgrade equipment and teaching aids, creating a TAFE NSW Renewable Energy Training facility at Wollongong campus to support training in renewable energy technologies.
NSW	\$2.5	TAFE NSW, Wetherill Park Campus	Invest \$2.5 million in TAFE NSW Wetherill Park campus to buy electric trucks and invest in new training facilities to for maintenance on electric vehicles.
NSW	\$2.5	TAFE NSW, Gunnedah Campus	Upgrade Early Childhood Care and Education facilities at TAFE NSW Gunnedah campus.

TAFE Technology Fund – Tranche 2 Project

State	Amount (\$m)	Recipient	Description
NSW	\$3.2	TAFE NSW St Leonards Campus	Design, procurement and installation of an LED Volume (LED Wall) into an existing TV studio and for portable use. This provides 8m X 5m LED wall plus 2.5m X 5m extension and floor and portability.

Victoria

Talking Points

- From 1 January 2023 to 31 March 2024, **Victoria** has seen 84,036 students enrol in Fee-Free TAFE courses.
- In Victoria the **most enrolled** in Fee-Free TAFE courses include:
 - Diploma of Nursing, with 9,610 enrolments
 - Certificate IV in Cyber Security, with 6,238 enrolments
 - Certificate IV in Training and Assessment, with 6,156 enrolments
 - Certificate IV in Accounting and Bookkeeping, with 5,719 enrolments
 - Diploma of Community Services, with 4,755 enrolments.
- To help areas of **high skills need and demand** Fee-Free TAFE has supported:
 - 29,338 enrolments in the Care sector
 - 10,261 enrolments in the Construction sector
 - 7,695 enrolments in the Technology and Digital sector
 - 4,991 enrolments in the Agriculture sector
 - 21,662 enrolments in the National and State Priority sector.
- Examples of student **savings** in 2023:
 - A student training in the Diploma of Nursing can save up to \$15,383
 - A student training in the Diploma of Community Services can save up to \$7,759
 - A student training in the Certificate IV in Cyber Security can save up to \$3,785
 - A student training in the Certificate IV in Accounting and Bookkeeping can save up to \$3,334
 - A student training in the Certificate IV in Training Assessment can save up to \$2,618.
- **Under Tranche 2 of Fee-Free TAFE** 62,800 places will be available in Victoria from 2024 to 2026.

Background

Fee-Free TAFE from 1 January 2023 to 31 March 2024			
Commonwealth Funding Commitment for Fee-Free TAFE (Tranche 1 and 2)	\$234.8 million		
Commonwealth payments for Fee-Free TAFE made to 31 March 2024	\$170.63 million		
2023 Fee-Free TAFE Tranche 1 enrolments	48,574 enrolments		
2024 Fee-Free TAFE Tranche 2 enrolments	35,462 enrolments		
Total Fee-Free TAFE enrolments since January 2023	84,036 enrolments		
Cohort Information			
	Tranche 1 (1 January 2023 – 31 December 2023)	Tranche 2 (1 January 2024 – 31 March 2024)	Cumulative (1 January 2023 – 31 March 2024)
Female	29,113	21,759	50,872
Male	19,093	13,389	32,482
Non-binary/other/unspecified	368	314	682
First Nations Australians	1,022	492	1,514
Enrolments by Other Priority Sectors			
	Tranche 1 (1 January 2023 – 31 December 2023)	Tranche 2 (1 January 2024 – 31 March 2024)	Cumulative (1 January 2023 – 31 March 2024)
Agriculture	3,127	1,864	4,991

Care	17,915	11,423	29,338
Construction	6,612	3,649	10,261
Defence	336	-	336
Early Childhood Education and Care	2,489	2,128	4,617
Hospitality and Tourism	1,368	911	2,279
Manufacturing	18	352	370
Sovereign Capability	-	61	61
National and State Priority	12,142	9,520	21,662
Technology and Digital	4,567	3,128	7,695
VET Workforce	-	2,426	2,426

TAFE Technology Fund – Tranche 1 Projects

State	Amount (\$m)	Recipient	Description
VIC	\$2.0	Holmesglen TAFE, Chadstone Campus	Cyber Security Operations Centre.
VIC	\$1.3	Box Hill TAFE, Lilydale Campus	Upgrade of Lilydale Land Sciences and Outdoor Recreation Facilities.
VIC	\$0.9	Melbourne Polytechnic, Epping Campus	Expansion of Epping Carpentry Facilities.

TAFE Technology Fund – Tranche 2 Projects

State	Amount (\$m)	Recipient	Description
VIC	\$1.95	Chisholm Institute Dandenong campus	Replace and upgrade existing equipment with computerised numerical control (CNC) and coordinated measuring machine (CMM) technology, to ensure that the equipment is up-to-date and that the delivered courses can provide students with industry 4.0 readiness and advanced production and operation techniques.
VIC	\$1.5	Victoria University Polytechnic Sunshine Campus	Procure and install specialist equipment to support delivery of advanced manufacturing training. Purchase cutting-edge machines to support the establishment of the Western Melbourne Precinct for Advanced Manufacturing Training at Victoria University.
VIC	\$0.96	Gippsland TAFE	Procure and install specialist equipment to support delivery of EV automotive training. Add to and replace key pieces of equipment and introduce Hybrid and Electric Vehicle (EV) resources. Provide electric and hybrid vehicles for training in a regional area.

Queensland

Talking Points

- From 1 January 2023 to 31 March 2024, **Queensland** has seen 84,120 students enrol in Fee-Free TAFE courses.
- In Queensland the **most enrolled** in Fee-Free TAFE courses include:
 - Certificate IV in Accounting and Bookkeeping, with 5,524 enrolments
 - Certificate III in Electrotechnology Electrician, with 5,422 enrolments
 - Diploma of Nursing, with 4,423 enrolments
 - Certificate III in Early Childhood Education and Care, with 4,012 enrolments
 - Diploma of Project Management, with 3,449 enrolments.
- To help areas of **high skills need and demand** Fee-Free TAFE has supported:
 - 15,490 enrolments in the Care sector
 - 10,954 enrolments in the Technology and Digital sector
 - 6,747 enrolments in the Construction sector
 - 4,763 enrolments in the Manufacturing sector
 - 38,036 enrolments in the National and State Priority sector.
- Examples of **student savings** in 2023:
 - A student training in the Certificate IV in Accounting and Bookkeeping can save up to \$1,510
 - A student training in the Certificate III in Early Childhood Education and Care can save up to \$1,230
 - A student training in the Certificate III in Business can save up to \$795
 - A student training in the Certificate III in Information Technology can save up to \$760
 - A student training in the Certificate III in Individual Support can save up to \$225.
- **Under Tranche 2 of Fee-Free TAFE** 43,400 places will be available in Queensland from 2024 to 2026.

Background

Fee-Free TAFE from 1 January 2023 to 31 March 2024			
Commonwealth Funding Commitment for Fee-Free TAFE (Tranche 1 and 2)	\$186.13 million		
Commonwealth payments for Fee-Free TAFE made to 31 March 2024	\$135.15 million		
2023 Fee-Free TAFE Tranche 1 enrolments	69,711 enrolments		
2024 Fee-Free TAFE Tranche 2 enrolments	14,409 enrolments		
Total Fee-Free TAFE enrolments since January 2023	84,120 enrolments		
Cohort Information			
	Tranche 1 (1 January 2023 – 31 December 2023)	Tranche 2 (1 January 2024 – 31 March 2024)	Cumulative (1 January 2023 – 31 March 2024)
Female	36,515	9,083	45,598
Male	32,147	5,107	37,254
Non-binary/other/unspecified	1,049	219	1,268
First Nations Australians	4,516	994	5,510
Enrolments by Other Priority Sectors			

	Tranche 1 (1 January 2023 – 31 December 2023)	Tranche 2 (1 January 2024 – 31 March 2024)	Cumulative (1 January 2023 – 31 March 2024)
Agriculture	1,172	383	1,555
Care	11,145	4,345	15,490
Construction	5,808	939	6,747
Defence	11	-	11
Early Childhood Education and Care	3,577	1,041	4,618
Hospitality and Tourism	1,105	322	1,427
Manufacturing	4,174	589	4,763
Sovereign Capability	23	35	58
National and State Priority	33,012	5,024	38,036
Technology and Digital	9,684	1,270	10,954
VET Workforce	-	461	461

TAFE Technology Fund – Tranche 1 Projects

State	Amount (\$m)	Recipient	Description
QLD	\$2.5	TAFE Queensland, Pimlico	Establish a Creative Arts Precinct at Pimlico TAFE campus in Townsville.
QLD	\$2.3	TAFE Queensland, Loganlea	Expand clinical laboratory spaces at the Loganlea campus of TAFE Queensland.
QLD	\$1.0	TAFE Queensland, Thursday Island	Provide a centre for students to undertake training in a space that will replicate an operational environment.

TAFE Technology Fund – Tranche 2 Project

State	Amount (\$m)	Recipient	Description
QLD	\$3.0	TAFE Queensland Acacia Ridge (Brisbane) and Bohle (Townsville) campuses	Procure and install Battery Electric Vehicle (BEV) training simulators to allow TAFE Queensland to offer blended learning models, which notably include a teacher-led BEV training of fault finding in a vehicle with a battery.

