Department of Education and
Early Childhood Development

Victorian Training Market Quarterly Report Q1 2012

Prepared by Training Market Intelligence and Performance Unit,
Market Facilitation & Information Division
HESG
Department of Education and
Early Childhood Development
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Contents

Executive Summary

This Victorian Training Market Report is the latest in an on-going series of reports produced by the Market Facilitation and Information Division located within the Higher Education and Skills Group (HESG). The aim is to provide a summary of Victorian training market performance following the introduction of the student entitlement system. The report covers two sections – the first provides a macro view of the performance of the Victorian training market while the second section examines the responsiveness of the training market to skills needs in the economy. This iteration of the report shows VET activity up to the end of the first quarter of 2012, as reported by training providers to HESG.

Victorian Training Market Performance

First quarter 2012 figures show total enrolments (government funded and TAFE domestic fee-for-service) have grown by 35 per cent. This growth is being driven primarily by government funded activity with enrolments up 39 per cent, hours up 28 per cent and student numbers up 31 per cent compared with this time last year. TAFE domestic fee-for-service activity is also showing growth in Q1 2012 with enrolments up by 12 per cent.

Growth in government funded enrolments has occurred across Victoria with all nine regions reporting growth in the first quarter of 2012. Regional growth has been largely driven by an increase in private provider activity, and to some extent by TAFE delivery which has increased across six regions at the end of first quarter 2012. The TAFE sector overall has reported 9 per cent growth in the first quarter of 2012 (government funded training).

Looking at specific cohorts reveals that those VET students whom are unemployed now account for 21 per cent of the government funded VET market – higher than 12 months earlier when the rate was 19 per cent. Equity groups (Indigenous, disability, CALD[1]), for which VET is a critical enabler in opening up pathways, have all experienced growth in enrolments in the first quarter of 2012.

From an industry[2] perspective, the sectors with the largest growth in enrolments in the first quarter of 2012 are Administrative & Support Services, Health Care & Social Assistance, and Transport & Warehousing. Retail Trade and Manufacturing industries, two of the largest industries in terms of workforce size, are expected to experience a decline in share of Victoria's workforce in the short to medium term. Enrolment figures (measured in terms of share) broadly align with these trends with figures for Retail Trade in the first quarter of 2012 remaining stable and the Manufacturing share down in the first quarter of 2012.

Responsiveness of Victoria's Training Market

Early indicators show that more training is taking place in areas where skills needs are greatest, signifying that enrolments are broadly responding to structural shifts in the Victorian economy. In the first quarter of 2012, enrolment growth of 13 per cent occurred in occupations that are either specialised or in shortage, an increase of over 13,300 enrolments from the same time last year.

At an occupational level, the largest increases (first quarter 2012) in courses related to specialised occupations have been for Emergency Service Workers, Civil Engineering Technicians, Painting Trades and Finance Brokers. Over the same period, the largest increases in enrolments in courses related to in-shortage occupations have been for Civil Engineering Technicians, Metal Fabricators, Electrical Lines-workers and Arborists.

Apprentices and trainees, an integral part of the training system, have experienced growth with apprentices up a modest 2 per cent and trainees up 44 per cent so far this year. The moderate growth by apprentices continues the trend of previous years highlighting that apprentices are consistently lagging behind the strong growth of the VET system overall. In contrast, trainees continue to show strong growth in line with growth in the VET system overall.

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[1] Culturally and Linguistically Diverse

[2] Based on ANZSIC industry classifications

1. Purpose & Background

This report has been prepared for the Minister of Higher Education and Skills, the Senior Executive of HESG and other key stakeholders in the VET system. Its purpose is to summarise emerging trends in the Victorian training market in the first quarter of 2012 and provide a comparative overview of market changes relative to the same time in 2011. Key metrics include training delivery by funding source, qualification level, employment status, equity group and region. An analysis of the responsiveness of training delivery to specific occupational needs is also provided.

Notes about the data and time periods

- The majority of the commentary contained in the report compares first quarter 2012 figures with first quarter 2011. Full year figures for 2008 to 2011 are included to show longer term trends.
- Figures may differ to those in previous publications as the Higher Education and Skills Group (HESG) is currently re-casting data to improve consistency across years.

2. Victorian Training Market Performance

Overview

VET Delivery by Funding Type

The Victorian training market has now entered its second year following full implementation of the student entitlement system.

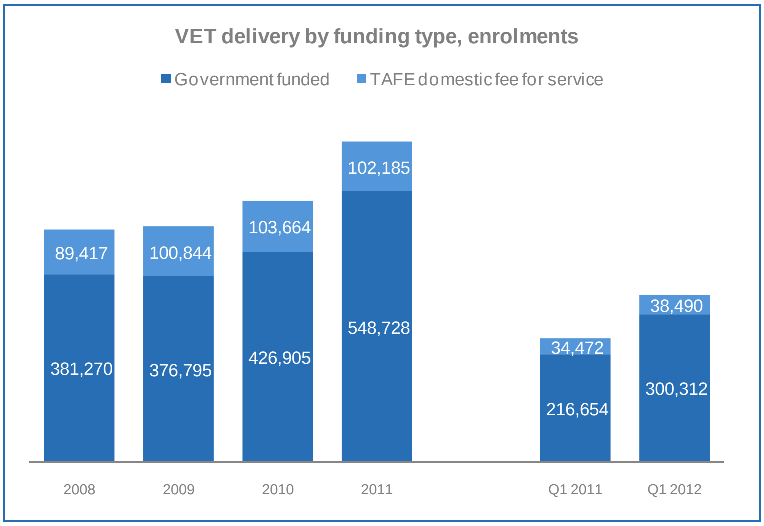
This section of the report provides an overview of training activity measured in terms of enrolments, student contact hours and student numbers. Full year results are shown for the 2008 to 2011 period as well as a comparison of figures for quarter one (Q1) 2011 and Q1 2012. Commentary focuses on comparisons of results between Q1 2011 and Q2 2012.

Table 2.1: VET delivery by funding type, enrolments

	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
Government funded	381,270	376,795	426,905	548,728	44%	216,654	300,312	39%
TAFE domestic fee for service	89,417	100,844	103,664	102,185	14%	34,472	38,490	12%
Total	**470,687**	**477,639**	**530,569**	**650,913**	**38%**	**251,126**	**338,802**	**35%**

Fee for Service figures are TAFE on-shore domestic AQF1+ FFS activity only.

Figure 2.1: VET delivery by funding type, enrolments

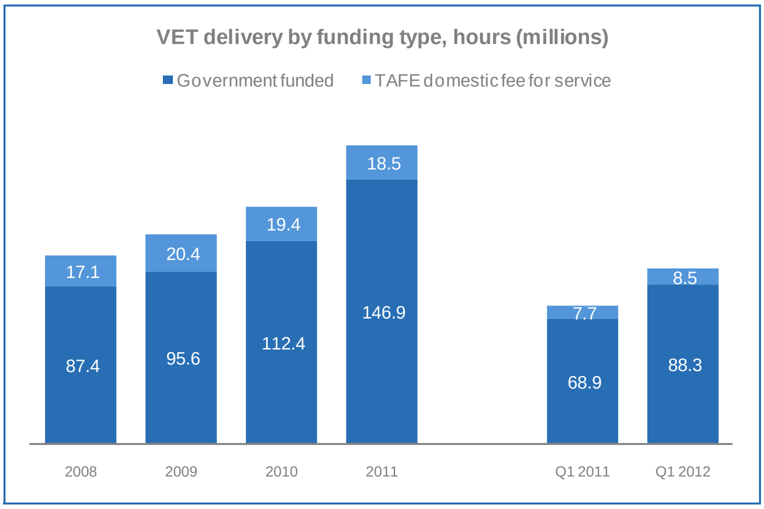


Fee-for-service figures are TAFE on-shore domestic AQF1+ FFS activity

Table 2.2: VET delivery by funding type, hours (millions)

	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
Government funded	87.4	95.6	112.4	146.9	68%	68.9	88.3	28%
TAFE domestic fee for service	17.1	20.4	19.4	18.5	8%	7.7	8.5	10%
Total	**104.5**	**116.0**	**131.8**	**165.5**	**58%**	**76.6**	**96.8**	**26%**
Fee for Service figures are TAFE on-shore domestic AQF1+ FFS activity only.								

Figure 2.2: VET delivery by funding type, hours (millions)



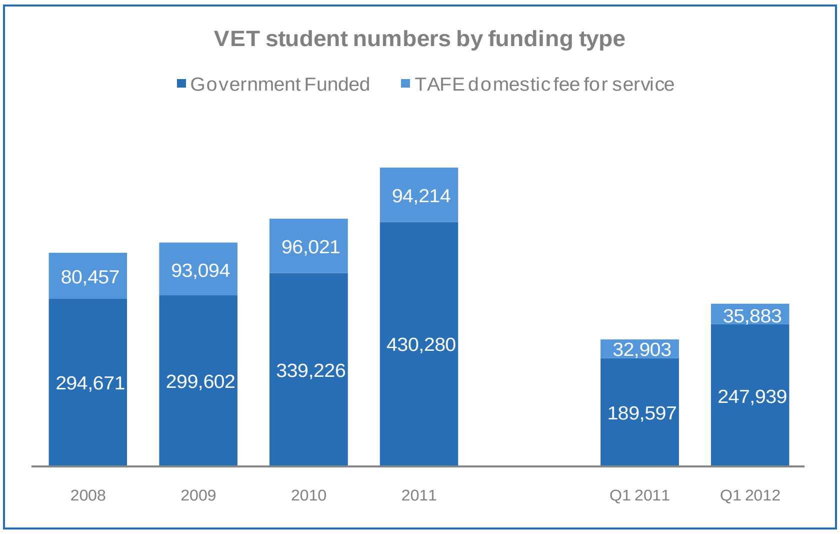
Fee-for-service figures are TAFE on-shore domestic AQF1+ FFS activity

Table 2.3: VET delivery by funding type, students

	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
Government Funded	294,671	299,602	339,226	430,280	46%	189,597	247,939	31%
TAFE domestic fee for service	80,457	93,094	96,021	94,214	17%	32,903	35,883	9%
Total*	**366,762**	**381,311**	**422,543**	**512,851**	**40%**	**219,719**	**280,349**	**28%**

Fee for Service figures are TAFE on-shore domestic AQF1+ FFS activity only.
Some TAFE students are double counted thus the total does not equal to the sum of GF and FFS

Figure 2.3: VET delivery by funding type, students



Fee-for-service figures are TAFE on-shore domestic AQF1+ FFS activity

Key Points

Early indications are that the Victorian training system continues to show growth, continuing the trend of recent years. Compared with Q1 2011, first quarter 2012 figures reveal that:

- Total reported enrolments (government funded and TAFE fee-for-service) have grown by 35 per cent. Total reported hours are up 26 per cent while student numbers have grown 28 per cent.
- Growth in the Victorian training system is largely being driven by government funded activity, with enrolments up 39 per cent, hours up 28 per cent and student numbers up 31 per cent compared with last year.
- TAFE domestic fee-for-service activity is also showing growth in Q1 2012 with enrolments up by 12 per cent, hours up by 10 per cent and student numbers up by 9 per cent compared with the same period last year.

Age Profile

VET Delivery by Age Group

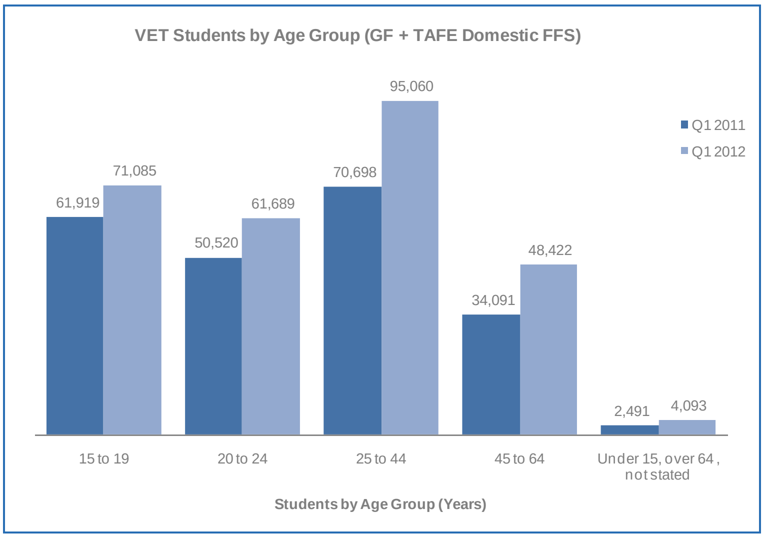
To enable the increased workforce participation levels required by the Victorian economy over the next decade, increased engagement with education and training by all age groups is required.

