

\$3bn skills plan 'only \$300m'

Julie Hare *The Australian* May 17, 2011

THE federal government's big-ticket \$3 billion skills and training budget resulted in as little as \$300 million in extra funding, with the rest repackaged and rebadged from existing programs.

As least two programs, the Critical Skills Investment Fund and the Quality Skills Initiative, were new programs in last year's budget and never had a cent drawn against their combined \$373m four-year budget.

TAFE Directors Australia chief executive Martin Riordan said despite the grandstanding the skills and training budget was largely smoke and mirrors.

He said other redirected savings included \$854m from a "troubled" productivity places program, delayed rollout of trade training centres in schools (\$102.8m) and termination of the national VET broadband network (\$78.4m).

"At best you could argue that 2010-11 was a lost year in terms of public vocational education policy," said Pat Forward, federal TAFE secretary of the Australian Education Union.

"And the 2011-12 budget is evidence that all we have seen is the rebadging of programs announced last year, most of which haven't got off the ground."

Among the major skills and training announcements in last week's budget, the government offered \$7.2bn over five years for a renegotiated funding deal with the states. On top of that it is offering from next year a \$1.75bn carrot for states and territories to commit to reform their TAFE sectors.

Mr Riordan estimated about \$1.7bn promised this budget would not deliver any funding until at least next July. "If we have a problem with skill shortages, why wait 12 to 18 months before topping up skills. Why not start tomorrow?" he said.

Indications strongly point to the government adopting a fully marketised training system in which TAFEs in every state and territory will have to compete equally with private providers for public funds in order to access the additional funding pool.