Western Australia

Talking Points

- From 1 January 2023 to 31 March 2024, **Western Australia** has seen 54,387 students enrol in Fee-Free TAFE courses.
- In Western Australia the **most enrolled** in Fee-Free TAFE courses include:
 - Certificate III in Early Childhood Education and Care, with 6,791 enrolments
 - Certificate III in Individual Support, with 5,988 enrolments
 - Diploma of Nursing, with 3,669 enrolments
 - Certificate IV in Information Technology, with 2,246 enrolments
 - Certificate IV in Work Health and Safety, with 2,221 enrolments.
- To help areas of **high skills need and demand** Fee-Free TAFE has supported:
 - 21,475 enrolments in the Care sector
 - 9,459 enrolments in the Early Childhood Education and Care sector
 - 6,112 enrolments in the Technology and Digital sector
 - 3,386 enrolments in the Hospitality and Tourism sector
 - 8,718 enrolments in the National and State Priority sector.
- Examples of **student savings** in 2023:
 - A student training in the Diploma of Nursing can save up to \$10,451
 - A student training in the IV in Information Technology can save up to \$3,928
 - A student training in the Certificate III in Early Childhood Education and Care can save up to \$3,452
 - A student training in the Certificate III in Commercial Cookery can save up to \$2,740
 - A student training in the Certificate III in Individual Support can save up to \$1,804.
- **Under Tranche 2 of Fee-Free TAFE** 22,200 places will be available in Western Australia from 2024 to 2026.

Background

Fee-Free TAFE from 1 January 2023 to 31 March 2024			
Commonwealth Funding Commitment for Fee-Free TAFE (Tranche 1 and 2)		\$96.28 million	
Commonwealth payments for Fee-Free TAFE made to 31 March 2024		\$69.57 million	
2023 Fee-Free TAFE Tranche 1 enrolments		33,946 enrolments	
2024 Fee-Free TAFE Tranche 2 enrolments		20,441 enrolments	
Total Fee-Free TAFE enrolments since January 2023		54,387 enrolments	
Cohort Information			
	Tranche 1 (1 January 2023 – 31 December 2023)	Tranche 2 (1 January 2024 – 31 March 2024)	Cumulative (1 January 2023 – 31 March 2024)
Female	23,398	14,238	37,636
Male	10,388	6,097	16,485
Non-binary/other/unspecified	160	106	266
First Nations Australians	1,666	896	2,562
Enrolments by Other Priority Sectors			
	Tranche 1 (1 January 2023 – 31 December 2023)	Tranche 2 (1 January 2024 – 31 March 2024)	Cumulative (1 January 2023 – 31 March 2024)

Agriculture	597	246	843
Care	13,580	7,895	21,475
Construction	1,184	742	1,926
Defence	343	-	343
Early Childhood Education and Care	5,596	3,863	9,459
Hospitality and Tourism	2,330	1,056	3,386
Manufacturing	137	269	406
Sovereign Capability	301	528	829
National and State Priority	6,318	2,400	8,718
Technology and Digital	3,560	2,552	6,112
VET Workforce	-	890	890

TAFE Technology Fund – Tranche 1 Projects

State	Amount (\$m)	Recipient	Description
WA	\$3.24	North Metropolitan TAFE, Midland	A training centre to teach the installation, maintenance and repair of wind turbines and rail.
WA	\$3.0	Ellenbrook Secondary College	A trade training facility teaching school students and adults hospitality and construction industries.
WA	2.0	Bentley TAFE	Upgrade commercial cookery training kitchen to a state-of-the-art commercial kitchen.

TAFE Technology Fund – Tranche 2 Project

State	Amount (\$m)	Recipient	Description
WA	\$1.1	North Regional TAFE Pundulmurra campus – South Headland	Procure and install new specialist equipment at Pundulmurra campus' existing Health Simulation Ward and establish a state-of-the-art Renal Simulation Ward located within the Health Simulation Ward.

South Australia

Talking Points

- From 1 January 2023 to 31 March 2024, **South Australia** has seen 16,212 students enrol in Fee-Free TAFE courses.
- In South Australia, the **most enrolled** in Fee-Free TAFE courses include:
 - Certificate IV in Information Technology, with 1,223 enrolments
 - Certificate III in Individual Support, with 980 enrolments
 - Certificate III in Information Technology, with 969 enrolments
 - Certificate IV in Training and Assessment, with 879 enrolments
 - Certificate III in Early Childhood Education and Care, with 688 enrolments.
- To help areas of **high skills need and demand** Fee-Free TAFE has supported:
 - 3,523 enrolments in the Care sector
 - 3,435 enrolments in the Technology and Digital sector
 - 2,063 enrolments in the Construction sector
 - 1,273 enrolments in the Hospitality and Tourism sector
 - 3,916 enrolments in the National and State Priority sector.
- Examples of **student savings** in 2023:
 - A student training in the Diploma of Information Technology can save up to \$6,231
 - A student training in the Certificate IV in Information Technology can save up to \$4,459
 - A student training in the Certificate III in Early Childhood Education and Care can save up to \$4,118
 - A student training in the Certificate IV in Cyber Security can save up to \$3,686
 - A student training in the Certificate III in Information Technology can save up to \$1,504.
- **Under Tranche 2 of Fee-Free** TAFE 15,000 places will be available in South Australia from 2024 to 2026.

Background

Fee-Free TAFE from 1 January 2023 to 31 March 2024			
Commonwealth Funding Commitment for Fee-Free TAFE (Tranche 1 and 2)	\$62.49 million		
Commonwealth payments for Fee-Free TAFE made to 31 March 2024	\$45.37 million		
2023 Fee-Free TAFE Tranche 1 enrolments	13,790 enrolments		
2024 Fee-Free TAFE Tranche 2 enrolments	2,422 enrolments		
Total Fee-Free TAFE enrolments since January 2023	16,212 enrolments		
Cohort Information			
	Tranche 1 (1 January 2023 – 31 December 2023)	Tranche 2 (1 January 2024 – 31 March 2024)	Cumulative (1 January 2023 – 31 March 2024)
Female	7,574	1,347	8,921
Male	6,183	1,069	7,252
Non-binary/other/unspecified	33	6	39
First Nations Australians	205	16	221
Enrolments by Other Priority Sectors			
	Tranche 1 (1 January 2023 – 31 December 2023)	Tranche 2 (1 January 2024 – 31 March 2024)	Cumulative (1 January 2023 – 31 March 2024)
Agriculture	725	144	869

Care	2,769	754	3,523
Construction	1,557	506	2,063
Defence	-	-	-
Early Childhood Education and Care	601	198	799
Hospitality and Tourism	1,137	136	1,273
Manufacturing	-	22	22
Sovereign Capability	233	42	275
National and State Priority	3,756	160	3,916
Technology and Digital	3,012	423	3,435
VET Workforce	-	37	37

TAFE Technology Fund – Tranche 2 Projects

State	Amount (\$m)	Recipient	Description
SA	\$2.18	TAFE SA Four mobile units operating across multiple regional locations	Lease four light commercial vehicles and purpose-built trailers and fit these out to deliver training in various fields to groups of students in regional locations. The project is targeting the industries dentistry, cybersecurity, hospitality and automotive (skills shortage industries).
SA	\$2.072	TAFE SA, located Whyalla campus, Tonsley campus and mobile unit	The Green Energy Technology Training Academy will establish hydrogen and green energy technology training hubs at TAFE SA Whyalla and Tonsley campuses, and a transportable training facility to take training to sites in regional and remote South Australia as required.

Tasmania

Talking Points

- From 1 January 2023 to 31 March 2024, **Tasmania** has seen 5,787 students enrol in Fee-Free TAFE Tranche 2 courses.
- In Tasmania the **most enrolled** in Fee-Free TAFE courses include:
 - Certificate III in Individual Support, with 1,075 enrolments
 - Assist Clients with Medication skill set, with 454 enrolments
 - Certificate III in Early Childhood Education and Care, with 355 enrolments
 - Medical terminology skill set, with 230 enrolments
 - Certificate III in Information Technology, with 217 enrolments.
- To help areas of **high skills need and demand** Fee-Free TAFE has supported:
 - 2,309 enrolments in the Care sector
 - 760 enrolments in the Agriculture sector
 - 510 enrolments in the Hospitality and Tourism sector
 - 486 enrolments in the Technology and Digital sector
 - 823 enrolments in the National and State Priority Sector.
- Examples of **student savings** in 2023:
 - A student training in the Certificate III in Early Childhood Education and Care can save up to \$2,470
 - A student training in the Certificate III in Individual Support can save up to \$1,510
 - A student training in the Certificate III in Information Technology can save up to \$1,270
 - A student training in the Medical Terminology Skill Set can save up to \$320.
- **Under Tranche 2 of Fee-Free TAFE** 4,600 places will be available in Tasmania from 2024 to 2026.

Background

Fee-Free TAFE from 1 January 2023 to 31 March 2024			
Commonwealth Funding Commitment for Fee-Free TAFE (Tranche 1 and 2)	\$19.34 million		
Commonwealth payments for Fee-Free TAFE made to 31 March 2024	\$13.97 million		
2023 Fee-Free TAFE Tranche 1 enrolments	3,255 enrolments		
2024 Fee-Free TAFE Tranche 2 enrolments	2,532 enrolments		
Total Fee-Free TAFE enrolments since January 2023	5,787 enrolments		
Cohort Information			
	Tranche 1 (1 January 2023 – 31 December 2023)	Tranche 2 (1 January 2024 – 31 March 2024)	Cumulative (1 January 2023 – 31 March 2024)
Female	1,945	1,525	3,470
Male	1,279	975	2,254
Non-binary/other/unspecified	31	32	63
First Nations Australians	255	222	477
Enrolments by Other Priority Sectors			
	Tranche 1 (1 January 2023 – 31 December 2023)	Tranche 2 (1 January 2024 – 31 March 2024)	Cumulative (1 January 2023 – 31 March 2024)
Agriculture	328	432	760
Care	1,443	866	2,309

Construction	154	163	317
Defence	-	-	-
Early Childhood Education and Care	229	126	355
Hospitality and Tourism	320	190	510
Manufacturing	-	30	30
Sovereign Capability	-	-	-
National and State Priority	480	343	823
Technology and Digital	301	185	486
VET Workforce	-	197	197

TAFE Technology Fund – Tranche 1 Projects

State	Amount (\$m)	Recipient	Description
TAS	\$1.5	Sorell Trade Training Centre	Expanding the local trade training centre in Sorell.
TAS	\$1.0	TasTAFE, Devonport	Update the spray booth equipment to reflect the modern-day work environment.

