A New Way

Campaign Media Release

Prime Minister Kevin Rudd
Minister for Employment, Skills and Training Brendan O’Connor

A SECURE FUTURE FOR TAFE

The Rudd Labor Government today announced a plan to secure the future of TAFE as the backbone of Australia’s national training system.

The bottom line is that without the right skills, Australians will not be able to seize the job opportunities of the future and our economy’s growth will be jeopardised.

Federal Labor supports publicly-funded job training and recognises that Australia’s TAFE system is world class.

TAFE has the strong support of industry, unions, workers, apprentices and trainees with almost two-thirds of publicly funded vocational education and training (VET) students attending TAFEs in 2012.

Federal Labor has been disturbed to see Coalition State Governments making cuts and hiking fees with TAFEs and their students bearing the brunt.

The Victorian Government’s 2013-14 Budget cut $182 million from higher education and skills in one year alone.

And the recent Western Australian Budget showed a decrease in the overall training budget over of 6.5 per cent over the forward estimates.

These State Coalition Government cuts are even more objectionable given they come as the Federal Government is providing increased funding to the States.

They come as our economy faces increasing skill shortages – skills that businesses need to grow and skills that TAFE can provide.

By comparison with these Coalition cuts, annual Commonwealth funding for VET has increased by 25 per cent in real terms since Labor came to office, with over $19 billion invested over the last five years.

Under the National Partnership Agreement on Skills Reform, the Commonwealth is investing an additional $1.75 billion in skills. However since committing that funding, we have been concerned about the actions of some Coalition State Governments.

We want every dollar we invest in TAFE to make a real difference – this can’t happen if for every dollar we put in the State Governments takes away.
A re-elected Labor Government would seek to work with the States and Territories to ensure a more secure funding for TAFE training into the future.

We will seek an agreement from the States and Territories under a new TAFE Australia National Partnership guaranteeing no further TAFE cuts.

We would ask the States and Territories to agree to maintain real growth in TAFE funding over the forward estimates, and publicly and transparently report against that commitment.

Federal Labor expects States and Territories will work co-operatively to protect their TAFE systems – it’s in the national interest.

But if States and Territories do not agree to at least maintain TAFE funding in real terms, or breach the agreement to do so, the Commonwealth will move to quarantine a portion of the funding it provides to the States, earmarking it specifically for TAFEs.

This action would address community concerns about TAFE closures and should guarantee a funding stream for TAFEs.

If the States continued to refuse to guarantee funding for TAFE, the Commonwealth would fund TAFEs directly.

This would see current Commonwealth funding re-directed away from State and Territory governments and directly towards TAFE providers.

In place of indirect funding arrangements, the Commonwealth would develop individual funding relationships with each TAFE institution.

Funding arrangements would reflect the unique characteristics of each TAFE institute, on the training needs of the communities and industries they serve and crucially would bring the funding of universities and TAFEs from the Commonwealth into line.

Courses funded under the compacts would take account of advice received from the new Jobs and Skills Boards being established by a re-elected Rudd Labor Government and would be funded to respond flexibly to the needs of local employers.

If individual State Governments seek to frustrate such an arrangement, the Commonwealth would progressively direct its funding into a new TAFE Australia network.

TAFE is a national piece of education infrastructure, so this would take time – we would invest in the new network first in key regions or skills shortage areas that were giving us the most concern.

Under no scenario will we let Liberal States dismantle our national TAFE infrastructure that has taken so long to build – even if it means eventually stepping in and, TAFE by TAFE, directly funding that backbone of our skills system.

Labor built public education in Australia and will not stand idly by while Coalition State Governments make cuts that jeopardise jobs and skills our economy needs for the future.