Table 2.4: VET students by age group (government funded + TAFE domestic fee-for-service)

	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
15 to 19	94,747	99,150	112,947	132,770	40%	61,919	71,085	15%
20 to 24	66,494	68,430	80,651	96,197	45%	50,520	61,689	22%
25 to 44	126,672	132,954	142,790	178,804	41%	70,698	95,060	34%
45 to 64	66,149	69,309	77,458	94,902	43%	34,091	48,422	42%
Under 15, over 64 , not stated	12,700	11,468	8,697	10,178	-20%	2,491	4,093	64%
Total	**366,762**	**381,311**	**422,543**	**512,851**	**40%**	**219,719**	**280,349**	**28%**

Fee for Service figures are TAFE on-shore domestic AQF1+ FFS activity only.

Figure 2.4: VET students by age group (government funded + TAFE domestic fee-for-service)



Fee-for-service figures are TAFE on-shore domestic AQF1+ FFS activity only.

Key Points

Student numbers across all broad age groups have grown in Q1 2012 in a continuation of recent trends. The strongest growth has occurred among 45-64 year olds, which increased by 42 per cent. This is the smallest age group engaged in the training system (including reported fee-for-service) currently representing 17 per cent of total VET students.

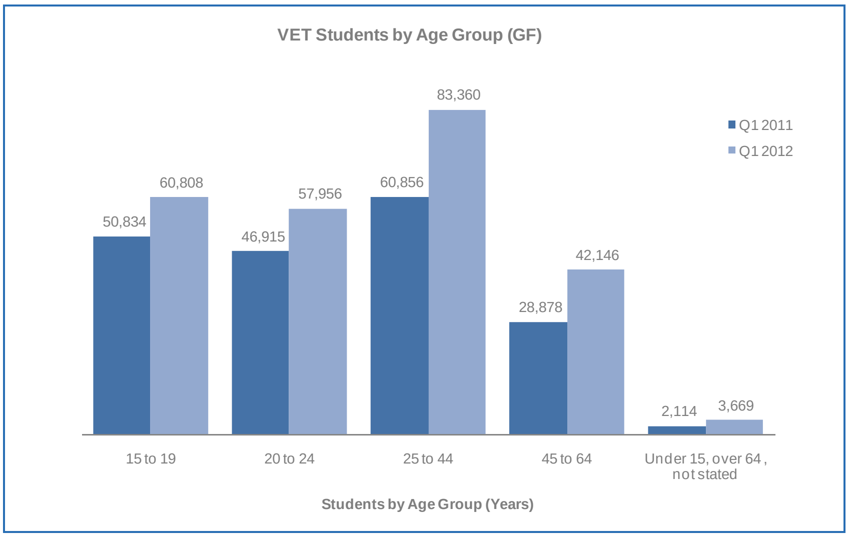
Students aged 15 to 19 have shown solid growth (15 per cent) in Q1 2012 compared with the same period in 2011. This cohort is the second largest age group representing 25 per cent of the VET student population. The largest cohort (25 to 44 year olds) account for 34 per cent of students currently, and has seen a reported growth of 34 per cent in Q1 2012 compared with the same period in 2011.

Government Funded Enrolments by age group

Table2.5: VET students by age group (government funded)

	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
15 to 19	74,383	75,957	88,258	108,720	46%	50,834	60,808	20%
20 to 24	58,804	59,188	71,432	87,795	49%	46,915	57,956	24%
25 to 44	99,699	102,418	112,644	148,488	49%	60,856	83,360	37%
45 to 64	51,075	52,853	60,225	77,134	51%	28,878	42,146	46%
Under 15, over 64 , not stated	10,710	9,186	6,667	8,143	-24%	2,114	3,669	74%
Total	**294,671**	**299,602**	**339,226**	**430,280**	**46%**	**189,597**	**247,939**	**31%**

Figure 2.5: VET students by age group (government funded)



Key Points

All age groups continue to engage with training, particularly among 45 to 64 year olds - up 46 per cent in Q1 2012, followed by 25 to 44 year olds – up 37 per cent. This suggests that this working age cohort is taking opportunities to up-skill and enhance their job opportunities.

Employment Status of VET Students

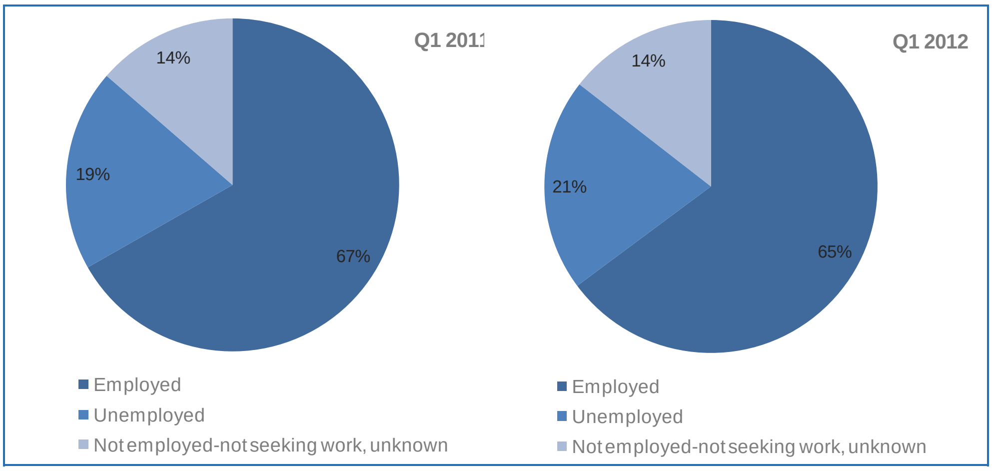
VET Delivery by Employment Status

Table 2.6: Government funded VET students by employment status

	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-
Employed	192,626	197,415	223,234	277,634	44%	126,566	160,724	27%
Unemployed	41,791	50,176	62,513	89,322	114%	37,190	51,306	38%
Not employed-not seeking w ork, unknow n	60,254	52,011	53,479	63,324	5%	25,841	35,909	39%
Total	**294,671**	**299,602**	**339,226**	**430,280**	**46%**	**189,597**	**247,939**	**31%**

Employed = full-time employee, part-time employee, employer, self-employed, employed in unpaid work
Unemployed = unemployed seeking full-time work, unemployed seeking part-time work

Figure 2.6: Government funded VET students by employment status



Employed = full-time employee, part-time employee, employer, self-employed, employed in unpaid work

Unemployed = unemployed seeking full-time work, unemployed seeking part-time work

Key Points

Students who are unemployed accounted for 21 per cent of the government funded VET market in the first quarter of 2012. This proportion is higher than this time last year, when just over 19 per cent of VET students reported being unemployed.

There has been a 38 per cent increase in government funded enrolments in Q1 2012 by this cohort. The vast majority of VET students that are unemployed are undertaking training at Certificates III-IV levels. In terms of sectors, a large proportion of students that are unemployed are undertaking training in five areas: Business and Clerical (15 per cent), Community Services (12 per cent), General Preparatory training (12 per cent), Health (7 per cent), and Storage & Distribution (4 per cent).[3]

[3] Based on standard industry sectors used in SVBI

Qualification Levels

VET Delivery by Qualification Level

Attainment of qualifications, rather than short courses (i.e. through module only delivery), has become an increasingly important focus of State and Commonwealth governments over recent years. Lower level qualifications (Certificate I-II) provide those without post-school qualifications the foundation level skills (literacy, numeracy, work preparation) necessary to undertake further study or to find a job.

Mid-level skills are essential to the Victorian economy and help drive economic activity across the State. A significant proportion of apprenticeships and traineeships entail attainment of a mid-level qualification and are crucial to many key industries. Apprenticeships and traineeships are generally undertaken as a contract between the apprentice/trainee and an employer. Hence the apprentice/trainee undertakes on-the-job learning and more formal training through a VET provider.

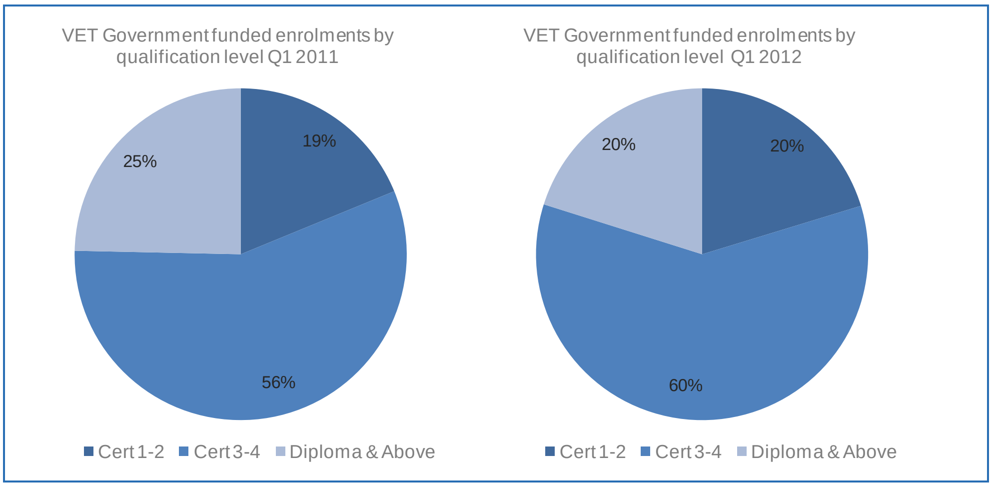
Higher level qualifications will continue to experience a growth in demand by industry and the labour market more generally. To meet this demand, both State and Commonwealth governments have focused on raising the qualification profile of Australians over the last decade. Higher level VET qualifications (Diploma and above) provide entry to higher skilled jobs and to further study – generally at university level where VET graduates obtain credits towards their undergraduate studies.

VET Delivery by Qualification Level, Government Funded Enrolments

Table 2.7: VET government funded enrolments by qualification level

Qualification level	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
Cert 1-2	87,160	83,638	93,834	119,439	37%	38,108	57,559	51%
Cert 3-4	165,419	165,863	201,687	287,858	74%	114,629	169,224	48%
Diploma & Above	55,658	63,657	71,241	86,424	55%	49,994	57,146	14%
Higher Education	15	8	-	-	-100%	-	-	-
Module Only	50,156	40,702	37,269	30,321	-40%	5,604	6,567	17%
Secondary, SoA and other	22,862	22,927	22,874	24,686	8%	8,319	9,816	18%
Total	**381,270**	**376,795**	**426,905**	**548,728**	**44%**	**216,654**	**300,312**	**39%**

Figure 2.7: VET government funded enrolments by qualification level



Key Points

The growth in government funded enrolments in Q1 2012 has occurred across all Australian Qualifications Framework (AQF) levels; Certificate I-II (up 51 per cent), Certificate III-IV (up 48 per cent) and Diploma and above (up 14 per cent).

Reported module only enrolments are up 17 per cent following a decline by 19 per cent in 2011, and a decline of 40 per cent over the 2008 to 2011 period. Students undertaking secondary school subjects in a VET environment, those undertaking a statement of attainment (SOA) and 'other' miscellaneous training have collectively grown by 18 per cent in Q1 2012 compared with the same period last year.

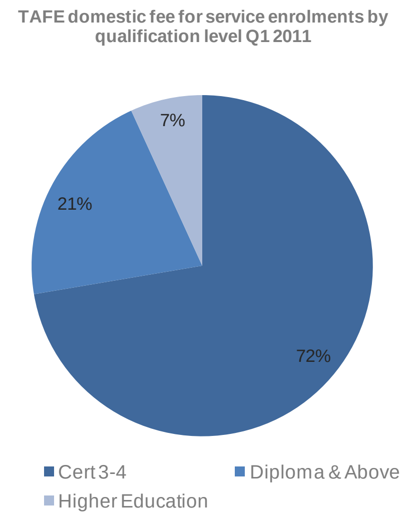
Reported figures in Q1 2012 indicate a larger proportion of enrolments are at Certificate III-IV levels (60 per cent) and a lower proportion are at Diploma and above (20 per cent) compared with figures in Q1 2011. The high growth at mid qualification levels (Certificate III and IV) can be explained in part by the growth in take-up of apprenticeships and traineeships (see section on apprentices and trainees for details).