Northern Territory

Talking Points

- From 1 January 2023 to 31 March 2024, the **Northern Territory** has seen 1,867 students enrol in Fee-Free TAFE courses.
- In the Northern Territory the **most enrolled** in Fee-Free TAFE courses include:
 - Certificate III in Early Childhood Education and Care, with 115 enrolments
 - Certificate III in Civil Construction Plant Operations, with 108 enrolments
 - Certificate III in Community Services, with 102 enrolments
 - Diploma of Leadership and Management, with 90 enrolments
 - Certificate IV in Aboriginal and/or Torres Strait Islander Primary Health Care Practice, with 83 enrolments.
- To help areas of **high skills need and demand** Fee-Free TAFE has supported:
 - 373 enrolments in the Care sector
 - 216 enrolments in the Agriculture sector
 - 177 enrolments in the Construction sector
 - 146 enrolments in the Hospitality and Tourism sector
 - 787 enrolments in the National and State Priority sector.
- Examples of **student savings** in 2023:
 - A student training in the Certificate IV in School Based Support can save up to \$3,220
 - A student training in the Diploma of Leadership and Management can save up to \$2,880
 - A student training in the Certificate III in Civil Construction Plant Operations can save up to \$2,835
 - A student training in the Certificate III in Business can save up to \$1,715
 - A student training in the Food Safety Supervision Skill Set can save up to \$82.50.
- **Under Tranche 2 of Fee-Free TAFE** 2,200 places will be available in the Northern Territory from 2024 to 2026.

Background

Fee-Free TAFE from 1 January 2023 to 31 March 2024			
Commonwealth Funding Commitment for Fee-Free TAFE (Tranche 1 and 2)		\$8.71 million	
Commonwealth payments for Fee-Free TAFE made to 31 March 2024		\$6.33 million	
2023 Fee-Free TAFE Tranche 1 enrolments		1,608 enrolments	
2024 Fee-Free TAFE Tranche 2 enrolments		259 enrolments	
Total Fee-Free TAFE enrolments since January 2023		1,867 enrolments	
Cohort Information			
	Tranche 1 (1 January 2023 – 31 December 2023)	Tranche 2 (1 January 2024 – 31 March 2024)	Cumulative (1 January 2023 – 31 March 2024)
Female	922	203	1,125
Male	684	56	740
Non-binary/other/unspecified	2	-	2
First Nations Australians	808	165	973
Enrolments by Other Priority Sectors			
	Tranche 1 (1 January 2023 – 31 December 2023)	Tranche 2 (1 January 2024 – 31 March 2024)	Cumulative (1 January 2023 – 31 March 2024)

Agriculture	194	22	216
Care	305	68	373
Construction	174	3	177
Defence	-	-	-
Early Childhood Education and Care	57	80	137
Hospitality and Tourism	131	15	146
Manufacturing	-	-	-
Sovereign Capability	-	-	-
National and State Priority	731	56	787
Technology and Digital	16	8	24
VET Workforce	-	7	7

TAFE Technology Fund – Tranche 2 Project

State	Amount (\$m)	Recipient	Description
NT	\$2.5	Charles Darwin University Katherine campus	Establish a Technical Trades Training Centre in Katherine (KTTTC). The KTTTC will provide training in current and emerging skills priorities in the region, including construction, plumbing and refrigeration, electrotechnology and renewables.

Attachment B

TAFE Technology Fund Projects Tranche 1 (Election Commitments – announced pre-May 2022)

State	Amount \$million	Recipient	Description	Paid to Aug 2024 \$million
NSW	\$2.5	TAFE NSW, Wollongong Campus	Create a Renewable Energy Training facility.	\$1.75
NSW	\$2.5	TAFE NSW, Wetherill Park campus	Create an Electric Vehicles training centre Wetherill Park	\$1.75
NSW	\$2.5	TAFE NSW, Gunnedah campus	Improve Early Childhood Education at Gunnedah.	\$1.75
QLD	\$2.5	TAFE Queensland, Pimlico campus	Funding for a Creative Arts Precinct at Pimlico TAFE campus in Townsville.	\$1.75
QLD	\$2.3	TAFE Queensland, Loganlea campus	Fund the expansion of clinical laboratory spaces at the Loganlea campus of TAFE Queensland.	\$1.61
QLD	\$1.0	TAFE Queensland, Thursday Island campus	Funding to provide a centre to undertake training in a space that will replicate an operational environment.	\$0.7
TAS	\$1.5	Sorell trade training centre	Expanding the local trade training centre in Sorell.	\$1.05
TAS	\$1.0	TasTAFE, Devonport campus	Funding is to update the spray booth equipment to reflect the modern-day work environment.	\$0.7
VIC	\$2.0	Holmesglen TAFE, Chadstone campus	Cyber Security Operations Centre (CSOC).	\$1.4
VIC	\$1.3	Box Hill TAFE, Lilydale campus	Upgrade of Lilydale Land Sciences and Outdoor Recreation Facilities.	\$0.91
VIC	\$0.9	Melbourne Polytechnic, Epping campus	Expansion of Epping Carpentry Facilities for Melbourne Polytechnic.	\$0.63
WA	\$3.24	North Metropolitan TAFE, Midland campus	Funding for a training centre capable of teaching workers in the installation, maintenance and repair of wind turbines, and rail training facility.	\$2.268
WA	\$3.0	Ellenbrook Secondary College	The trade training facility, which will emphasise teaching school students and adults trades in the hospitality and construction industries.	
WA	\$2.0	South Metropolitan TAFE, Bentley campus	Funding is to deliver a state-of-the-art commercial kitchen.	\$1.4
			Total	\$17.668

Attachment B

TAFE Technology Fund Projects Tranche 2 (Announced from April 2024)

State	Amount \$million	Recipient (announcement date)	Description	Paid to Aug 2024 \$million
ACT	\$3.2	Canberra Institute of Technology Fyshwick campus (6 May 2024)	Retrofitting of an existing automotive workshop at the CIT Fyshwick Campus for electronic vehicles. Procurement of the practical learning training materials and equipment as part of the development of a fit-for-purpose classroom.	
NSW	\$3.2	TAFE NSW St Leonards campus (4 April 2024)	Design, procurement and installation of an LED Volume (LED Wall) into an existing TV studio and for portable use. This provides 8m X 5m LED wall plus 2.5m X 5m extension and floor and portability.	
NT	\$2.5	Charles Darwin University Katherine campus (9 July 2024)	Establish a Technical Trades Training Centre in Katherine. The centre will provide training in current and emerging skills priorities in the region, including construction, plumbing and refrigeration, electrotechnology and renewables.	
QLD	\$3.0	TAFE Queensland Acacia Ridge (Brisbane) and Bohle (Townsville) campuses (13 June 2024)	Procure and install Battery Electric Vehicle (BEV) training simulators to allow TAFE Queensland to offer blended learning models, which notably include a teacher-led BEV training of fault finding in a vehicle with a battery.	
SA	\$2.18	TAFE SA Four mobile units operating across multiple regional locations (3 May 2024)	Lease four light commercial vehicles and purpose-built trailers and fit these out to deliver training in various fields to groups of students in regional locations. The project is targeting the industries dentistry, cybersecurity, hospitality and automotive.	
SA	\$2.072	TAFE SA, located Whyalla campus, Tonsley campus and a mobile unit (Not yet announced)	The Green Energy Technology Training Academy will establish hydrogen and green energy technology training hubs at TAFE SA Whyalla and Tonsley campuses, and a transportable training facility to take training to sites across South Australia.	
VIC	\$1.95	Chisholm Institute Dandenong campus (20 May 2024)	Replace and upgrade existing equipment with computerised numerical control (CNC) and coordinated measuring machine (CMM) technology, to ensure that the equipment is up-to-date and that the delivered courses can provide students with industry 4.0 readiness.	
VIC	\$0.96	Gippsland TAFE, – Bairnsdale, Warragul, Leongatha, Port of Sale and Yallourn campuses (29 April 2024)	Installing specialist equipment to support delivery of EV automotive training. Provide electric and hybrid vehicles for training in a regional area.	
VIC	\$1.5	Victoria University Sunshine campus (16 April 2024)	Procure and install specialist equipment to support delivery of advanced manufacturing training. Purchase cutting-edge machines.	
WA	\$1.1	North Regional TAFE Pundulmurra campus – South Headland (8 July 2024)	Procure and install new specialist equipment at Pundulmurra campus' existing Health Simulation Ward and establish a state-of-the-art Renal Simulation Ward.	
			Total	-

Attachment B

Distribution of Projects by Tranche and Jurisdiction

Jurisdiction	Tranche 1 Projects	Tranche 2 Projects	Total Projects
Australian Capital Territory	–	1	1
New South Wales	3	1	4
Northern Territory	–	1	1
Queensland	3	1	4
South Australia	–	2	2
Tasmania	2	-	2
Victoria	3	3	6
Western Australia	3	1	4
Total	14	10	24

Question Time Brief – Skills and Training

QB24-000005

Last Updated by Department: 30 August 2024

VET Student Loans IT Issues**HEADLINE**

- The government implemented a suite of mitigations to address the impacts for students of VET student loans (both VET Student Loans and VET FEE-HELP) that were delayed in transferring to students' Australian Taxation Office (ATO) accounts.

