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Joint Media Statement

Coalition cuts to training will hurt skills development

Australia’s peak education, training and employment services bodies today expressed surprise and disappointment that the Federal Coalition would include some $3 billion in cuts to recurrent and capital funding to vocational education and training (VET), as part of its expenditure savings announced yesterday.

The three peak bodies, Group Training Australia (GTA), the National Employment Services Association (NESA), and TAFE Directors Australia (TDA), called for urgent clarification of the foreshadowed spending cuts, in particular:

- Plans to scrap the near $2 billion Productivity Places Program (PPP).
- Ending VET and TAFE access to the Education Investment Fund, which provides funding for infrastructure improvements associated with the enhanced technology and sustainable training required for Australia, affecting possibly $740 million in new VET projects.
- Concern about capability under the funding cuts to support the necessary growth in skills and apprenticeships, as identified by Skills Australia and the National Resources Sector Employment Taskforce.
- Concern about capability under the funding cuts to expand Commonwealth-supported tertiary education places with specialist non-university sector delivery, as endorsed by the Review of Australian Tertiary Education, under Professor Denise Bradley.
- Concern about capability under the funding cuts to provide the necessary training to unemployed jobseekers to support their employment participation.

While the $1 billion cut to the Trade Training Centres program will be offset to some degree by the Coalition’s commitment to establish new Australian Technical Colleges, there is nothing, as far as we can tell, to replace the PPP.

The peak bodies described as extremely disappointing the fact that the VET and employment services sector should be hit with such a substantial withdrawal of funding at a time when there is an urgent priority on developing and upgrading our skilled workforce.

It is baffling why the PPP program should be scrapped and nothing left to fill the gap. At a time of looming skills shortages, and when Australia is looking at ways to improve its competitive advantage by up-skilling its workforce, it seems extraordinary that so much funding earmarked in the budget estimates to address these issues is being ripped out of the system.

As concerned stakeholders who would have been expected to help deliver on Australia’s current and future skilling agenda, we seek urgent clarification of the Coalition’s plans.

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