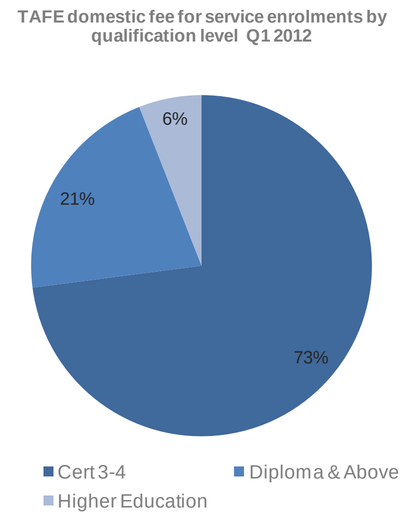
VET Delivery by Qualification Level, TAFE Domestic Fee-for-Service Enrolments

Table 2.8: TAFE domestic fee-for-service enrolments by qualification level

Qualification level	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
Cert 1-2	41,302	48,423	51,492	49,500	20%	16,041	16,305	2%
Cert 3-4	40,018	43,354	42,616	42,795	7%	13,332	16,183	21%
Diploma & Above	7,365	8,039	8,300	8,505	15%	3,839	4,683	22%
Higher Education	732	1,028	1,256	1,385	89%	1,260	1,319	5%
Module Only	-	-	-	-	-	-	-	-
Secondary, SoA and other	-	-	-	-	-	-	-	-
Total	**89,417**	**100,844**	**103,664**	**102,185**	**14%**	**34,472**	**38,490**	**12%**

Figure 2.8: TAFE domestic fee-for-service enrolments by qualification level





Key Points

TAFE domestic fee-for-service enrolments in Q1 2012 have increased across all AQF levels, particularly at Certificate III-IV (up 21 per cent) and at Diploma and above (up 22 per cent). Module only enrolments are not reported against this funding source.

Proportions by qualification level are broadly in line with this time last year.

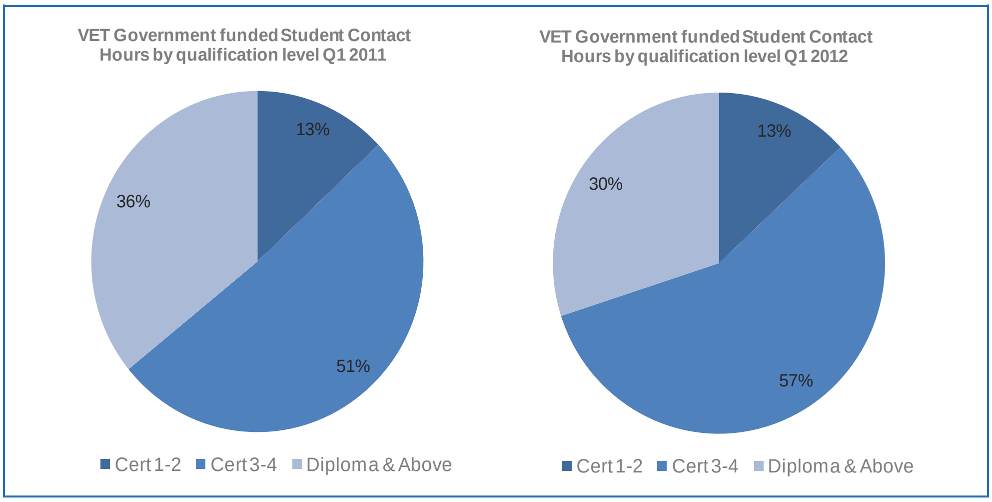
VET Delivery by Qualification Level, Government Funded Hours

Table 2.9: VET Government funded student contact hours by qualification level

Qualification level	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
Cert 1-2	14,172,964	15,199,752	17,498,228	22,614,672	60%	8,565,464	11,033,740	29%
Cert 3-4	44,949,317	48,790,269	59,085,247	81,650,427	82%	33,799,026	48,048,092	42%
Diploma & Above	22,949,521	25,990,419	30,934,399	35,900,045	56%	23,689,429	25,340,224	7%
Higher Education	258	286	-	-	-100%	-	-	
Module Only	1,430,007	1,557,458	1,594,559	1,317,776	-8%	300,590	367,999	22%
Secondary, SoA and other	3,890,648	4,048,839	3,311,493	5,461,838	40%	2,519,504	3,547,609	41%
Total	**87,392,715**	**95,587,023**	**112,423,926**	**146,944,758**	**68%**	**68,874,013**	**88,337,664**	**28%**

Note: SoA – Statement of Attainment

Figure 2.9: VET government funded student contact hours by qualification level



Key Points

The growth in government funded hours in Q1 2012 has continued across all AQF levels; Certificate I-II (up 29 per cent), Certificate III-IV (up 42 per cent) and Diploma and above (up 7 per cent). Module only student contact hours have also increased in Q1 2012 – up 22 per cent following a decline in 2011.

As with enrolments, proportions of government funded hours by qualification level show an increase in share (57 per cent) at Certificate III-IV levels and a decrease at Diploma and above (30 per cent) compared with figures at Q1 2011.

Equity Groups

VET Delivery by Equity Groups

Victoria has a shortage of skilled workers in a range of industries which can limit growth and the ability of businesses to stay competitive. Businesses continue to report that the lack of access to skilled workers is a significant barrier to their success. Across industry there is increasingly unmet demand for higher skill levels and qualifications.

The *Strategic Review of Effective Re-Engagement Models for Disengaged Learners* estimates that there are around 625,000 15-64 year olds in Victoria who have not attained at least an AQF level 3 Certificate and who are either unemployed, not in the labour force or in low skilled jobs. Individuals for equity groups are heavily over-represented in this population.[4]

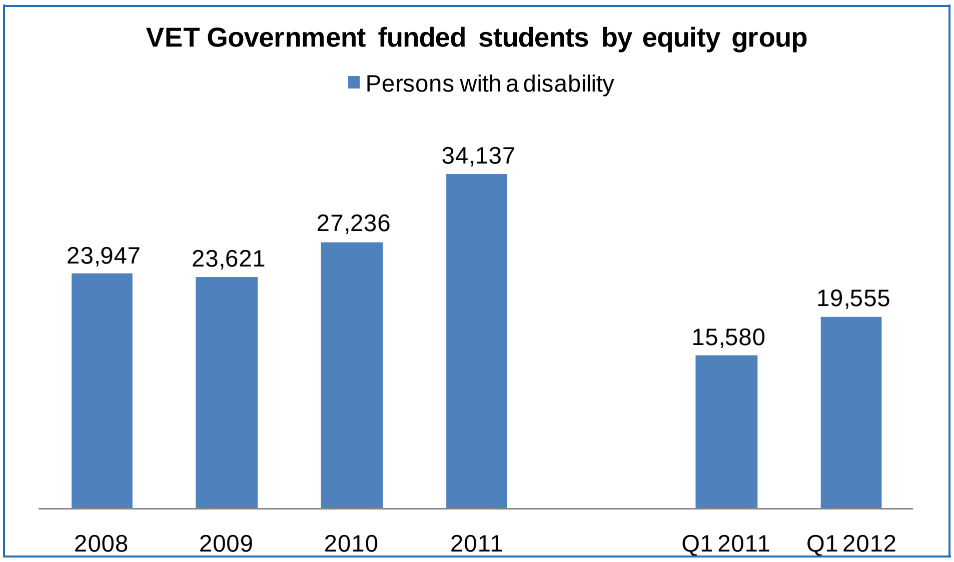
These people face a combination of barriers to effective engagement in education and training including low levels of previous educational achievement, low aspirations, poor access to training and broader barriers such as poverty, homelessness and poor health.

The role of VET has continued to be a critical enabler in opening up pathways for disadvantaged groups through the provision of tailored, individualised services, often in partnership with other service providers.

Table 2.10: VET government funded students by equity group

	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
Indigenous	4,356	4,317	4,801	5,590	28%	2,122	2,566	21%
Persons with a disability	23,947	23,621	27,236	34,137	43%	15,580	19,555	26%
CALD	58,145	62,128	70,618	97,261	67%	42,208	57,839	37%

Figure 2.10: VET government funded students by equity group: person with a disability



[4] Lamb, S., Davies, M & Doecke, E. 2011, 'Strategic Review of Effective Re-engagement Models for Disengaged Learners' Centre for Research on Education Systems, University of Melbourne, pp. 16-18.

Figure 2.11: VET government funded students by equity group: person with a disability – completions by qualification level in 2008 and 2011

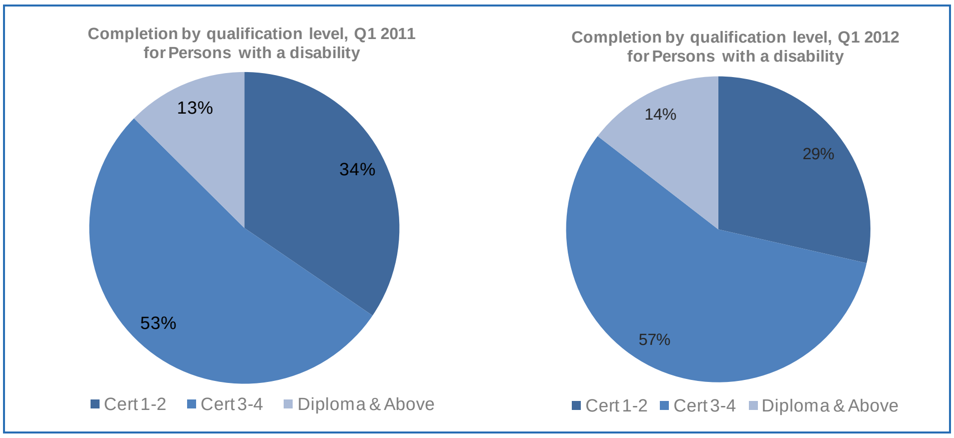


Figure 2.12: VET government funded students by equity group: indigenous

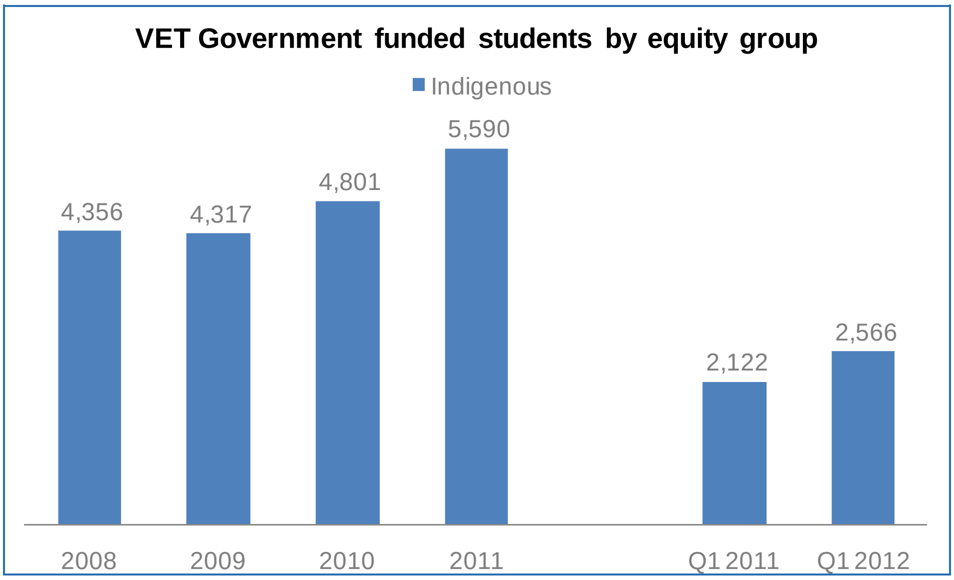


Figure 2.13: VET government funded students by equity group, completions by indigenous students, share in 2008 and 2011