TALKING POINTS

- The government is determined to put the wellbeing of students first.
- This is why we have waived all historical indexation related to loans that were delayed in being transferred to the ATO and waived the oldest loan debts (from before 2017) in their entirety, due to the issues preventing these students from accessing assistance.
- Only a very small number of students with a VET loan have been affected by this issue.
- The government has resolved this issue for all but 42 of the 17,856 students who were affected by this delayed transfer of VET loans.
- On 1 July 2024, the last of the affected loans were transferred to students' ATO accounts, where appropriate indexation waivers will be applied.
- 42 students still require total loan reversal/waivers for loans in the department's system that will not be transferred to the ATO. These are expected to be applied in late September 2024 by the department.
- The department has:
 - corresponded directly with all affected students via email, letter and SMS, as their loans have transferred to the ATO.
 - published regular updates to its website, including information about the financial remedies, advice for students about how to check their loan, and a direct enquiry channel to the department.
 - worked with a range of stakeholders, including the Ombudsman and the ATO, to ensure a student-centred approach was delivered.
 - issued a statement of apology to the students affected by the issue after concluding the transfer of affected loans to students' ATO accounts and individually contacting all negatively impacted students.

Contact Officer: Kathy Dennis, Assistant Secretary **Telephone:** s 22(1)

Question Time Brief – Skills and Training

QB24-000005

Last Updated by Department: 30 August 2024

- An independent review found the main cause of the delayed loan transfer was the existing VET Student Loans IT system which was developed as an interim solution for two years but continues to be used.
- The government committed \$42.2 million to deliver a modernised, fit-for-purpose VET Student Loans IT System to respond to the review's recommendations. It will address the risks and limitations of the current, outdated IT system. A modern system will ensure students have visibility of their loan debts, and providers receive correct and timely payments.

KEY FACTS & STATS

- A number of historical VET Student Loans (VSL) and VET FEE-HELP (VFH) loans were delayed in transferring to students' ATO accounts.
- 17,856 students were affected by the delayed transfer of the VET loan records.
- This represents a very small number (less than 3%) of all 612,329 students (as at 7 August 2024) who have incurred a VSL and/or VFH loan.

IF ASKED

Could this issue happen again?

- An independent review found the main cause of the delayed loan transfer was the existing VET Student Loans IT system which was developed as an interim solution for two years but continues to be used.
- The government has committed \$42.2 million to deliver a modernised, fit-for-purpose VET Student Loans IT System which will address the risks and limitations of the current, outdated IT system.
- A modern VET Student Loans IT system will ensure students have visibility of their loan debts, and providers receive correct and timely payments.

Is it fair that students are required to repay these loans now, at a time of heightened economic pressure?

- These are income contingent loans.
- Students are required to agree to their loan debts when they enrol. The debts are outlined in the FEE Notice and Commonwealth Assistance Notice provided to the student.

Question Time Brief – Skills and Training

QB24-000005

Last Updated by Department: 30 August 2024

- Every effort has been made to individually contact every impacted student to provide information on any relief applied to their debt and steps they can take if they have concerns.
- To mitigate any financial impact for students, the government has waived indexation for the period the loan was delayed in the department's IT system and waived the oldest of loan debts (from before 2017) in their entirety.
- Repayments are made when a person earns above the compulsory repayment threshold, which is \$51,550 for the 2023-24 financial year.
- If a student believes that making their compulsory repayment would cause them serious hardship, they can apply to the ATO to defer or amend their compulsory repayments or enter into a payment plan for their income tax debts.

Are these debts putting further pressure on students with costs of living pressures?

- A person's assessment for compulsory repayments of their VET Student Loans or VET FEE-HELP loan is based on their taxable income for the relevant financial year and the debt reported on their ATO loan account at the time of lodging their tax return.
- Repayments are made when a person earns above the compulsory repayment threshold.
- For the 2023-24 financial year, a person needs to have earned \$51,550 before they start repaying their loan.
- The exact amount is reconciled when they submit their tax return and all of their tax repayments are taken into consideration.
- If a person is experiencing financial difficulty, they can apply to the ATO to defer or amend their compulsory repayments, or they may be able to set up a payment plan to pay down their tax debt.

Question Time Brief – Skills and Training**BACKGROUND**

- In August 2022, the department identified that a small number of historical VET FEE-HELP (VFH) and VET Student Loans (VSL) had been delayed from transferring from the department's IT systems to students ATO accounts.
- The department notified all students and training providers affected by this issue and investigated avenues to address any unintended outcomes for students as a matter of priority.
- The department took immediate steps to implement a manual reconciliation process between the IT systems to ensure records pending in the systems are identified immediately.
- In addition, the department commissioned an independent review of the issue, which found the main cause of the delayed loan transfer was the existing, outdated VSL IT system.
- In late-2022 and under Budget 2023-24, the government agreed to a suite of mitigation measures for students, including:
 - Waiving of historical indexation for the period loans were delayed from transferring to students' ATO account.
 - Waiving affected VFH debts for study prior to 2017. This recognises the age and extended delay in identifying these records in the department's IT system, and potential difficulty for these students to meet evidentiary requirements to access assistance.
 - Extending VFH Student Redress measures by 12 months to 31 December 2023 to assist students who may have been impacted by inappropriate conduct by their provider. These measures provide a remedy to students who, due to the inappropriate conduct of the VET provider, incurred debts under the VFH Scheme.
- The department has worked with a range of stakeholders, including the Ombudsman and the ATO during its response to this matter, to ensure a student-centred approach was delivered.
- The department issued an apology statement in July 2024 after concluding the transfer of affected loans to students' ATO accounts and individually contacting all negatively impacted students.
- The government has invested \$42.2 million over 4 years (2023–24 to 2026–27) to build the first phase of a new VSL IT system (under Budget 2023–24). The fit-for-purpose VSL IT System will address the risks and limitations of the current, outdated IT system. It will ensure students have visibility of their loan debts, and providers receive correct and timely payments.

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Question Time Brief – Skills and Training

QB24-000005
Last Updated by Department: 30 August 2024

s 22(1)

Contact Officer: Kathy Dennis, Assistant Secretary **Telephone:** s 22(1)

Question Time Brief – Skills and Training

QB24-000006

Last Updated by Department: 04 September 2024

ASQA and Compliance**HEADLINE**

- The Australian Government is committed to strengthening the integrity and quality of the VET sector.

TALKING POINTS

- Recent amendments to the *National Vocation Education and Training Regulator Act 2011* ensure the National VET Regulator, the Australian Skills Quality Authority (ASQA), has the necessary regulatory tools to take swift action to address integrity risks posed by non-genuine or unscrupulous registered training organisations (RTOs) and lift quality across the VET sector.
- These amendments build on the Government’s \$37.8 million investment supporting the establishment of an integrity unit within ASQA, upgrade of ASQA’s digital and data systems and a tip-off line to report egregious registered training organisation (RTO) conduct. This work is well underway.

KEY FACTS & STATS

- On **3 October 2023**, the Government announced measures to improve the integrity of Australia’s VET sector. This included **\$37.8 million** to support the capability and capacity of national VET regulator ASQA, to strengthen its regulatory activities.
- On **29 March 2024**, amendments to the *National Vocational Education and Training Regulator Act 2011* came into force.
- Since ASQA’s VET tip-off line was launched in October 2023, ASQA has received more than **2,119 tip-offs**, with more than 62% providing actionable intelligence.
- Between July 2023 and June 2024, **ASQA imposed sanctions on 83 RTOs** to cancel or not renew registration.
- In relation to the recent amendments to the *National Vocational Education and Training Regulator Act 2011* and the implementation of lapsing provisions, as at 20 August 2024, **over 150 providers’ registration lapsed**.

IF ASKED

What is the Government’s response to the reports of unscrupulous behaviour in the VET sector (i.e. “Shifty VET providers” and the Nixon Review)?

- The government is taking action to lift quality and integrity in our VET system.
- We are working to identify and remove the minority of RTOs in the sector who are not genuine providers, and who engage in unscrupulous conduct to prey on vulnerable students.
- We have provided the Regulator (the Australian Skills Quality Authority, or ASQA) with the necessary powers to tackle non-genuine or unscrupulous RTOs operating, or seeking to operate, in the VET sector.
- On 29 March 2024, amendments to the National Vocational Education and Training Regulator Act 2011 came into force. The changes empower ASQA to take swift action to deter and remove non-genuine or unscrupulous RTOs and apply greater scrutiny to new RTOs.
- The strengthened requirements and scrutiny on RTOs in the amendments are crucial to protect students and ensure quality outcomes for employers.
- This builds on work underway, including our significant investment of \$37.8m to establish an Integrity Unit in ASQA; upgrade ASQA’s digital and data systems and create a tip-off line to address threats to integrity.
- We have also strengthened the Fit and Proper Person Requirements to better scrutinise those in management positions in RTOs. These reforms tighten the regulatory requirements on prospective and established RTOs to ensure they are committed to quality VET outcomes.
- I will continue to engage closely with my colleague the Hon Jason Clare, Minister for Education, and with my state and territory colleagues to strengthen integrity across the VET sector.

What compliance action is ASQA taking following recent Government investment and new legislative powers to improve integrity in VET?

- Since the VET tip-off line was launched in October 2023, ASQA has received more than 2,119 tip-offs, with more than 62% providing actionable intelligence.

