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## Media Release

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### TAFE DIRECTORS LAUNCH DISCUSSION PAPER PROPOSING NATIONAL CHARTER FOR TAFE

#### *Reform to Australian skills and vocational education initiative*

TAFE Directors Australia (TDA) has today released a discussion paper proposing that a **National Charter for TAFE** would support a new framework for funding reform proposed by the Australian Government, for public vocational education and training (VET) funding.

The Minister for Tertiary Education, Skills and Jobs, Senator Hon. Chris Evans, has announced \$1.75 billion may be eligible to states and territories from 1<sup>st</sup> July 2012, under a new National Partnership Agreement to widen skills and improve workforce participation.

**The Case for a National Charter for TAFE** is a discussion paper endorsed by the National Board of TAFE Directors Australia, following extensive review across its membership of Australia's 59 TAFE Institutes, including the five dual sector TAFE divisions of universities.

Martin Riordan, Chief Executive Officer of TDA, said today that as the Federal Government continued to play a 'shared responsibility' with states and territories for training, *Skills Australia* had recommended greater clarity on TAFE as the public provider network in Australia.

He added: "This Federal policy makes it clear that defining exactly what Australia requires of our public provider network of TAFE (technical and further education) was much needed ahead of new funding agreements. This is especially the case since TAFE students tend to be lower socio-economic students – key for participation and achieving COAG targets, and lifting productivity."

Martin Riordan pointed to a recent Shann Memorial Lecture by Dr. Martin Parkinson PSM, Secretary to the Treasury, when he flagged major cost impacts to Australia's investment in education and health, unless COAG participation rates were realised.

Dr. Parkinson told the Shann Memorial Lecture:

*"If our participation rate in 2049-50 turns out to be 57.0 per cent rather than the 60.6 per cent we are currently projecting, real average annual GDP growth will fall by a further 0.11 percentage points. This small change in the participation rate will also lead to increased*

*spending in the order of 0.9 per cent of GDP in 2049-50 (or around \$33 billion in 2010-11 terms) on health care, aged care, pensions and education, putting further pressure on the budget.”*

Specifically, Skills Australia’s 2011 ‘Skills for Prosperity – a Roadmap for VET’ proposed in recommendation 9:

*That Australian Governments ...articulate the role of the public provider in the next intergovernmental resourcing agreement for the sector.(Ref p13)<sup>i</sup>*

**The Case for National Charter for TAFE** makes seven (7) recommendations (see attached), and follows Skills Australia’s recommendation that Australian governments – Commonwealth, state and territory – agree on the role of TAFE for the 21<sup>st</sup> century.

One key recommendation is that Australian governments articulate and disseminate the key role played by TAFE as a public provider in the VET sector and its capacity to support the Australian economy. It further recommends that this role be explicitly affirmed in the new National Partnership for Vocational Education and Training.

TAFE Directors Australia will circulate the discussion paper to federal, state and territory education and training leadership, key VET stakeholders, and TAFE staff and students, for further comment.

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## RECOMMENDATIONS IN CASE FOR A NATIONAL CHARTER FOR TAFE

### Recommendation 1

That the Commonwealth, States and Territories articulate and disseminate the key role played by TAFE as a public provider in the VET sector and its capacity to support the Australian economy.

### Recommendation 2

That the Commonwealth, States and Territories recognise the importance of TAFE's role in the wider tertiary sector with associated funding arrangements, including access to Commonwealth Supported Places for those TAFEs offering associate degrees/degrees.

### Recommendation 3

In recognition of TAFE's role in ensuring the maintenance of critical programs and services that would not be provided if left entirely to market forces, the Commonwealth, States and Territories reach agreement on the concept of 'full service provision', its constituent parts and how each should be funded. This includes programs and services in regional and remote communities.

### Recommendation 4

That the States and Territories reach agreement on common and robust quality criteria for RTOs to be eligible to access government funding, with a view to protecting and enhancing the reputation of the VET sector and ensuring that training funds are invested where the skill needs are the greatest.

### Recommendation 5

That the States and Territories work towards consistent entitlement/eligibility criteria for the implementation of contestable funding, including the availability of concessions.

### Recommendation 6

That States and Territories exchange data and share their experiences of the implementation of contestable/demand-driven funding in both VET and Higher Education so that any unintended consequences can be addressed in a timely and evidence-based fashion.

### Recommendation 7

That the States and Territories ensure governance arrangements for TAFE are consistent with its role and enable it to compete effectively.

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<sup>i</sup> Skills Australia, 2011, *Skills for prosperity – a roadmap for vocational education and training*, Commonwealth of Australia, page 13