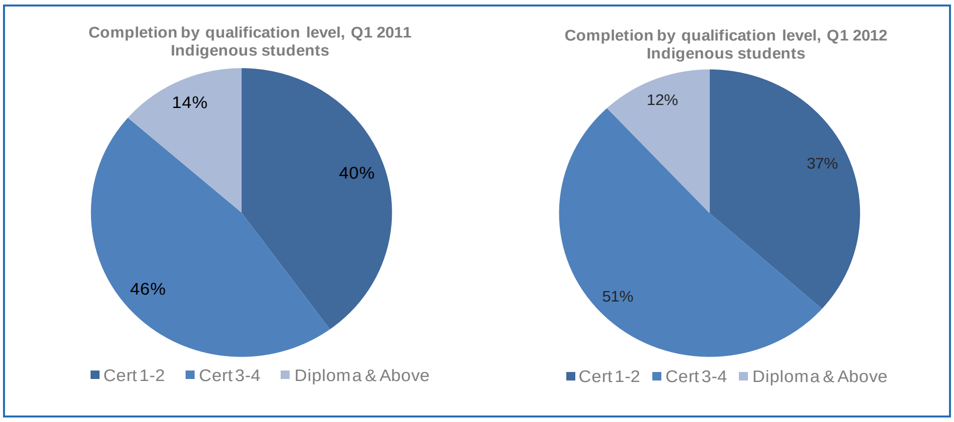


Figure 2.14: VET government funded students by equity group: CALD

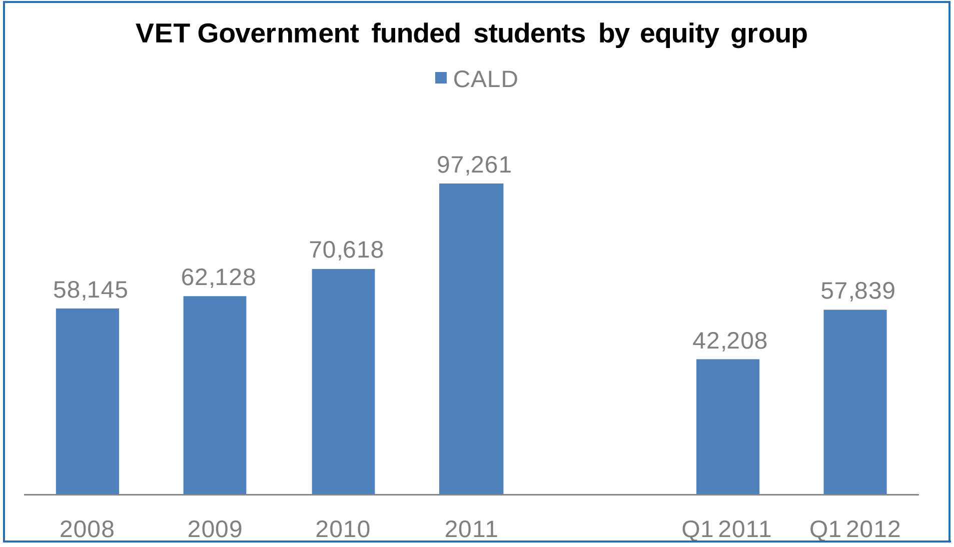
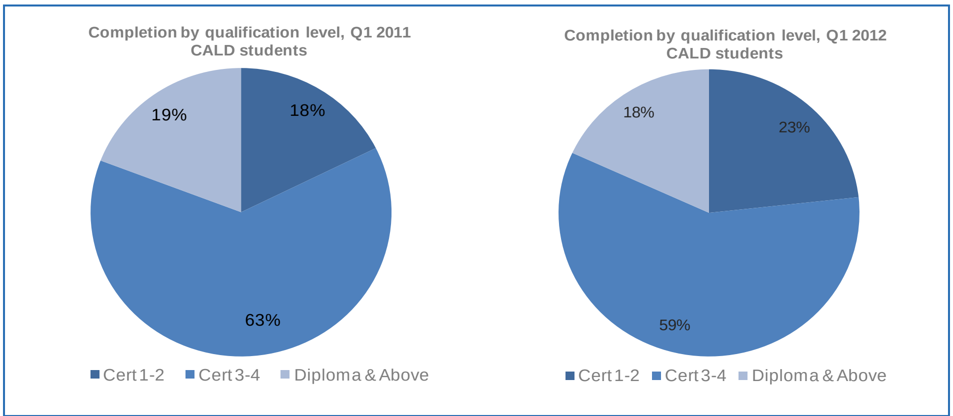


Figure 2.15: VET government funded students by equity group: CALD – completions by qualification level in 2008 and 2011



Key Points

First quarter 2012 figures show:

- The number of government funded VET students with a disability is showing encouraging growth (up 26 per cent) with over 19,000 students with a disability undertaking training.
- There is a 21 per cent increase in Indigenous students (2,566 students) and a 37 per cent increase in Culturally and Linguistically Diverse (CALD) VET students equating to almost 58,000 students.
- For students with a disability, the proportion of completions at Diploma level and above has risen slightly. In contrast, the proportion of completions among Indigenous and CALD students has decreased slightly at this level.
- In comparison, the proportion of completions at Certificate III-IV levels has increased among Indigenous students and those with a disability, and decreased slightly among CALD students.

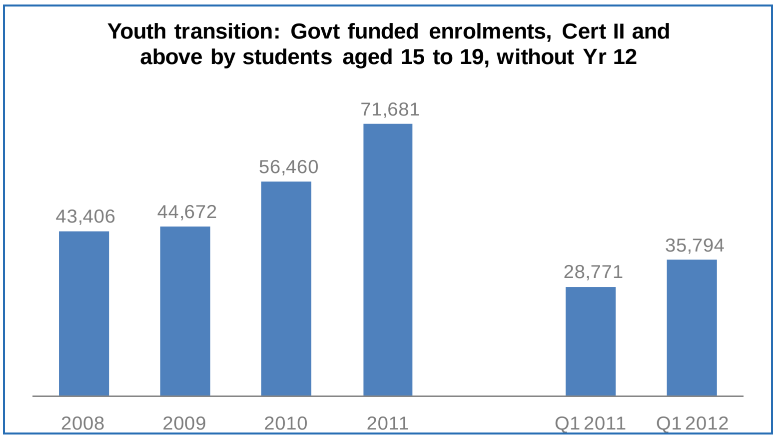
Young people without Year 12

Young people's choices of work and learning pathways are supported through the VET system in Victoria. Government VET funding for students aged 15 to 19 who did not complete Year 12 provides young people with an alternative avenue to transition to work and more active participation in economic and community life.

Table 2.11: Youth transition: VET government funded enrolments Cert II and above by students aged 15 to 19 who did not complete Year 12

	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
Course Enrolments	43,406	44,672	56,460	71,681	65%	28,771	35,794	24%

Figure 2.16: Youth transition: VET government funded enrolments, Cert II and above by students aged 15 to 19 who did not complete Year 12



Key Points

Growth in VET participation by this cohort continues with an increase of 24 per cent in Q1 2012 compared with Q1 2011. In terms of enrolment numbers, this cohort represents almost 36,000 government enrolments at the end of Q1 2012, accounting for 12 per cent of total government funded enrolments.

VET participation by this cohort is particularly important in terms of tackling youth unemployment, with the number of jobs held by 15-19 year-olds shrinking by more than 92,000 in the last three years.

Older students with low prior qualifications

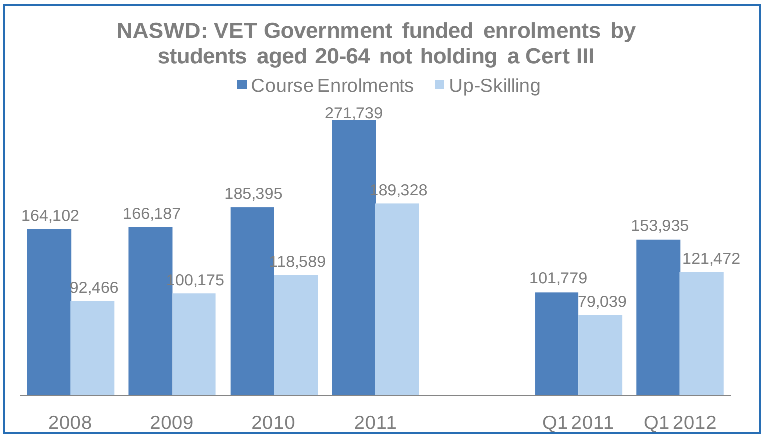
It is now commonly accepted that the age profile and structure of the Victorian population and workforce are changing. The now static supply of younger workers is resulting in a reduction in the availability of workers at younger ages, refocusing employers in their recruitment and retention practices, and a growing awareness that older workers are available to meet their labour needs.

Students aged 20 to 64 years engaging with training for the first time or up-skilling through vocational education have been important in building the skills capacity of the Victorian population and responding to the needs of industry.

Table 2.12: VET government funded enrolments by students aged 20-64 not holding a Cert III or above

	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
Course Enrolments	164,102	166,187	185,395	271,739	66%	101,779	153,935	51%
Up-Skilling	92,466	100,175	118,589	189,328	105%	79,039	121,472	54%

Figure 2.17: VET government funded enrolments by students aged 20-64 not holding a Cert III



NASWD: National Agreement for Skills and Workforce Development

Key Points

In the first quarter of 2012, the number of government funded enrolments by students aged 20-64 (not holding a Cert III level qualification) engaged in up-skilling through VET has risen by 54 per cent compared with figures at Q1 2011. This equates to more than 121,000 enrolments by Victorian VET students who are upgrading their skills and qualifications.

Overall course enrolments for this group have risen 51 per cent in the first quarter of 2012. This also reflects industry need for higher level skills to support sectors through transition and those seeking to upgrade technology, processes and systems.

Foundation Level Training

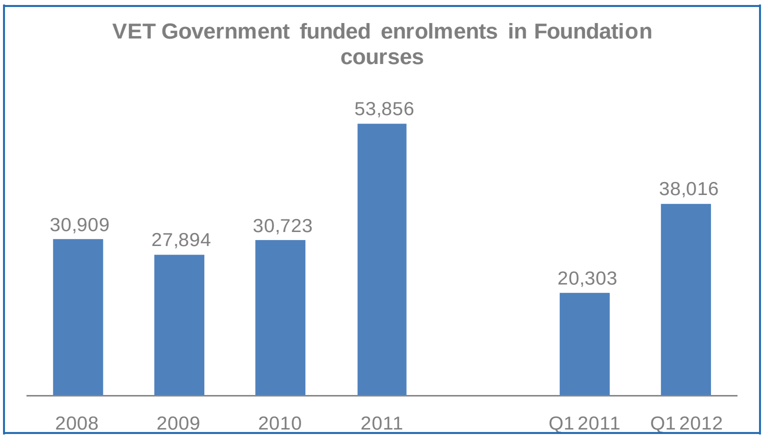
Foundation Level Training

An efficient and effective training market plays a vital role in providing better outcomes for individuals and employers, as well as the wider Victorian community. Of particular importance is ensuring school leavers and adults without solid foundation skills in literacy, numeracy and language are given the opportunity to acquire them and thus greatly improve their chances of employment, further education opportunities and broader social participation.

Table 2.13: VET government funded enrolments in foundation courses

	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
15 to 19	6,687	6,458	7,864	14,190	112%	5,192	11,147	115%
20 to 24	3,344	2,920	3,651	7,416	122%	2,576	6,211	141%
25 to 44	13,386	11,488	12,124	20,054	50%	7,559	11,623	54%
45 to 64	6,426	5,923	6,250	10,844	69%	4,549	7,632	68%
Under 15, over 64 , not stated	1,066	1,105	834	1,352	27%	427	1,403	229%
Total	**30,909**	**27,894**	**30,723**	**53,856**	**74%**	**20,303**	**38,016**	**87%**

Figure 2.18: VET government funded enrolments in foundation courses



Key Points

- In Q1 2012, there were more than 38,000 government funded enrolments in Foundation courses – representing growth of 87 per cent compared with the same period in 2011.
- Younger age groups (those aged 15 to 24) continue to have the highest rates of growth in take up of foundation training – suggesting a growing need by this cohort to improve levels of literacy, numeracy and English language proficiency.
- Drilling down into the delivery of Foundation level training to 15 to 24 year olds reveals that the vast majority of students are undertaking four courses, namely the Certificate I in Vocational Preparation (29 per cent), Certificate II in General Education for Adults (29 per cent), the Certificate I in General Education for Adults (13 per cent) and the Certificate III in General Education for Adults (8 per cent).
- The Certificate in General Education for Adults is a preparatory course designed for entry to further study. It is for adults who have left school early and who need to improve their literacy, basic maths and general education skills.
- Students from a CALD[5] background account for just 18 per cent of 15-24 year olds undertaking Foundation level training. This suggests that the majority of young students undertaking Foundation training have English as a first language.
- In terms of providers, the vast majority of Foundation level training taken up by 15 to 24 year olds is delivered by TAFE institutes (86 per cent in Q1 2012).

