

## **MEDIA RELEASE**

### ***Budget Fails to Meet Expanding Vocational Education and Training Needs***

Margaret Fanning, the Executive Director of TDA, today said that it was extremely disappointing that the Budget had failed to allocate adequate funds to support the expected growth in demand for vocational education and training and needed improvements in the VET system.

She said that it was imperative that Australia lift its investment in vocational education and training significantly if it was serious about building its innovation capacity and becoming truly world competitive. It was up to the Commonwealth to show real leadership in developing a comprehensive national strategy to enhance the nation's vocational skill base in a sustained way so that we can become equal to the world's best. She said that unfortunately there still appeared to be no real appreciation on the part of government ministers of the role that a highly skilled and trained workforce plays in innovation

The Budget had announced some additional funding for a new ANTA agreement. But the funds being allocated fall well short of what is required to meet the rapidly expanding demand for vocational education and training, let alone make the advances and improvements in equipment, courses, learning materials and teacher training that need to be made.

Ms Fanning said that the TAFE system had been seriously under-funded for the last three years, with funding effectively being frozen at levels applied three years ago. This had inevitably had detrimental effects at a time when the numbers of students utilising the system had grown enormously.

The growth in enrolments in 2001 alone is estimated at 5.7% implying an additional funding requirement of the order of \$150 million just to keep level pegging. The \$50 million that is being provided is a long way short of that requirement and signals a winding down of real commitment to a skilled nation.

It is also of concern that there is a now very large unmet demand for TAFE places. In 2000 the Australian Bureau of Statistics had put this at 40,500 and it is thought that it could rise to close to 60,000 in 2001.

Ms Fanning said that it is extremely disturbing that increasing numbers of students are being denied a place at TAFE Institutes because of a lack of government funding and that so much potential is being wasted.

Contact: Margaret Fanning Ph (02) 6281 7320 or 0402 090 035

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