Question Time Brief – Skills and Training

- More than half of all tip-offs relate directly to RTOs providing training to international students.
- Between July 2023 and June 2024, ASQA imposed sanctions on 83 RTOs to cancel or not renew registration. 33 of these were RTOs providing training to international students.
- In the month of June ASQA issued two infringement notices to non-RTOs for marketing breaches, under s123B of the *National Vocational Education and Training Regulator Act 2011* (NVETR Act) – advertising or offering VET course without identifying issuer of VET qualification or statement of attainment. This conduct has occurred since the increased penalty amounts come into effect resulting in the infringement amounts being \$18,780 for each non-RTO.
- In relation to the recent amendments to the NVETR Act and the implementation of lapsing provisions, as at 20 August 2024, over 150 providers' registration lapsed.
- This targets the integrity risk posed by dormant Registered Training Organisations (RTOs).
- ASQA has made the decision to extend the measurement period for 132 providers.

Question Time Brief – Skills and Training**BACKGROUND**

- Under the *National Vocational Education and Training Regulator Act 2011* (NVETR Act) the VET Quality Framework consists of the:
 - Standards for RTOs – the Standards describe the requirements that RTOs must meet in order to be registered and ensure that training delivery meets industry requirements, and that RTOs operate ethically, considering the needs of both students and industry.
 - Australian Qualifications Framework (AQF) - is the national policy for regulated qualifications in Australian education and training. It incorporates the qualifications from each education and training sector into a single national qualifications framework.
 - Fit and Proper Person Requirements – outline the criteria for assessing the application of those who apply for registration as an RTO.
 - Financial Viability Risk Assessment Requirements - set out details of the financial viability risk assessment of RTOs.
 - Data Provision Requirements - set out the requirements for RTOs in relation to the submission of data to ASQA, upon request, and to submit quality indicator data annually.
 - Quality Standards – a mechanism within the NVETR Act to provide powers to the Commonwealth Skills Minister to enable government to quickly address emerging issues and manage risk to students, employers and the sector should the need arise. To date, no Quality Standards have been made.

ASQA Compliance Enforcement Action

Compliance enforcement 2023-24 to end Quarter 4	Total	CRICOS
• written directions	345	79
• conditions on registration	22	14
• sanctions to suspend registration	20	11
• sanctions to amend scope of registration	2	2
• sanctions to cancel registration in full or not renew registration	83	52
• infringement notices	201	30
• criminal prosecutions	2	
<i>These decisions were made with respect to this number of providers:</i>	675	91

s 22(1)

Question Time Brief – Skills and Training

QB24-000006

Last Updated by Department: 04 September 2024

s 22(1)

Question Time Brief – Skills and Training

QB24-000007

Last Updated by Department: 02 September 2024

Apprenticeships - Overview**HEADLINE**

- Apprenticeships are critical to delivering a skilled workforce that will drive inclusive and sustainable growth to meet Government's key priorities, including transitioning to net zero, building more houses, and a future made in Australia.

TALKING POINTS

- At the present level of apprenticeship commencements and completions, Australia will not have enough skilled workers to meet future demand. That is why the Government has:
 - Commissioned a review of the Australian Apprenticeship Incentives System, to provide advice on how to maximise apprentice attraction, retention and completions
 - committed an additional \$265.1 million to rebalance support to apprentices and employers working in priority occupations
 - rolled out a new Australian Apprenticeship Support Services model delivering strengthened support for apprentices who are at the highest risk of non-completion
 - invested \$1.8 million over four years to provide support for small and medium businesses taking on clean energy, construction and manufacturing apprentices through access to Group Training Organisations
 - invested \$26.4 million over two years for the pre-Apprenticeships – Trade Experience Program, working with states and territories to deliver approximately 5,000 places in pre-apprenticeship programs.

Policy Response – Strategic Review of the Australian Apprenticeships Incentive System (Department)

- The Hon. Iain Ross AO and Ms Lisa Paul AO are leading a Strategic Review of the Australian Apprenticeships Incentive System.

- The Review will examine the effectiveness of incentives and other non-financial supports designed to optimise completion rates and address skill shortages.
- The Review findings will inform longer-term policy settings aligned with Government priorities in the Employment White Paper including a focus on meeting net zero targets, care and digital skills needs.
- The Review **accepted written submissions** and has concluded national **online and face to face consultations**. The Reviewers will report to me imminently.

Policy Response: 2024-25 Apprenticeship Budget measures (Department)

Phase 2 settings of the Australian Apprenticeship Incentive System

- The Government is committing an additional \$265.1 million to rebalance support to apprentices and employers working in priority occupations.
- Changes to the Incentive System were scheduled by the previous government from 1 July 2024. Had these changes gone ahead, they would have reduced support for employers to well below pre-pandemic levels and resulted in apprentices getting less financial support.
- Under the revised system:
 - Apprentices training in priority occupations are eligible for \$5,000 to assist with cost-of-living and incentivise them to finish their training
 - Payments are front-loaded to provide support when it is needed most
 - Employers taking on apprentices in priority occupations are eligible for \$5,000 to help subsidise the cost of employing an apprentice.

New Energy Apprenticeships Program eligibility changes

- As part of the Government's Powering Australia Plan, the Government is supporting **10,000 New Energy Apprenticeships**. Apprentices training in New Energy industries may receive payments of **up to \$10,000** over the duration of the apprenticeship.
- The eligibility settings for Phase 2 of the program commenced on 1 June. Eligibility expanded to include a broadened definition for clean energy.

- Industry told us that employers require a broadening of the eligibility to attract even more people into this field and assist with ongoing workforce planning.

KEY FACTS & STATS

- I am pleased to see continuing strong in-training numbers for apprenticeships, as reported by the National Centre for Vocational Education Research.
 - This reflects the importance of apprenticeship pathways to provide the workforce skills we need now and into the future.
- As at 31 December 2023 there were 343,640 apprentices in training, with the majority (69.1 per cent or 237,460) in trade occupations. The apprenticeship numbers were only slightly lower than the peak of the Boosting Apprenticeship Commencements (BAC) COVID measures and are well above the same time in 2019.
- Further, the NCVET report shows that a total of 35,240 people began an apprenticeship in the three months to December 2023.
 - This is a 22.7 per cent increase compared with the three months to December 2019 (28,710), immediately prior to the pandemic.
 - The increase is strong for trades with 17,010 commencements, up 37.3 per cent in the December 2023 quarter compared to December 2019 (12,390).
- However, across all apprenticeship types the proportion of apprentices completing their apprenticeship has been in steady decline since 2013 to the current rate of 55.8 per cent.

IF ASKED

Are you on track to achieve 10,000 New Energy Apprenticeships?

- As at 31 August 2024, there have been **3,135** apprentices approved in the New Energy Apprenticeships Program.
- Eligibility settings for Phase 2 of the program were adjusted in response to industry feedback. These changes commenced 1 June 2024 and ensure we are supporting apprentices build the skills required for a clean energy future.

IF ASKED**Is the government ‘fattening up’ the renewable workforce by expanding eligibility and making qualifications such as Pork Production eligible for a New Energy Apprenticeship?**

- Since January 2023, 100 Australian Apprentices have enrolled in a Certificate III of Pork Production.
 - To date, no apprentices enrolled in a Certificate III of Pork Production have been assessed as eligible to receive the New Energy Apprenticeship Support Payment.
- A Certificate III in Pork Production has been mapped to the occupational outcome of Agricultural and Agritech Technician since commencement of the New Energy Apprenticeship Program in January 2023.
- The New Energy Apprenticeship Program was designed in two phases, with eligibility settings for phase 2 to be informed by the Jobs and Skills Australia clean energy workforce capacity study, *The Clean Energy Generation – Workforce needs for a net zero economy*, and consultation with industry.
- Industry advised that employers required a broadening of eligibility to attract more people into clean energy and provide certainty for workforce planning. The changes responded to this feedback.
- Updated eligibility removed the requirement for apprentices to work exclusively in clean energy, whilst retaining a clean energy skilling purpose for the apprenticeship. There were no changes to the list of eligible occupations.

BACKGROUND

- s 22(1)
- On 19 February 2024, a Strategic Review of the Australian Apprenticeships Incentive System was announced. The announcement received support from stakeholders including the Australian Council of Trade Unions, Australian Industry Group, Master Builders Australia, National Electrical and Communications Association, National Apprentice Employment Network, Independent Tertiary Education Council Australia, and Electrical Trades Union. The announcement received national media coverage. The Coalition responded that the 15 May 2024 closure of written submissions to the Review suggested there would be no new structural supports for apprentices and trainees in the Budget, and that they would have to await further direction on supports and incentives.
- On 3 May 2024, changes to the New Energy Apprenticeships Program were announced. The changes broaden the eligibility to respond to issues raised by industry during consultations about issues facing key sectors as they transition to clean energy and adapt to new technology.
- On 14 May 2024, as part of the 2024/25 Budget, changes to the Australian Apprenticeships Incentive System were announced partially reversing scheduled cuts to incentive payments to apprentices and their employers in priority occupations
- On 26 August 2024, Deputy Leader of the Opposition, The Hon Sussan Ley MP released a statement to the media criticising eligibility requirements for the New Energy Apprenticeship Program, specifically for apprentices in Pork Production. The media release accused the government of loose policy settings and artificially boosting numbers by broadening eligibility.

Question Time Brief – Skills and Training

PDR NoQB24-000043

Last Updated by Department: 05 September 2024

The National Skills Agreement**HEADLINE**

- The National Skills Agreement (NSA) is the Australian Government’s landmark agreement with states and territories to boost investment in Australia’s Vocational Education and training (VET) system over the next 5 years and ensure Australia has the skilled workforce it needs now and into the future.