[5] Culturally and Linguistically Diverse

Regional activity by funding type

Table 2.14: VET government funded enrolments by region

VET enrolments by region, government subsidised								
Delivery Location - Region	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
Barw on South West	28,758	31,786	35,800	50,058	74%	17,572	29,135	66%
Grampians	14,631	16,194	15,005	17,187	17%	6,996	8,495	21%
Loddon Mallee	23,568	27,936	28,320	32,758	39%	12,678	17,547	38%
Hume	29,132	26,042	24,673	27,270	-6%	9,322	13,063	40%
Gippsland	26,717	22,386	22,509	20,467	-23%	8,048	8,637	7%
Eastern Metropolitan	55,525	52,174	60,140	73,642	33%	33,179	40,336	22%
Western Metropolitan	76,313	67,854	88,628	135,755	78%	51,801	80,649	56%
Southern Metropolitan	63,579	67,663	81,765	107,597	69%	42,711	57,664	35%
Northern Metropolitan	46,907	52,411	56,429	68,739	47%	30,264	35,725	18%
Total regions	**364,410**	**363,850**	**412,570**	**532,178**	**46%**	**212,361**	**290,429**	**37%**
Other	17,365	13,448	15,084	17,570	1%	4,499	10,441	132%
Total VET	**381,270**	**376,795**	**426,905**	**548,728**	**44%**	**216,654**	**300,312**	**39%**
**Other - on-line and workplace delivery*								

Table 2.15: VET TAFE domestic fee for service enrolments by region

TAFE domestic fee for service enrolments by region								
Delivery Location - Region	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
Barw on South West	4,943	6,090	6,093	7,265	47%	3,669	4,484	22%
Grampians	2,585	3,057	3,067	2,962	15%	1,048	805	-23%
Loddon Mallee	4,849	4,619	4,071	3,961	-18%	961	1,524	59%
Hume	9,189	9,296	12,205	11,428	24%	3,561	3,762	6%
Gippsland	6,744	6,901	7,280	8,646	28%	2,599	2,877	11%
Eastern Metropolitan	7,855	8,914	7,982	8,672	10%	3,865	4,505	17%
Western Metropolitan	10,494	14,645	13,973	12,463	19%	4,686	6,522	39%
Southern Metropolitan	10,949	13,763	14,314	14,125	29%	6,149	6,014	-2%
Northern Metropolitan	9,450	14,756	13,761	12,302	30%	3,492	3,156	-10%
Total regions	**66,890**	**81,659**	**82,448**	**81,623**	**22%**	**29,972**	**33,603**	**12%**
Other	22,691	19,316	21,324	20,674	-9%	4,502	5,031	12%
Total VET	**89,417**	**100,844**	**103,664**	**102,185**	**14%**	**34,472**	**38,490**	**12%**
**Other - interstate, on-line and workplace delivery*								
Fee for Service figures are TAFE on-shore domestic AQF1+ activity only.								

Key Points

Growth in government funded enrolments has occurred across Victoria with all nine regions reporting growth in the first quarter of 2012 compared with the same period in 2011. Strongest growth has occurred in Barwon South West (up 66 per cent) followed by Western Metropolitan (up 56 per cent) and Hume (up 40 per cent).

VET activity measured in terms of TAFE domestic fee for service enrolments reveals a different pattern with six regions experiencing growth with the remaining three regions reporting a decline in Q1 2012. These figures are early indicators and may turnaround as the year progresses.

Enrolments by region and provider type

Table 2.16: VET government funded enrolments by region and provider type

Delivery Location - Region	Provider type	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
Barwon South West	ACE	6,084	6,518	6,398	8,705	43%	2,513	5,432	116%
	PRIV	2,504	4,262	6,576	14,795	491%	4,208	8,024	91%
	TAFE	20,170	21,006	22,826	26,558	32%	10,851	15,679	44%
Barwon South West Total		**28,758**	**31,786**	**35,800**	**50,058**	**74%**	**17,572**	**29,135**	**66%**
Grampians	ACE	4,407	5,221	3,392	3,706	-16%	1,065	1,375	29%
	PRIV	2,384	2,832	3,876	6,421	169%	1,755	3,315	89%
	TAFE	7,840	8,141	7,737	7,060	-10%	4,176	3,805	-9%
Grampians Total		**14,631**	**16,194**	**15,005**	**17,187**	**17%**	**6,996**	**8,495**	**21%**
Loddon Mallee	ACE	5,654	5,520	5,756	5,435	-4%	1,864	2,147	15%
	PRIV	4,687	5,574	7,898	13,010	178%	4,897	6,642	36%
	TAFE	13,227	16,842	14,666	14,313	8%	5,917	8,758	48%
Loddon Mallee Total		**23,568**	**27,936**	**28,320**	**32,758**	**39%**	**12,678**	**17,547**	**38%**
Hume	ACE	8,001	6,276	4,834	4,091	-49%	529	1,691	220%
	PRIV	3,282	2,170	2,104	4,968	51%	1,581	2,763	75%
	TAFE	17,849	17,596	17,735	18,211	2%	7,212	8,609	19%
Hume Total		**29,132**	**26,042**	**24,673**	**27,270**	**-6%**	**9,322**	**13,063**	**40%**
Gippsland	ACE	9,468	6,917	5,516	4,054	-57%	1,248	1,240	-1%
	PRIV	2,651	2,140	2,201	2,514	-5%	1,051	1,533	46%
	TAFE	14,598	13,329	14,792	13,899	-5%	5,749	5,864	2%
Gippsland Total		**26,717**	**22,386**	**22,509**	**20,467**	**-23%**	**8,048**	**8,637**	**7%**
Eastern Metropolitan	ACE	9,774	8,876	8,799	8,145	-17%	2,639	3,047	15%
	PRIV	7,666	9,187	11,535	24,300	217%	7,830	13,729	75%
	TAFE	38,085	34,111	39,806	41,197	8%	22,710	23,560	4%
Eastern Metropolitan Total		**55,525**	**52,174**	**60,140**	**73,642**	**33%**	**33,179**	**40,336**	**22%**
Western Metropolitan	ACE	9,252	9,801	9,758	10,108	9%	3,741	3,731	0%
	PRIV	17,238	14,368	32,452	80,053	364%	23,482	52,691	124%
	TAFE	49,823	43,685	46,418	45,594	-8%	24,578	24,227	-1%
Western Metropolitan Total		**76,313**	**67,854**	**88,628**	**135,755**	**78%**	**51,801**	**80,649**	**56%**
Southern Metropolitan	ACE	10,886	10,432	11,308	11,354	4%	2,877	3,818	33%
	PRIV	9,785	12,489	22,975	53,525	447%	15,640	32,721	109%
	TAFE	42,908	44,742	47,482	42,718	0%	24,194	21,125	-13%
Southern Metropolitan Total		**63,579**	**67,663**	**81,765**	**107,597**	**69%**	**42,711**	**57,664**	**35%**
Northern Metropolitan	ACE	10,270	8,757	8,092	9,011	-12%	2,399	2,507	5%
	PRIV	3,895	4,507	10,366	21,713	457%	7,424	12,239	65%
	TAFE	32,742	39,147	37,971	38,015	16%	20,441	20,979	3%
Northern Metropolitan Total		**46,907**	**52,411**	**56,429**	**68,739**	**47%**	**30,264**	**35,725**	**18%**
All regions	ACE	73,771	68,304	63,810	64,573	-12%	18,867	24,984	32%
	PRIV	54,022	57,410	99,739	220,608	308%	67,745	133,502	97%
	TAFE	236,617	238,136	249,021	246,997	4%	125,749	131,943	5%
Total regions		**364,410**	**363,850**	**412,570**	**532,178**	**46%**	**212,361**	**290,429**	**37%**
Other	ACE								
	PRIV	11	2	19	87	691%	8	71	788%
	TAFE	17,354	13,446	15,065	17,483	1%	4,491	10,370	131%
Total other		**17,365**	**13,448**	**15,084**	**17,570**	**1%**	**4,499**	**10,441**	**132%**
Total GF VET		**381,270**	**376,795**	**426,905**	**548,728**	**44%**	**216,654**	**300,312**	**39%**

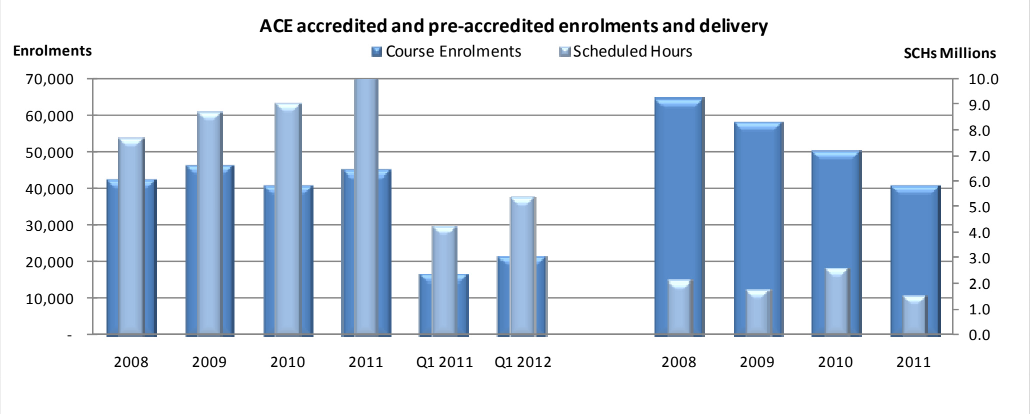
Key Points

All three provider type categories (ACE, Private, TAFE) are reporting growth in the first quarter of 2012. Regional growth in government funded course enrolments has been largely driven by an increase in private provider delivery. Training delivery by private RTOs has grown by more than 75 per cent in six of Victoria's nine regions in the first quarter of 2012 compared with this time last year.

TAFE government funded delivery has increased with six regions experiencing growth in government funded TAFE enrolments in the first quarter of 2012. Enrolments at ACE providers have also shown growth in seven of Victoria's regions in the first quarter of 2012.

ACFE Performance

Figure 2.19: ACFE accredited and pre-accredited enrolments and delivery

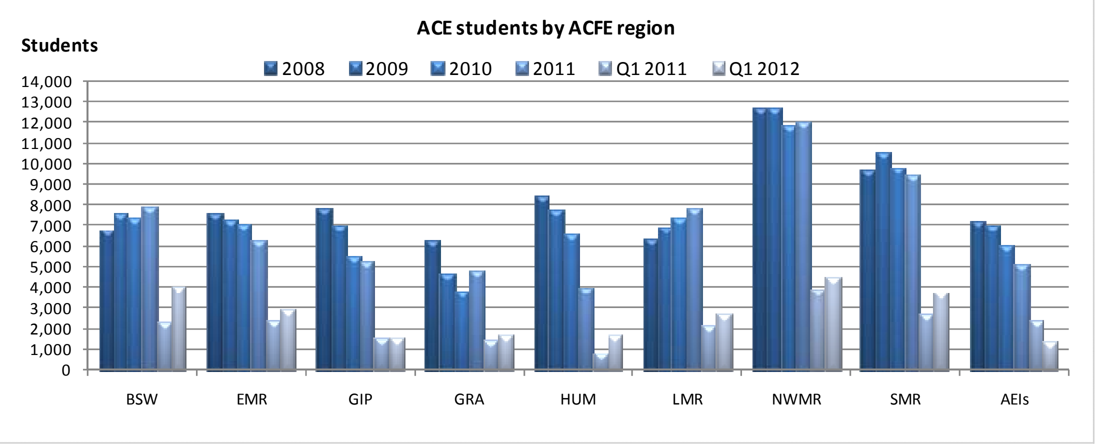


Key Points

The first quarter of 2012 delivered growth in both enrolments and scheduled hours compared to the first quarter of 2011. For accredited training, enrolments are up 29% (4833 enrolments) compared to Q1 2011 and scheduled hours are up 26% (1.1m hours). Enrolments in Adult Community Education have grown by 16% (806 enrolments), in Community Services and Health by 23% (1439 enrolments), Primary and Forest by 44% (168 enrolments), and in Tourism and Hospitality by 303% (2344 enrolments). The growth in Tourism and Hospitality is in Certificate II (up 1276 enrolments) and Certificate III (up 1048 enrolments).

