THE federal government has signalled that it may shelve vocational training grants to Victoria because of the southern state’s $300 million TAFE budget cuts.

Tertiary Education Minister Chris Evans told the HES that the government would consider withholding funding due to Victoria under a $1.75 billion “national partnership” agreed to by the Council of Australian Governments in April.

Almost $800m of this money – including $196m for Victoria – is tied to 11 “structural reforms”, one of which requires states to enable their TAFEs “to operate effectively in an environment of greater competition”.

Senator Evans said the government hadn’t made any decisions yet, but that withholding payments was “one of the options”.

He said the government believed Victoria’s TAFE cuts were “contrary to the agreement reached at COAG”.

“The commonwealth would be looking at all options available,” he said.
“They [Victoria] have not maintained their effort. Victoria’s young people are not getting the sort of opportunities they should, and we’re not getting the skills development we need in Victoria to support the national economy and employers.

“Despite their protestations, there’s no way you can say taking $300 million out of Victorian TAFE, cancelling courses [and] closing campuses in any way supports the broad agreement we’ve reached.”

James Martin, a spokesman for Victorian Skills Minister Peter Hall, said Victoria would meet its obligations under the national partnership agreement.

Mr Martin accused Senator Evans of hypocrisy. “He knows all too well that the Victorian government is directing an extra $1 billion over the next four years into the state’s training system.

“If [Senator] Evans thinks the Victorian and national economies need even more fitness trainers or aromatherapists, areas where huge growth occurred under state Labor’s flawed system, then he is wrong. What the Victorian economy does need are more highly skilled workers, and these are the areas this government has increased funding to.”

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