TALKING POINTS

- Under the NSA, the Commonwealth Government will provide up to \$12.6 billion over 5 years, representing an additional \$3.7 billion investment in the skills system from previous funding levels.
 - \$1,433.0 million in flexible funding and \$13.6 million in policy initiative funding has been paid to states and territories since the NSA commenced on 1 January 2024 (to the end of August 2024).
- The NSA will deliver a skilled Australian workforce with TAFE at the heart of the VET sector. It will support access for all to the education, training and assistance they need to participate and prosper in the modern economy.
- The NSA represents a fundamental shift in the way governments work together to address shared challenges and opportunities and work towards agreed national priorities, while preserving flexibility for states to align local skills supply with demand.
- The TAFE Centres of Excellence policy initiative is central to delivering a reinvigorated VET sector through the NSA. The first five TAFE Centres of Excellence have been announced in the ACT, Western Australia, Queensland, South Australia and New South Wales (as at 5 September). The Government is investing:
 - \$9.66 million, to be matched by the ACT Government, to establish Australia’s first TAFE Electric Vehicle Centre of Excellence and a further \$4.8 million to accelerate creation of the Centre
 - \$32.75 million, to be matched by the WA Government, to establish the Clean Energy Skills National Centre of Excellence and an additional \$5 million to fast track its establishment
 - \$15.00 million, to be matched by the Queensland Government, to establish the Queensland TAFE Centre of Excellence – Health Care

- and Support and an additional \$5.0 million to fast-track its establishment
- \$11.51 million, to be matched by the SA Government, to establish the TAFE SA Centre of Excellence in Early Childhood Education and Care and an additional \$5.0 million to fast track its establishment.
- \$26.98 million, to be matched by the NSW Government, to establish the Western Sydney Advanced Manufacturing Centre of Excellence.
- All other jurisdictions are working on applications for Centres of Excellence and more announcements will be made soon.

KEY FACTS & STATS

Commonwealth funding totalling up to \$12.6 billion under the NSA includes:

- up to \$11.3 billion in *flexible funding* to support state and territory skills systems
- a further \$1.3 billion to *implement key policy initiatives*, including:
 - \$325 million to establish nationally networked **TAFE Centres of Excellence** and strengthen collaboration between TAFEs, universities and industry (requires matched contribution from states)
 - \$100 million to support, grow and retain a **quality VET workforce** (requires matched contribution from states)
 - \$155 million to establish a **National TAFE Network** fostering collaboration among TAFE teachers and administrators and enhancing teaching and learning (requires matched contribution from states)
 - \$214 million for **Closing the Gap initiatives** to be designed in partnership with First Nations peoples (requires matched contribution from states)
 - \$250 million to improve **VET student outcomes, including completions**, particularly for cohorts who face completion challenges (requires matched contribution from states)
 - \$142 million to improve **foundation skills training** capacity, quality and accessibility
 - \$116 million to improve **VET evidence and data**.

- **States will need to contribute \$21.6 billion** of their own funding to access the maximum available Commonwealth funding, bringing the total potential investment in the VET system by all governments to over \$30 billion.

IF ASKED

Why is it taking so long to progress the policy initiatives?

- The Commonwealth is working collaboratively with the states to negotiate arrangements for the policy initiatives under the NSA. There has been significant progress in a number of areas, particularly TAFE Centres of Excellence, and further announcements are expected soon.

Why isn't [specified industry or cohort] included as a national priority under the NSA?

- The eight national priorities have been agreed by all skills ministers as requiring early focused efforts to address critical skills and workforce shortages and ensure all Australians have pathways to gain the skills needed to participate in the workforce and society more broadly.
- The national priorities will be reviewed regularly by the Skills and Workforce Ministerial Council and may be changed to address new and emerging needs.

BACKGROUND

- Under the NSA, all governments have committed to ongoing and **meaningful engagement with the VET sector, tripartite leadership** structures such as Jobs and Skills Australia and Jobs and Skills Councils, as well as with **First Nations organisations** and communities.
- **National priorities** are areas all governments have agreed require focused effort to address critical skills and workforce shortages. The national priorities are:
 - gender equality
 - Closing the Gap
 - supporting the Net Zero transformation
 - sustaining essential care services
 - developing Australia’s sovereign capability and food security
 - ensuring Australia’s digital and technology capability
 - delivering reforms to improve the regulation of VET qualifications and quality and
 - delivering housing supply (added on 8 March 2024).
- The NSA introduces a step-change in governments’ approach to delivering on **Closing the Gap commitments** for skills, with dedicated investment and concrete action to ensure that the design and delivery of VET for first Nations people is in full and genuine partnership.
- The Commonwealth has worked closely with states and territories to finalise a **National Skills Plan** to describe how the vision and ambitions of the NSA will be delivered. The Plan is currently awaiting release.
 - All jurisdictions will publish **Jurisdictional Action Plans**, detailing how they will deliver on the National Skills Plan and the agreed outcomes and priorities of the NSA, by November 2024.
- Commonwealth and state and territory officials are working closely on the development of **implementation plans to support the delivery of the policy initiatives** under the National Skills Agreement.

s 22(1)

Question Time Brief – Skills and Training**Timeline**

- On **20 July 2022**, Skills Ministers agreed to reset negotiations on the NSA. Under the previous government, National Cabinet committed to a new NSA being finalised in the first half of 2022. However, governments were unable to reach agreement and negotiations had stalled.
- On **31 August 2022**, First Ministers agreed to commence work on a new long-term NSA and endorsed the vision statement and guiding principles.
- On **27 April 2023**, Minister O'Connor announced an extra \$3.7 billion for the 5-year NSA, in addition to \$400 million for a further 300,000 Fee-Free TAFE and vocational education places.
- On **25 August 2023**, Skills Ministers reaffirmed governments' shared commitment to the NSA commencing on 1 January 2024, and agreed the NSA would embed a model for shared national stewardship.
- On **17 October 2023**, First Ministers endorsed the new National Skills Agreement.
- The NSA commenced **1 January 2024**.
- On **8 March 2024**, Skills Ministers agreed to add Delivering Housing Supply to the national priorities, bringing the total to eight.
- **Ongoing:** Commonwealth and state and territory officials are working closely on the development of an inaugural National Skills Plan to describe how the vision and ambitions of the NSA will be delivered.
- **Ongoing:** Commonwealth and state and territory officials are working closely on the development of implementation plans to support the delivery of the policy initiatives.
 - Assessment of applications for additional funding of up to \$31.6 million through the Turbocharging TAFE Centres of Excellence measure to support rapid establishment and development of higher apprenticeships, is also underway.

Question Time Brief – Skills and Training

QB24-000072

Last Updated by Department: 13 August 2024

Last Updated by Adviser: XX Month YYYY

Government-Funded Vet Students and Courses 2023**HEADLINE**

- Annual NCVET publication on Government-funded VET students and courses 2023.

TALKING POINTS

- The NCVET published the Government-funded students and courses 2023 report on 10 July 2024.

KEY FACTS & STATS*Fee-Free TAFE and the National Skills Agreement*

- Through Fee-Free TAFE, the Commonwealth Government has partnered with states and territories to deliver over \$1.5 billion funding for 500,000 Fee-Free TAFE and VET places across Australia over 2023 to 2026.
- Fee-Free TAFE supports training places in areas of high demand and skills need and supports students by removing financial barriers to study.
- Fee-Free TAFE commenced on 1 January 2023 in line with the commencement of the National Skills Agreement.

Government-funded students at TAFE

- This report on government funded training activity includes training up until 31 December 2023. Activity from the Fee-Free TAFE program is just a subset of overall government funded students. Those funded through the Fee-Free TAFE program cannot be identified or isolated through the government-funded or TVA data.
- The report does, however, show an increase in the take up of government funded TAFE. In 2023, compared to 2022 there were:
 - 50,000 more government funded TAFE students
 - 47,000 more government funded TAFE qualification enrolments
 - 94,000 more government funded TAFE qualification commencements
 - 15.5 million more hours undertaken in government funded TAFE, of which 14 million were in qualifications.

Completions of Certificate IV in plumbing

- The *Certificate IV in Plumbing and Services* course is designed for registered plumbers and final year apprentices, who undertook *Certificate III in*

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Last Updated by Department: 13 August 2024

Last Updated by Adviser: XX Month YYYY

Plumbing and Services, looking to extend their technical skills and knowledge. It is a pathway to becoming a licensed plumber.

- Victorian Students use the *Certificate IV in Plumbing and Services* to top up a small number of units of competency needed to apply for a plumbing licence or attend their business needs.
- The top 3 most studied units in *Cert IV in Plumbing and Services* – are in the Victorian Building Authority (VBA)'s prescribed list of 5 common units for licencing approval:
 - Carry out work-based risk control processes
 - Estimate and cost work
 - Establish legal and risk management requirements of small business / new business ventures
- Plumbers enrol in this course to access the small number of units required for licensing, not the full course. The outcome of this is more licensed plumbers in Victoria, which meets a critical need.

Fee-Free TAFE completion rates

- In 2023, states and territories reported 56,288 completions, representing a completion rate of around 16%.
- While there is a relatively low number of completions, this is due to a number of reasons, including:
- Most courses supported by Fee-Free TAFE are full qualifications (89%) at Certificate III and above
- These courses take longer to complete, up to 3 years (with full time study)
- Students are at different stages of progress
- Enrolments include a mix part-time and full-time qualifications.
- Additionally, to support completions under tranche 1, the Commonwealth and states and territories also invested \$47.3 million into Fee-Free TAFE student support in 2023. This will enable additional wraparound student supports to enhance access to training and improve completions.