Pre-accredited enrolments are up 19% (1433 enrolments) compared to Q1 2011. This growth is in contrast to the fall in pre-accredited enrolments for the previous 4 years and is occurring across the pre-accredited purchasing areas of Adult Literacy and Numeracy, Employment Skills, and Vocational Programs.

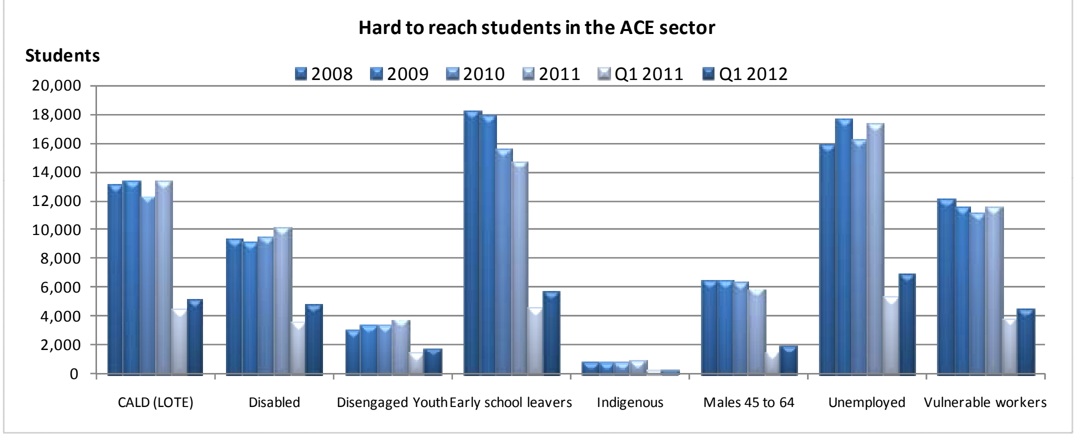
Figure 2.20: ACE students by ACFE region, all funding sources (accredited and pre-accredited)



Key Points

- Seven of eight regions recorded an increase in students for the first quarter of 2012 with overall growth of 23% (4650 students).
- Hume's Q1 increase of 113% (919 students) reflects change from a low base after four years of falling student numbers.
- The decrease in student numbers at the AEIs has continued. This decline appears linked to limited reporting in Q1 in 2012 of AEI’s provider data to date.

Figure 2.21: ACFE hard to reach students, all funding sources (accredited and pre-accredited)



Key Points

Student numbers have increased in Q1 2012 in each of the eight key measures of 'hard to reach' groups. Growth has been strongest in students with a disability up 36 per cent (1268 students), the unemployed up 29 per cent (1560 students), males aged 45-64 up 27 per cent (420 students), and disengaged youth up 26 per cent (372 students).

Unemployed students now make up the largest number of 'hard to reach' students at ACFE providers, followed by early school leavers and students from a CALD background.

Training Market by Industry

Key Points

Table 2.22 summarises economic and training market data across all industries. Health Care and Social Assistance has had the most number of enrolments (38,900) in the first quarter of 2012, making up 14 percent of enrolments in this period. This aligns with Health Care and Social Assistance being the largest employing sector in 2011 (accounting for 11.5 per cent of employment and projected to increase to 12 per cent by 2018).

The second largest sector based on enrolments is Administrative and Support Services (35,700) followed by Construction (31,000) accounting for 13 per cent and 11 per cent of the government funded training market respectively. Both these industries were large employers in 2011 and have high number of enrolments in the first quarter of 2012 despite forecasts for employment in both industries to remain relatively unchanged by 2018.

Retail trade and Manufacturing industries were two of the larger employers in 2011 (accounting for 10.8 per cent and 11.3 percent of employment). Manufacturing is expected to experience a two percentage point decline in employment by 2018. Enrolment figures (measured in terms of share of total) broadly align with forecast employment trends with qualifications related to Retail Trade in the first quarter of 2012 remaining stable compared with first quarter 2011 figures, and Manufacturing share declining by 8 per cent (Q1 2011) to 7 per cent share (Q1 2012).

The training profile in Manufacturing is showing signs of adapting to evolving requirements. As at Q1 2012, 23 per cent of reported Manufacturing enrolments were in courses related to competitive/lean manufacturing and advanced manufacturing techniques[6]. This is a significant increase from 17 per cent at Q1 2011, representing 2,000 additional enrolments. At Diploma level and above the proportion of training being undertaken in competitive/lean and advanced manufacturing techniques is even higher at 59 per cent of all Diploma level and above manufacturing training. In addition to these dedicated courses Q1 2012 has seen an increase in reported delivery of modules from the competitive manufacturing stream in other manufacturing courses. This is a highly positive trend. In Q1 2012 almost 3 per cent of the total training modules from the competitive manufacturing stream were in the Certificate III and IV in Transport and Logistics (Warehousing and Storage), as well as smaller numbers undertaken as part of qualifications in Frontline Management and Food Processing.

While there are a number of low enrolments relating to industries such as Wholesale Trade and Electricity, Gas, Water and Waste Services, these industries have the largest share of the apprenticeship and traineeship market (Wholesale Trade 86 percent and Electricity, Gas, Water and Waste Services 73 per cent).

[6] Qualifications in Competitive Manufacturing, Engineering Technology (excluding specialisations) and Manufacturing Technology.

Table 2.22: Economic and Training Market data by Industry (ANZSIC industry divisions)

Industry (ANZSIC code)	Economic significance to Victoria, 2011 & 2018		Gov't funded enrolments & year-on-year change, 2008-2011				Gov't funded enrolments & % change Q1 2011 - Q1 2012		% of Gov't funded training by various categories, Q1 2012		
	% share employment	% share economy	2008	2009	2010	2011	Q1 2011	Q1 2012	% Occs in shortage	% Dip & above	% Apprent / Trainee
Accommodation and Food Services (H)	2011: 6.4% 2018: 6.5%	2011: 2.7% 2018: 2.5%	25,163	29,857 18.70%	29,043 -2.70%	35,489 22.20%	14,148 7%	16,878 6%	5%	2%	39%
Administrative and Support Services (N)	2011: 3.6% 2018: 3.7%	2011: 3.2% 2018: 3.4%	41,027	35,291 -14.00%	40,863 15.80%	61,246 49.90%	20,208 10%	35,653 13%	0%	2%	20%
Agriculture, Forestry and Fishing (A)	2011: 2.8% 2018: 2.5%	2011: 2.7% 2018: 2.5%	11,841	11,141 -5.90%	12,196 9.50%	13,738 12.60%	4,111 2%	4,913 2%	1%	2%	26%
Arts and Recreation Services (R)	2011: 2.1% 2018: 2.1%	2011: 1.5% 2018: 1.5%	12,017	13,520 12.50%	17,384 28.60%	26,142 50.40%	11,540 6%	15,526 5%	0.06%	8%	12%
Construction (E)	2011: 9.0% 2018: 8.9%	2011: 7.9% 2018: 8.5%	35,462	36,550 3.10%	46,249 26.50%	51,347 11%	28,900 14%	30,774 11%	28%	7%	58%
Education and Training (P)	2011: 7.7% 2018: 8.4%	2011: 5.3% 2018: 5.3%	6,508	7,864 20.80%	8,443 7.40%	9,686 14.70%	2,924 1%	4,137 1%	4%	1%	3%
Electricity, Gas, Water and Waste Services (D)	2011: 1.2% 2018: 1.1%	2011: 2.6% 2018: 2.3%	586	530 -9.60%	642 21.10%	796 24.00%	273 0.13%	488 0.17%	1%	0%	73%
Financial and Insurance Services (K)	2011: 4.2% 2018: 4.2%	2011: 12.8% 2018: 13.3%	7,048	7,369 4.60%	7,724 4.80%	14,226 84.20%	5,071 3%	9,275 3%	2%	5%	4%
Health Care and Social Assistance (Q)	2011: 11.5% 2018: 12.4%	2011: 6.4% 2018: 6.8%	29,609	35,683 20.50%	45,417 27.30%	60,756 33.80%	30,021 15%	38,877 14%	45%	26%	11%
Information Media and Telecommunications (J)	2011: 2.1% 2018: 2.2%	2011: 2.8% 2018: 2.9%	4,110	4,455 8.40%	4,609 3.50%	4,517 -2.00%	3,240 2%	3,785 1%	1%	3%	3%
Manufacturing (C)	2011: 10.8% 2018: 8.4%	2011: 11.2% 2018: 9.1%	29,270	25,553 -12.80%	28,885 13.10%	35,481 22.80%	15,245 8%	20,464 7%	9%	5%	54%
Mining (B)	2011: 0.4% 2018: 0.6%	2011: 1.9% 2018: 1.8%	386	367 -4.90%	316 -13.90%	276 -12.70%	60 0.03%	182 0.06%	0%	0%	3%
Other Services (S)	2011: 3.9% 2018: 3.9%	2011: 2.6% 2018: 2.6%	14,459	15,449 6.80%	20,148 30.40%	21,871 8.60%	10,877 5%	12,708 4%	5%	3%	46%
Professional, Scientific and Technical Services (M)	2011: 8.0% 2018: 8.7%	2011: 8.7% 2018: 9.6%	23,451	24,462 4.30%	28,420 16.20%	36,704 29.10%	17,981 9%	23,411 8%	0.07%	33%	20%
Public Administration and Safety (O)	2011: 4.7% 2018: 4.5%	2011: 4.4% 2018: 4.3%	4,167	3,603 -13.50%	5,800 61.00%	8,964 54.60%	1,743 1%	2,965 1%	0%	1%	2%
Rental, Hiring and Real Estate Services (L)	2011: 1.5% 2018: 1.5%	2011: 7.7% 2018: 7.9%	617	660 7.00%	996 50.90%	1,552 55.80%	475 0.23%	1,147 0.40%	0%	0%	24%
Retail Trade (G)	2011: 11.3% 2018: 10.9%	2011: 4.8% 2018: 4.6%	18,472	17,310 -6.30%	21,932 26.70%	31,735 44.70%	10,241 5%	14,579 5%	0.01%	1%	58%
Transport, Postal and Warehousing (I)	2011: 4.9% 2018: 4.8%	2011: 5.0% 2018: 4.8%	11,302	15,046 33.10%	17,187 14.20%	28,149 63.80%	5,649 3%	11,248 4%	1%	1%	24%
Wholesale Trade (F)	2011: 3.9% 2018: 4.7%	2011: 5.9% 2018: 6.5%	498	254 -49.00%	385 51.60%	740 92.20%	269 0.13%	425 0.15%	0%	0%	86%

3. Responsiveness of Victoria's Training Market

Introduction

This section reports on VET training delivery in the first quarter of 2012 and how it corresponds to the skills required by the market based on occupational requirements.

- 'Responsiveness' considers the extent to which VET training responds to training required for specialist and/or skills shortage occupations.
- Specialist skills relate to occupational skills that have a long training lead time and have a significant economic or strategic impact on the State's economy if they are under-supplied. This section tracks performance against 'specialised occupations' as defined by Skills Australia.

Overall Responsiveness of the Training Market

Analysis has shown that enrolments in training corresponds to the changing occupational structure of the Victorian economy, with overall enrolment growth in courses relating to areas of identified labour market demand. First quarter 2012 enrolments are 13 per cent higher in both specialised and in shortage qualifications, compared with figures at the same time in 2011.

The following tables[7] show the number and percentage change against the four categories of training market responsiveness, as well as the comparison category 'all industry specific training', for reported enrolments and student contact hours.

