$70k tightrope to walk an $18m chasm

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VICTORIAN TAFEs will be given $70,000 each to help plot the way forward, as a third institute announces redundancies.

The grants to the state’s 18 institutes are designed to help them develop “transition plans” in the wake of this month’s funding cuts, which the TAFEs estimate will cost them about $300m a year.

The cuts have now claimed jobs at a third institute, with GippsTAFE yesterday revealing that between 10 and 20 staff are to go. Those affected will be informed over the next three weeks, with more retrenchments to follow.

The $70,000 grants were confirmed at a Tuesday meeting with officials from Skills Victoria, now known as the Higher Education and Skills Group.

Guidelines on the format and content of the transition plans, which are due with the state government by September 7, were sent to TAFE CEOs after the meeting.

TAFEs were also given a list of consultants available to help prepare the plans, which will be assessed by a three-person expert panel yet to be appointed by the HESG.

Some TAFEs have hoped for a reconsideration of the government’s abolition of the “full service provider” allocation, worth a combined $170m. Sources say that while this wasn’t forthcoming, the government has given the TAFEs until tomorrow to alert it to “anomalies” in the newly announced funding rates.

The new rates will see some courses funded at $1.50 per student contact hour. The national average is about $12.60.

Some TAFEs had also hoped to learn what role the government expected them to play following the unprecedented funding cuts.

But the government provided neither big picture nor detail, with TAFEs told they were better positioned than the government to model the impacts of the cuts.

Holmesglen Institute CEO Bruce Mackenzie said he didn’t believe the government had attempted to model the viability of the courses set to attract the lowest funding rates. He said many of these courses weren’t expected to be conducted at all.

“No-one really knows what the market will bear in terms of fee increases,” he said.

Mr Mackenzie said he hadn’t thought about how he’d use the $70,000. “It would possibly pay for the redundancy of one teacher,” he said.
“The last thing I need is a consultant.”

Box Hill Institute CEO John Maddock said that while the government had discussed the forthcoming cuts with TAFEs, it had given them no warning of the removal of the FSP funding which was by far their biggest problem.

“Now we’re being given $70,000 to bring in people to try and tell us how to run our own businesses,” he said.

Public policy consultant Brendan Sheehan, a former Skills Victoria bureaucrat, said CEOs expecting “the outline of a positive vision for TAFE” would have been disappointed by the meeting.

“It will be interesting to see who might be on this expert panel, given most experts seem intractably opposed to the new funding arrangements,” Mr Sheehan said.

The HESG said it expected to announce the appointments shortly.