NCVER student outcomes data

- There is data on the objectives and achievements of VET students in the [VET student outcomes 2023 \(ncver.edu.au\)](https://www.ncver.edu.au/publications/vet-student-outcomes-2023) publication. This data is for students who were studying a VET course during 2022 and was collected by survey in June and August 2023. It is not Fee-Free TAFE specific.
- As reported in 2023, the most common reason for undertaking training for:
 - qualification completers was 'to get a job', at 23.2%

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QB24-000072

Last Updated by Department: 13 August 2024

Last Updated by Adviser: XX Month YYYY

- qualification part-completers was 'to get a job' and 'it was a requirement of my job', at 18.8% and 18.4% respectively
- short course completers, short course part-completers and subject(s) only completers was 'it was a requirement of my job', at 30.3%, 47.5% and 50.8%, respectively.
- As reported in 2023:
 - 88.1% of qualification completers achieved their main reason for training, up 0.9 percentage points from 2022
 - 77.2% of part-completers achieved their main reason for training, similar to 2022.

IF ASKED**Why were there 12,000 fewer students at TAFE in 2023 compared to 2020?**

- VET consists of qualifications, short courses, and subjects outside of a program.
- In 2020, there were many students who received government funding to undertake short courses during the COVID-19 pandemic, whereas in 2023, there were many more TAFE students who studied a full qualification.
- The apparent drop of 12,000 government-funded students at TAFEs from 2020 to 2023 was an anomaly in response to the pandemic which saw an increase of 70,000 enrolments in online short-courses.

Why are the government-funded data from NCVER's 'Government-funded students and courses' and 'Total VET students and courses' different?

- The Government-funded students and courses publication reports on government-funded VET activity both nationally recognised and non-nationally recognised delivered by registered and non-registered training organisations.
 - It does not include VET delivered overseas and VET delivered in schools as part of a senior secondary certificate.
 - It does not cover training that has not yet started (which is referred to as 'enrolments' in Fee-Free TAFE reporting).
- The Total VET students and courses includes both government-funded and fee-for-service VET activity, as well as VET in schools. It only includes nationally recognised training delivered by RTOs.

What is the impact of government funding in VET for the Government's key skills priority areas?

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QB24-000072

Last Updated by Department: 13 August 2024

Last Updated by Adviser: XX Month YYYY

Training in priority areas

- There were more than 512,000 government-funded qualification enrolments in areas of skills shortages in 2023, an increase of 27% over 2019.
- There were more than 57,000 government-funded program enrolments in the *Certificate III in Individual Support*, an increase of 16% over 2019.
- There were more than 55,000 government-funded program enrolments in the *Certificate III in Early Childhood Education and Care*, an increase of 66% over 2019.
- There were more than 45,000 government-funded program enrolments in the *Certificate III in Electrotechnology Electrician*, an increase of 37% over 2019.

Training for priority groups

- There were more than 88,000 government-funded First Nations students in 2023, an increase of 6% over 2019.
- There were more were 110,000 government-funded students with disability in 2023, an increase of 2% over 2019.
- There were more than 297,000 government-funded students in low socio-economic areas in 2023, an increase of 8% over 2019.
- Gender gaps in male-dominated fields of education continue to decrease.

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BACKGROUND

- The National Centre for Vocational Education Research (NCVER) is the national body responsible for collecting, managing, analysing, and communicating research and statistics on the Australian vocational education and training (VET) sector.

Contact Officer: SIMON BOOTH, FIRST ASSISTANT SECRETARY, PPID **Telephone:** s 22(1)

Question Time Brief – Skills and Training

QB24-000072

Last Updated by Department: 13 August 2024

Last Updated by Adviser: XX Month YYYY

- This annual report focuses on domestic training activity that has benefitted from state/territory and/or Australian Government funding. It does not provide a snapshot of the whole VET market. For instance, in 2022, there was a total of 4.5 million VET students overall, with government funded students representing about 26.4% of the market or 1.2 million students.
- The major NCVET data source for all nationally recognised training is Total VET students and courses, also known as Total VET Activity (TVA). The 2023 TVA publication is scheduled to be released by NCVET in September 2024.
- Key differences between the government funded report and TVA are:
 - The government funded publication includes government-funded activity only, includes non-nationally recognised training, and excludes VET in schools. Consequently, TVA is generally the preferred data source for total and government-funded VET activity
 - Not all VET students receive government funding to undertake VET courses (domestic and international students can undertake fee-for-service training). These other students are covered by TVA.

Question Time Brief – Skills and Training

QB24-000077

Last Updated by Department: 9 September 2024

Last Updated by Adviser: XX Month YYYY

International Education and Skills Strategic Framework**HEADLINE**

- The Albanese Government is strengthening the integrity and sustainability of the international education sector.
- The Government is getting the balance right so the VET sector can grow sustainably into the future, and deliver positive experiences for international students that provide opportunities to train alongside Australian students.

TALKING POINTS

- Managed growth will provide predictability and certainty for international education providers and will safeguard the quality of Australia's international education offerings, providing better support for students looking to study in Australia.
- To achieve this, the Australian Government is setting a National Planning Level, for the calendar year 2025. This planning level will see 270,000 new overseas student commencements.
- These new overseas student commencements will be divided between the higher education and VET sectors with 94,500 allocated to the VET sector.
- The Government will determine the number of new international students commencing at each provider. This will ensure that future growth creates a more diverse and resilient international VET sector.

Contact Officer: Daniel Langer A/g Assistant Secretary, Skills System and International Branch **Telephone:** s 22(1)

Question Time Brief – Skills and Training

QB24-000077

Last Updated by Department: 9 September 2024

Last Updated by Adviser: XX Month YYYY

- Those VET providers who currently have a higher concentration of international students will receive a lower new overseas student commencement allocation. In response, the government expects that these providers will seek to diversify their student base in the future.
- This will improve integrity and enhance the international student experience by providing more opportunities to train alongside Australian students. This improved opportunity will make sure that students are appropriately provided with the skills and knowledge they need for employment, whether in Australia or at home.
- Subject to the passage of legislation, from 1 January 2025, this new system of managed growth will replace Ministerial Direction 107.

BACKGROUND

- The draft International Education and Skills Strategic Framework was released for public consultation on 11 May 2024. Consultation was undertaken with the international education sector through a submissions process and meetings with stakeholders until 18 June 2024.
- Under the draft Strategic Framework, the Government indicated it will work with the sector to consider the optimal make-up of the onshore international education sector. This will take into account integrity and quality issues at a provider, location and course enrolment level and determine whether the composition of the sector is optimised to deliver the skills Australia needs.
- To support the implementation of the Framework, the Government introduced the *Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024* to the Parliament on 16 May 2024. When passed, the bill will enable the Minister for Education to limit international student enrolments in the higher education sector, and in the VET sector with agreement of the Minister for Skills and Training.
 - The Senate referred the bill to the Education and Employment Legislation Committee on 16 May 2024, which is due to report on 16 September 2024.

Contact Officer: Daniel Langer A/g Assistant Secretary, Skills System and International Branch **Telephone:** s 22(1)

Question Time Brief – Skills and Training

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Last Updated by Department: 9 September 2024

Last Updated by Adviser: XX Month YYYY

- On 6 and 7 September 2024 the Department wrote to VET providers to provide their individual indicative new overseas student commencement limits for 2025.
- On Tuesday 27 August 2024, Government publicly announced the National Planning Level (NPL) and managed growth approach through a joint media release. Government also sent letters to all individual VET providers advising them of the NPL, VET sector planning level and approach to distributing new overseas student commencements (NOSCs) in the VET sector.

Key Media

s 22(1)

Contact Officer: Daniel Langer A/g Assistant Secretary, Skills System and International Branch **Telephone:**
s 22(1)

BACK-POCKET DATA

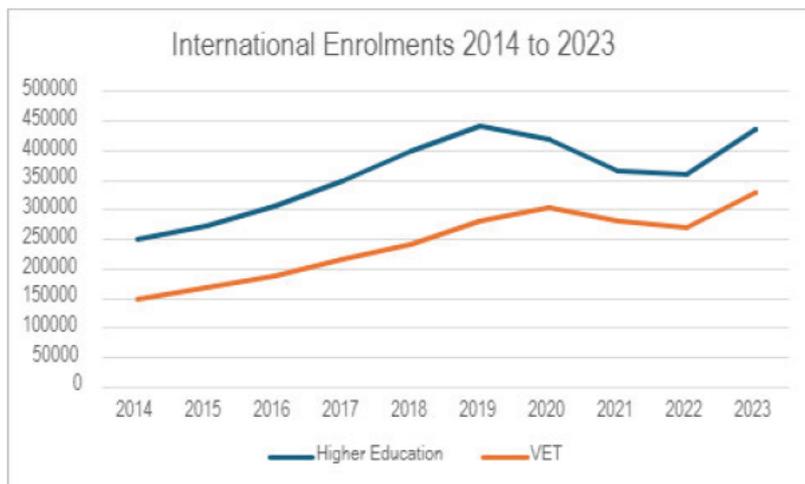
International VET sector key numbers

- The international student sector had 975,229 enrolments in 2023, including 328,009 (34%) enrolments in VET and 437,485 (45%) in Higher Education.
- International VET enrolments in 2023 were 17% higher than 2019. Higher education enrolments for the same period were 5% higher.
- There were 1,498 international education and training providers on 1 August 2024, and more than 900 international VET providers (ie. registered on the Commonwealth Register of International Courses for Overseas Students – CRICOS), including 21 public providers.
 - The exact number of international VET providers fluctuates due to providers entering and exiting the market in any given year.
- 31% (285) of all private VET CRICOS providers have their head office in NSW, 32% (291) in Victoria and 18% (165) in Queensland.