Table 3.1: Change in reported government funded enrolments by responsiveness category

Responsiveness Category	2008	2009	2010	2011	Q1 2011	Q1 2012	% change 2008 - 2011	% change Q1 2011 - Q1 2012
Specialised	56,837	59,027	64,736	72,196	38,848	43,813	27%	13%
In shortage	83,979	95,552	108,670	126,629	66,116	74,492	51%	13%
Specialised AND In shortage	49,629	52,258	57,185	64,252	35,677	38,937	29%	9%
Specialised OR In shortage	91,187	102,321	116,221	134,573	69,287	79,368	48%	15%

[7] Specialised skills relate to occupational skills that have a long training lead time and have a significant economic or strategic impact on the State's economy

Figure 3.1: Change in reported government funded enrolments by responsiveness category

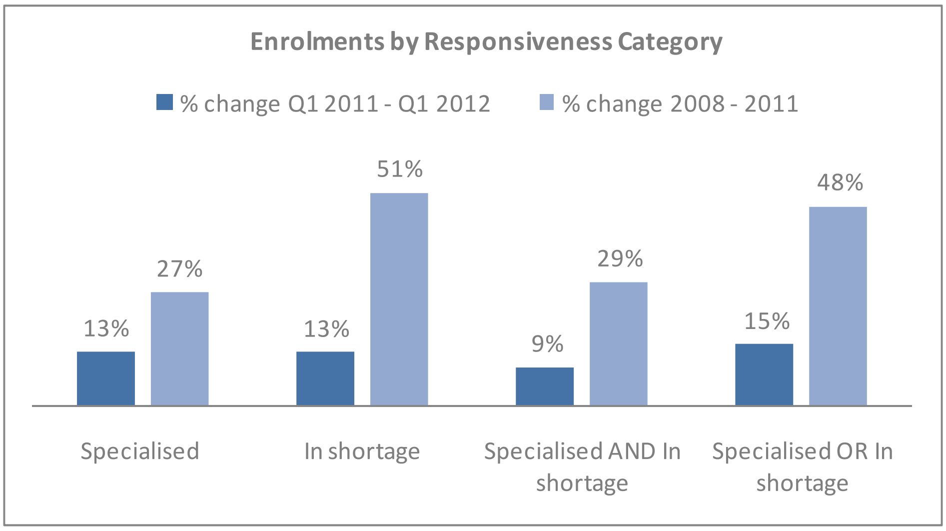
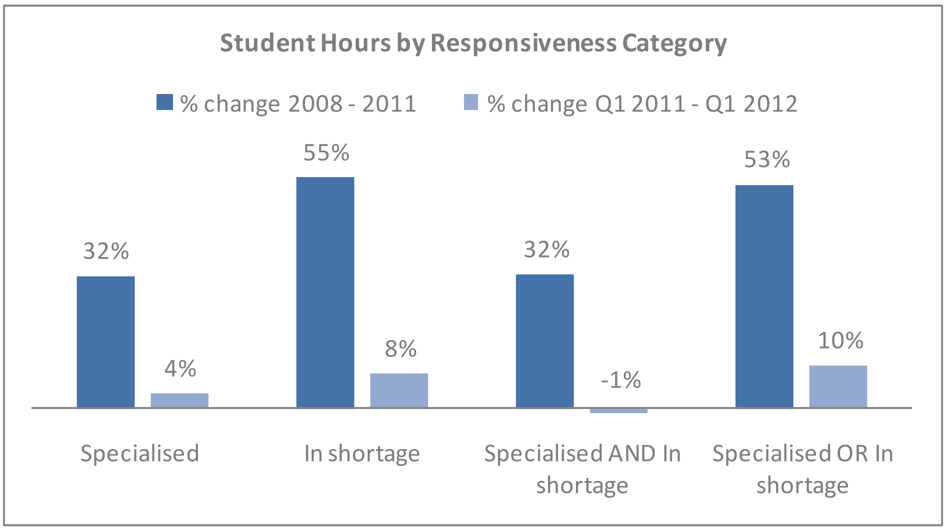


Table 3.2: Change in reported government funded contact hours by responsiveness category

Responsiveness Category	2008	2009	2010	2011	Q1 2011	Q1 2012	% change 2008 - 2011	% change Q1 2011 - Q1 2012
Specialised	16,587,447	19,589,045	21,120,190	21,812,891	12,478,853	12,947,635	32%	4%
In shortage	26,725,491	31,669,613	36,895,104	41,356,116	23,084,504	25,024,832	55%	8%
Specialised AND In shortage	14,893,965	17,664,365	19,079,879	19,642,419	11,246,749	11,131,148	32%	-1%
Specialised OR In shortage	28,418,973	33,594,293	38,935,415	43,526,588	24,316,608	26,841,319	53%	10%

Figure 3.2: Change in reported government funded contact hours by responsiveness category



Key Points

There has also been an increase in student contact hours in courses associated with specialised occupations as well as 'In Shortage' occupations in the first quarter of 2012. There has been growth in student contact hours associated with in shortage occupations, increasing by 8 per cent between Q1 2011 and Q1 2012. There has also been a rise (4 per cent) in specialised student contact hours over the same period.

Table 3.3: Industry share of employment, economic output and enrolments in qualifications related to Specialised and 'In Shortage' Occupations

Industry Division	Employment		Economic Output		Specialised		In shortage	
	Share 2012	Change 2012-18	Share 2012	Change 2012-18	Share Q1 2012	Change Q1 2011-12	Share Q1 2012	Change Q1 2011-12
Agriculture, Forestry and Fishing	2.6%	13%	2.2%	-1%	0.9%	-21%	0.6%	36%
Mining	0.4%	48%	2.1%	26%	-	-	-	-
Manufacturing	10.3%	-12%	11.4%	-2%	6.7%	0%	8.6%	0%
Electricity, Gas, Water and Waste Services	1.2%	-6%	2.5%	7%	0.6%	108%	0.5%	152%
Construction	9.0%	12%	8.1%	26%	44.4%	3%	28.5%	4%
Wholesale Trade	4.2%	12%	6.1%	29%	-	-	0.0%	-100%
Retail Trade	11.5%	2%	5.0%	12%	-	-	0.0%	-78%
Accommodation and Food Services	6.2%	1%	2.8%	10%	-	-	4.7%	-17%
Transport, Postal and Warehousing	4.9%	5%	5.0%	21%	0.1%	34%	1.3%	-39%
Information Media and Telecommunications	2.1%	6%	2.8%	25%	0.5%	-4%	0.5%	10%
Financial and Insurance Services	4.4%	10%	12.5%	25%	4.2%	-6%	1.5%	-29%
Rental, Hiring and Real Estate Services	1.4%	8%	8.1%	17%	-	-	-	-
Professional, Scientific and Technical Services	7.9%	17%	7.9%	30%	2.3%	24%	0.1%	-12%
Administrative and Support Services	3.6%	16%	2.9%	29%	-	-	-	-
Public Administration and Safety	5.0%	3%	4.4%	10%	1.3%	863%	-	-
Education and Training	7.7%	12%	5.3%	20%	0.1%	29%	3.7%	36%
Health Care and Social Assistance	12.0%	12%	6.7%	25%	31.1%	29%	45.4%	29%
Arts and Recreation Services	2.0%	2%	1.6%	15%	-	-	0.1%	2200%
Other Services	3.9%	6%	2.7%	16%	7.9%	24%	4.5%	26%
Total	**100%**	**7%**	**100.0%**	**18%**	**100.0%**	**13%**	**100.0%**	**13%**

Key Points

Table 3.3 looks at the industry share of employment, economic output and enrolments in qualifications related to Specialised and 'In Shortage' occupations. It is evident that enrolments in Specialised and 'In Shortage' occupations are aligned to some of the larger industries, characterised by high economic output and employment, such as the Health Care and Social Assistance, Construction and Manufacturing sectors.

Responsiveness of the Training Market by Occupations

Figure 3.3: Distribution of Enrolments in Specialised Occupations, Q1 2012

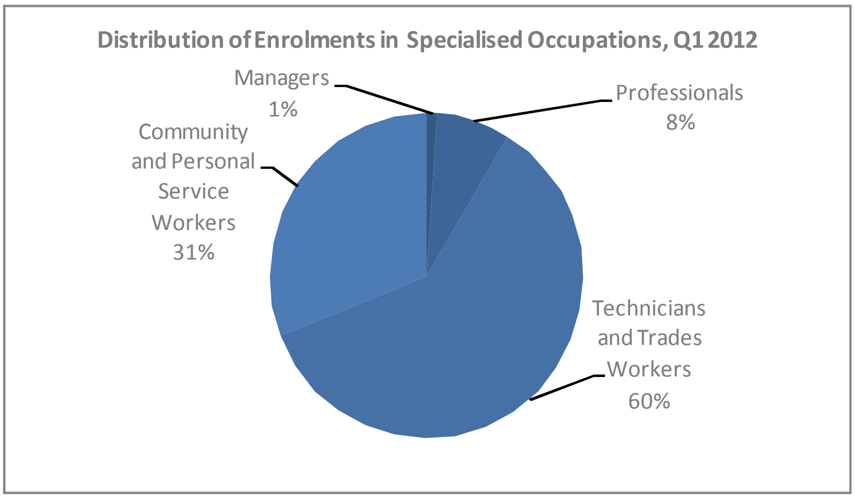


Table 3.4: Enrolments in specialised occupations, by ANZSCO occupational groupings, Q1 2011 - Q1 2012

Enrolments in Specialised Occupations	2008	2009	2010	2011	Q1 2011	Q1 2012	% change 2008 - 2011	% change Q1 2011 - Q1 2012
Managers	350	504	682	843	439	497	141%	13%
Professionals	6,070	6,308	5,570	5,747	3,286	3,289	-5%	0%
Technicians and Trades Workers	35,448	35,449	40,129	42,303	24,941	26,380	19%	6%
Community and Personal Service Workers	14,969	16,766	18,355	23,303	10,182	13,647	56%	34%
Clerical and Administrative Workers	_	_	_	_	_	_	_	_
Sales Workers	_	_	_	_	_	_	_	_
Machinery Operators and Drivers	_	_	_	_	_	_	_	_
Labourers	_	_	_	_	_	_	_	_
Total	56837	59027	64736	72196	38848	43813	27%	13%

Note: Blank rows indicate that there are no specialised occupations that fall within these sectors

Key Points

The first quarter 2012 figures in courses related to specialised occupations is highest among technicians and trade workers (60 per cent share) followed by community and personal service workers (31 per cent share). In this period, the largest growth has been in the following specialised occupations: Emergency Service Worker, Civil Engineering Technician, Painting Trades Worker and Finance Broker. Conversely, enrolments in qualifications related to Gasfitter, Aircraft Maintenance Engineer (Structure), Insurance Broker and Picture Framer have fallen since the first quarter of 2011.

Figure 3.4: Distribution of Enrolments in 'In Shortage' Occupations, Q1 2012

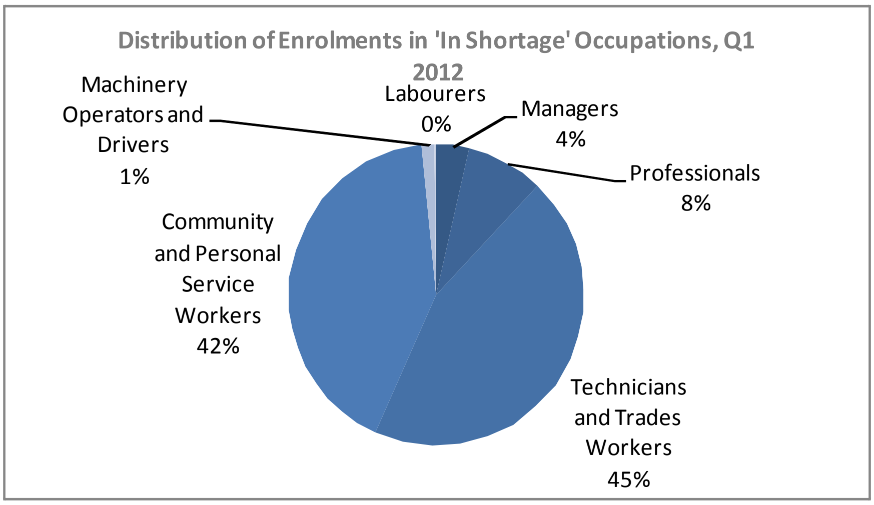


Table 3.5: Enrolments in 'in shortage' occupations, by broad ANZSCO occupational groupings, Q1 2011 - Q1 2012

Enrolments in 'In Shortage' Occupations	2008	2009	2010	2011	Q1 2011	Q1 2012	% change 2008 - 2011	% change Q1 2011 - Q1 2012
Managers	2,738	5,825	5,213	7,211	3,801	2,715	163%	-29%
Professionals	9,883	11,907	12,673	12,397	5,925	6,338	25%	7%
Technicians and Trades Workers	44,715	44,305	49,506	52,972	31,030	33,295	18%	7%
Community and Personal Service Workers	23,712	28,663	36,017	48,224	23,708	31,031	103%	31%
Clerical and Administrative Workers	_	_	_	_	_	_	_	_
Sales Workers	_	_	_	_	_	_	_	_
Machinery Operators and Drivers	2,832	4,746	5,193	5,633	1,623	918	99%	-43%
Labourers	99	106	68	192	29	195	94%	572%
Total	56837	59027	64736	72196	38848	43813	27%	13%

Note: Blank rows indicate that there are no in-shortage occupations that fall within these sectors

Key Points

First quarter 2012 figures for 'In Shortage' occupations reveals that government funded VET provision (in terms of percentage share of the total) is highest for qualifications related to the occupations of Technicians and Trade workers (45 per cent) and Community and Personal Service workers (42 per cent). The largest increases have been in the areas of: Civil Engineering Technicians, Recycling or Rubbish Collector, Metal Fabricator, Electrical Lines-worker and Arborist. In contrast to enrolment trends in Specialised occupations, enrolments in qualifications related to Managers and Machinery Operators and Drivers have fallen, whereas those related to Labourers and Community and Personal Service Workers have risen.