Table 1 – International Enrolments over last 10 years

	Higher Education	VET
2014	271,794	149,514
2015	305,535	168,659
2016	349,304	187,028
2017	398,367	216,835
2018	440,856	243,026
2019	418,355	281,387
2020	365,662	304,395
2021	360,026	281,708
2022	360,026	271,083
2023	437,485	328,009
2024 YTD April	392,011	262,536

Chart 1 - International Enrolments over last 10 years



Source: Department of Education, 2005-2023

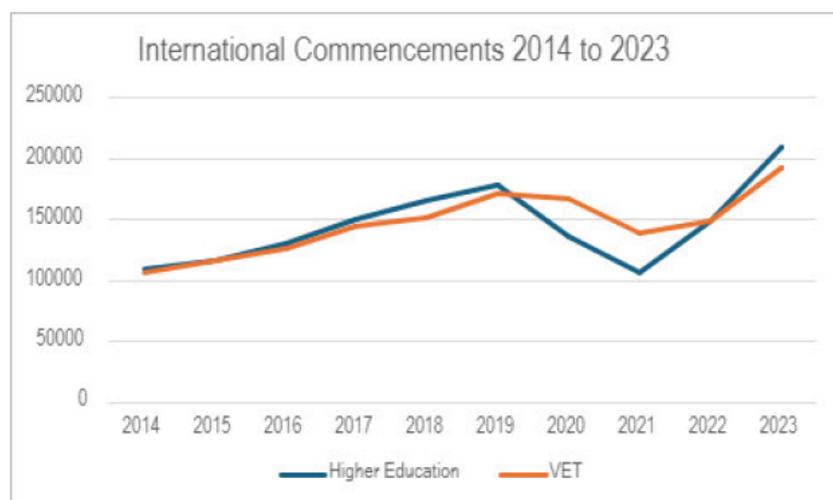
Table 2 – International Commencements over last 10 years

Note: A commencement is the first time a student is enrolled at a provider for a calendar year, whereas enrolments are cumulative and include continuing enrolments from commencements in previous years, so will always be much higher.

	Higher Education	VET
2014	109,411	106,560
2015	116,820	116,928
2016	131,148	125,831
2017	149,951	144,385
2018	166,569	151,416
2019	178,745	170,997
2020	136,138	168,041
2021	106,138	139,206
2022	148,637	149,285
2023	209,944	192,668
2024 YTD May	115,948	103,604

Source: Department of Education, 2005-May 2024

Chart 2 - International Commencements over last 10 years



Source: Department of Education, 2005-May 2024

Geographical distribution of International VET providers

Preliminary analysis of the geographic distribution of providers, noting available provider data does not indicate the location of delivery, only provider head offices.

- 31% (285) of all private VET CRICOS providers in Australia have their head office in NSW, 32% (291) in Victoria and 18% (165) in Queensland.
- 34% of all new commencements in 2023 began in NSW, followed by Victoria (28%) and Queensland (22%)
- 71% of Specialist International Providers (SIPs) (265 of 371) have their head office address listed at locations in Victoria and NSW.

- Top 5 locations for SIPs by postcode: Melbourne City, Sydney City, Parramatta, Surry Hills and Brisbane City.

The heat map below shows new overseas VET student commencements by location of the provider's head office in 2023.



* The map only indicates a providers' head office location.

International VET students are a small contributor to both arrivals and Net Overseas Migration (NOM)

VET student arrivals

- In 2022-23, there were 36,620 VET student arrivals, which was:
 - 13 per cent of all student visa arrivals
 - 7 per cent of all temporary visa arrivals
 - 5 per cent of all arrivals (temporary and permanent)

Higher education arrivals

- In 2022-23, there were 183,060 higher education student arrivals, which was:
 - 65 per cent of student visa arrivals
 - 33 per cent of all temporary visa arrivals
 - 25 per cent of all arrivals

VET NOM contribution

- In 2022-23, VET students contributed 32,100 to NOM, which was
 - 12 per cent of student NOM
 - 6 per cent of overall NOM

Higher education NOM contribution

- In 2022-23, higher education students contributed 175,660 to NOM
 - 66 per cent of student NOM
 - 34 per cent of NOM

In 2022-2023, contribution to NOM from visa categories was as follows:

Permanent

- Family: 3%
- Skilled Permanent: 6%
- Humanitarian: 2%

Temporary

- VET: 6%
- Higher Education: 34%
- Student Other: 12%
- Skilled Temporary: 8%
- Working Holiday: 13%
- Visitors: 17%
- Other: 3%

Australian and New Zealanders

- New Zealand citizens: 5%
- Australian citizens: -7%

Source: ABS Overseas Migration, 2022-23 (see tables below for further detail).

Table 3 – VET Contribution to Arrivals and Student Arrivals over 10 years to 2022-23

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Migrant Arrivals (includes Australians and New Zealanders)	464,680	465,250	489,280	540,150	527,520	550,400	506,850	146,000	426,730	737,170
Student Arrivals	114,330	122,120	132,130	149,410	157,630	164,350	110,440	1,520	141,420	282,570
Student contribution to Arrivals (%)	25%	26%	27%	28%	30%	30%	22%	1%	33%	38%
VET Arrivals	9,740	11,180	15,720	16,300	19,650	22,650	11,420	120	21,470	36,620
VET contribution to arrivals	2%	2%	3%	3%	4%	4%	2%	0%	5%	5%
VET contribution to student arrivals	9%	9%	12%	11%	12%	14%	10%	8%	15%	13%
Higher Education Arrivals	79,140	85,070	89,170	101,440	106,520	111,310	75,950	730	98,410	183,060
Higher Education contribution to arrivals	17%	18%	18%	19%	20%	20%	15%	1%	23%	25%
Higher Education contribution to student arrivals	69%	70%	67%	68%	68%	68%	69%	48%	70%	65%

Source: ABS Overseas Migration, 2022-23

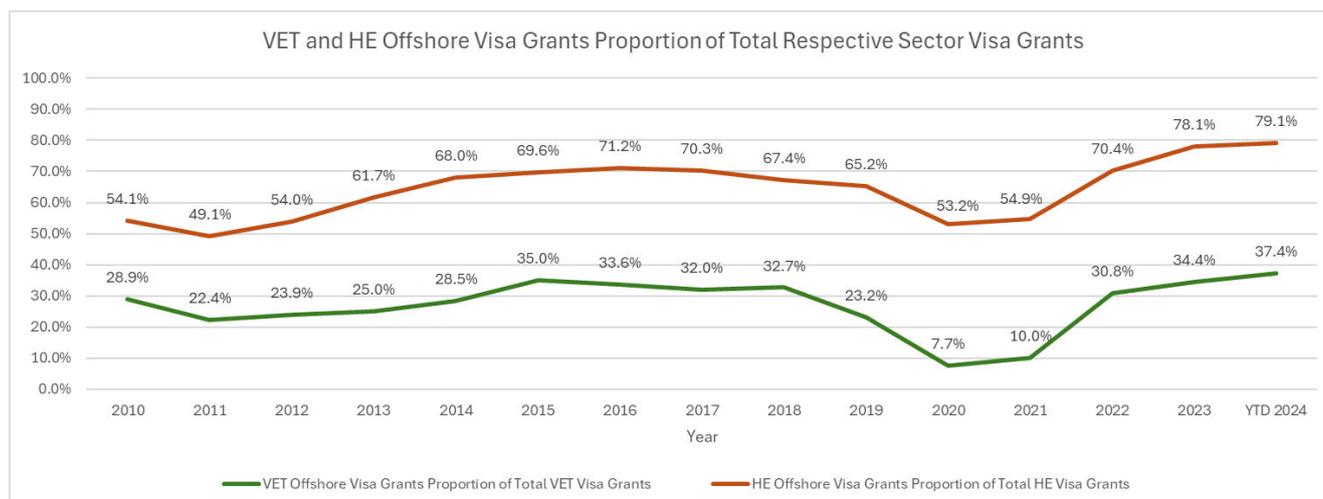
Table 4 – VET contribution to NOM and Student NOM over 10 years to 2022-23

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
NOM	187,780	184,030	206,240	263,350	238,220	241,340	192,690	-84,930	203,590	518,090
Student contribution to NOM	70,180	77,080	88,020	102,600	102,220	96,900	9,520	-60,670	114,560	267,720
Student contribution to NOM (%)	27%	30%	30%	28%	30%	29%	5%	42%	36%	34%
VET contribution to NOM	1,480	2,460	5,820	4,910	4,500	5,670	-10,740	-10,940	14,470	32,100
VET contribution to NOM (%)	1%	1%	3%	2%	2%	2%	-6%	13%	7%	6%
Higher education contribution to NOM	52,580	59,740	64,980	76,030	75,370	70,380	9,920	-42,850	82,880	175,660
Higher Education contribution to NOM (%)	28%	32%	32%	29%	32%	29%	5%	50%	41%	34%
Other student contribution to NOM	16,120	14,880	17,220	21,660	22,350	20,850	10,340	-6,880	17,210	59,960
VET contribution to student NOM (%)	2%	3%	7%	5%	4%	6%	-113%	18%	13%	12%
Higher education contribution to student NOM (%)	75%	78%	74%	74%	74%	73%	104%	71%	72%	66%
Other student contribution to student NOM (%)	23%	19%	20%	21%	22%	22%	109%	11%	15%	22%

Source: ABS Overseas Migration, 2022-23

Only 37.4% of student visas for VET study have been granted offshore in 2024, compared to 79.1% of visas for higher education

Chart 3 – VET and Higher Education Offshore Visa Grants



Source: Department of Home Affairs published visa grants