Apprentices and Trainees

Apprentice and Trainee activity

Providing formal training to apprentices and trainees is a key function of the VET system building skills that are directly applied in the workplace. Several key sectors that are important to the Victorian economy and the community more broadly directly benefit from the formal training provided by the VET system to apprentices and trainees. These include Automotive, Building and Construction, Hospitality, Health Care and Children's Services.

Table 3.6: VET government funded enrolments by apprentices and trainees

	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
Apprentices	42,057	41,728	45,393	46,404	10%	29,355	29,973	2%
Trainees	53,857	49,090	56,750	80,057	49%	30,330	43,615	44%
Apprentices + Trainees	**95,914**	**90,818**	**102,143**	**126,461**	**32%**	**59,685**	**73,588**	**23%**

Table 3.7: VET government funded enrolments by apprentices and trainees who completed Year 12

	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
Apprentices	17,349	17,366	19,228	20,237	17%	13,093	13,480	3%
Trainees	24,505	21,929	26,410	36,583	49%	14,450	20,136	39%
Apprentices + Trainees	**41,854**	**39,295**	**45,638**	**56,820**	**36%**	**27,543**	**33,616**	**22%**

Table 3.8: VET government funded enrolments by apprentices, by age

	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
15 to 19	19,104	18,415	19,476	19,343	1%	10,976	10,449	-5%
20 to 24	16,417	16,491	18,129	18,564	13%	13,067	13,815	6%
25 to 44	5,988	6,289	7,164	7,801	30%	4,925	5,223	6%
45 to 64	496	501	602	682	38%	376	482	28%
Under 15, over 64 , not stated	52	32	22	14	-73%	11	4	-64%
Apprentices	**42,057**	**41,728**	**45,393**	**46,404**	**10%**	**29,355**	**29,973**	**2%**

Figure 3.5: VET government funded enrolments by apprentices

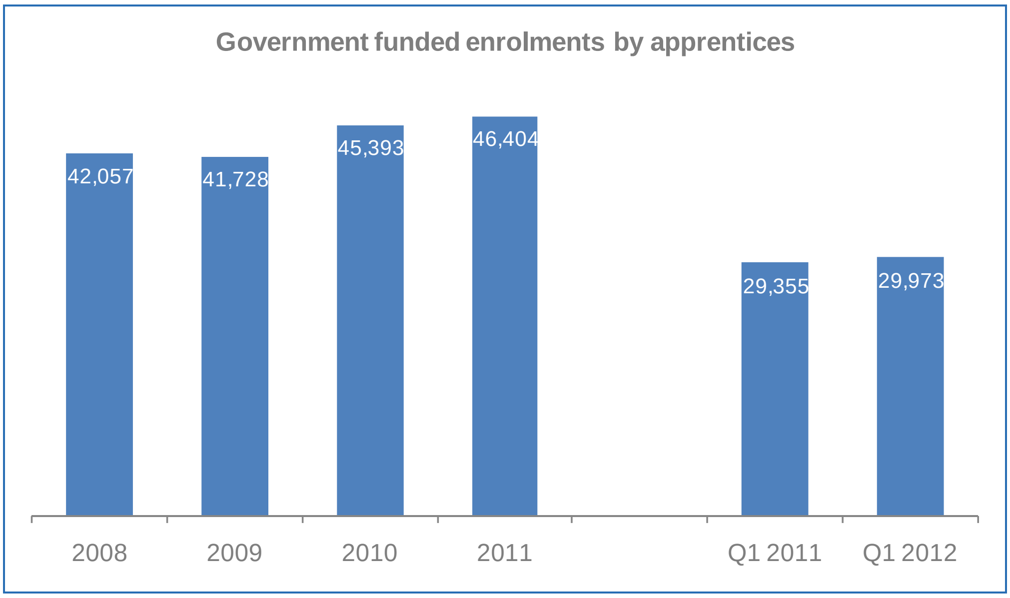
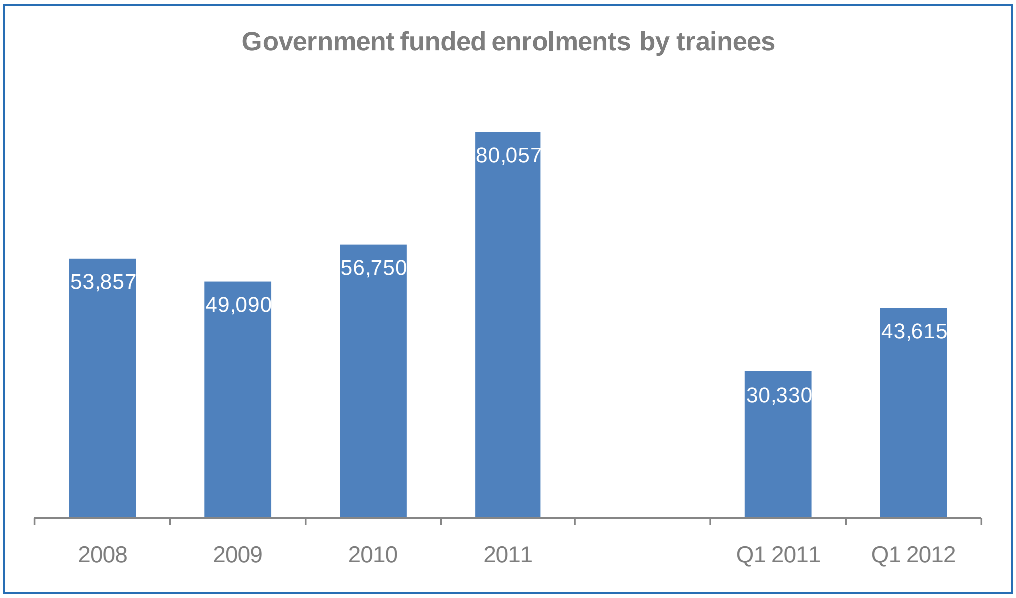


Table 3.9: VET government funded enrolments by trainees, by age

	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
15 to 19	21,221	20,732	22,697	26,074	23%	9,488	10,816	14%
20 to 24	12,787	10,984	12,433	15,221	19%	7,301	8,455	16%
25 to 44	14,453	12,386	14,808	24,548	70%	8,862	14,876	68%
45 to 64	4,786	4,552	6,505	13,633	185%	4,566	9,197	101%
Under 15, over 64 , not stated	610	436	307	581	-5%	113	271	140%
Trainees	**53,857**	**49,090**	**56,750**	**80,057**	**49%**	**30,330**	**43,615**	**44%**

Figure 3.6: VET government funded enrolments by trainees



Key Points

- In Q1 2012, there has been a reported 23 per cent increase in apprenticeship and traineeship enrolments compared to Q1 2011, continuing the growth experienced over the last two years.
- Enrolments by apprentices (up 2 per cent) and trainees (up 44 per cent) are both showing growth in the first quarter of 2012. The moderate growth by apprentices in the first quarter of 2012 continues the trend of previous years highlighting that apprentices are consistently lagging behind the strong growth of the VET system overall.
- The number of apprentices and trainees who have completed Year 12 continues to be healthy with almost half having completed secondary school in the first quarter of 2012.
- There continues to be solid growth in the take-up of apprenticeships among 20 to 44 year olds (up by 6 per cent in the first quarter of 2012). This is a reflection of more students electing to complete Year 12 prior to undertaking an apprenticeship and those who change careers by taking up an apprenticeship after having spent several years in the workforce in a different field.

Apprentices by Industry

Table 3.10: VET government funded enrolments by apprentices by industry

	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
Automotive	5,758	5,501	5,761	5,893	2%	3,116	4,203	35%
Building and Construction	13,887	14,899	17,078	17,920	29%	11,316	11,406	1%
Community Services and Health	94	102	104	103	10%	80	11	-86%
Cultural and Recreation	21	56	69	171	714%	7	13	86%
Electrotechnology and Communications	6,965	7,133	7,945	7,888	13%	5,644	5,479	-3%
General Manufacturing	3,451	3,019	3,064	3,384	-2%	2,034	1,892	-7%
Metals and Engineering	4,347	3,948	3,851	3,727	-14%	2,368	2,438	3%
Primary and Forest	1,665	1,579	1,806	1,937	16%	1,293	1,282	-1%
Tourism and Hospitality	3,082	2,777	2,820	2,647	-14%	1,625	1,586	-2%
Wholesale Retail and Personal Services	2,787	2,712	2,895	2,703	-3%	1,872	1,663	-11%
Apprentices	**42,057**	**41,728**	**45,393**	**46,404**	**10%**	**29,355**	**29,973**	**2%**

Key Points

Apprentice training in four industries have seen growth in the first quarter of 2012, with the Automotive industry (up 35 per cent) and Metals & Engineering (up 3 per cent) showing the highest growth. Four industries are showing apprentice enrolments at levels broadly in line with this time last year (Building & Construction, Electro-technology & Communications, Primary & Forestry, Tourism & Hospitality), while General Manufacturing (down 7 per cent) and Wholesale, Retail & Personal Services (down 11 per cent) are both showing declines.

Trainees by Industry

Table 3.11: VET government funded enrolments by trainees by industry

	2008	2009	2010	2011	% change 2008-2011	Q1 2011	Q1 2012	% change Q1 2011-Q1 2012
Automotive	684	607	535	508	-26%	207	177	-14%
Building and Construction	475	333	344	615	29%	172	424	147%
Business Services	7,237	6,614	8,397	14,898	106%	5,514	9,299	69%
Community Services and Health	6,504	6,693	6,888	7,648	18%	3,513	4,287	22%
Cultural and Recreation	782	1,565	1,941	1,418	81%	451	639	42%
Electrotechnology and Communications	5,352	3,686	4,490	5,962	11%	2,150	3,085	43%
General Manufacturing	2,997	2,722	4,483	10,629	255%	3,469	7,119	105%
Metals and Engineering	309	222	157	130	-58%	41	66	61%
Primary and Forest	1,632	1,652	1,780	2,497	53%	982	1,430	46%
Public Administration and Safety	199	91	61	40	-80%	11	51	364%
Tourism and Hospitality	8,826	8,847	9,369	10,782	22%	4,743	5,370	13%
Transport and Storage	3,438	2,598	3,142	5,131	49%	1,671	2,712	62%
Wholesale Retail and Personal Services	15,337	13,456	15,163	19,786	29%	7,401	8,928	21%
Trainees	**53,857**	**49,090**	**56,750**	**80,057**	**49%**	**30,330**	**43,615**	**44%**

Key Points

Growth among trainees in the first quarter of 2012 has occurred across all industries (with the exception of Automotive), particularly in General Manufacturing (up 105 per cent), Business Services (up 69 per cent) and Transport and Storage (up 62 per cent).

The strong growth by trainees in the first quarter of 2012 continues the trend of previous years highlighting that trainees, in contrast to apprentices, are following the strong growth trend of the VET system more broadly.