State Government Victoria
Department of Education and Early Childhood Development

Victorian Training Market Quarterly Report Q3 2013

Published by the
Department of Education and
Early Childhood Development
Melbourne
November 2013

Authorised by the Department of Education
and Early Childhood Development,
2 Treasury Place, East Melbourne, Victoria, 3002.
This document is also available on the internet at
http://www.education.vic.gov.au/training/providers/market/Pages/reports.aspx

Contents

Notes on data included in this report

The Victorian Training Market Report is compiled using training activity data submitted to the Department of Education and Early Child Development by funded training providers. Data included in the Report is based on the reported date, i.e. the date in which training activity data is submitted to the Department. Quarter 3 2013 includes training activity data that were submitted to the Department by end of third quarter in 2013 and reflects training activity during the first nine months of 2013.

Data collection

Data included in this report are a snapshot in time. Quarterly figures for the current year are preliminary as the training activity is still in progress for the year. Therefore, these figures should be treated as indicative only. All data is subject to change until the end of the calendar year.

In some limited cases training activity data can be impacted by system issues, for example some TAFE institutes have informed the Department that they have been unable to report all their enrolments for the previous reporting period due to a backlog arising from the implementation of a new student management system. These enrolments are likely to be included in the report to be compiled from full 2013 activity data.

Data interpretation

Due to an unusually high spike in government subsidised training activity that occurred in 2012, just prior to changes to subsidy arrangements that came into effect in July of that year, this report includes comparisons of Q3 2013 with Q3 2011 and Q3 2012. This follows a similar approach used in the Q2 2013 report, to avoid any potentially misleading comparisons of quarterly training activity data for 2013 with just 2012.

Data presentation

Owing to the preliminary nature of this data, the Quarter 3 2013 figures should be treated as being indicative only. Figures are generally rounded to the nearest 100.

Executive Summary

This Victorian Training Market Quarterly Report for Quarter 3 2013 is the latest in an on-going series of reports produced by the Department of Education and Early Childhood Development (DEECD). The aim of the report is to provide a summary of Victorian Vocational Education and Training (VET) market performance and responsiveness to industry needs. The third quarter (Q3) report provides an overview based on a snapshot of training activity data as reported at the end of September 2013.

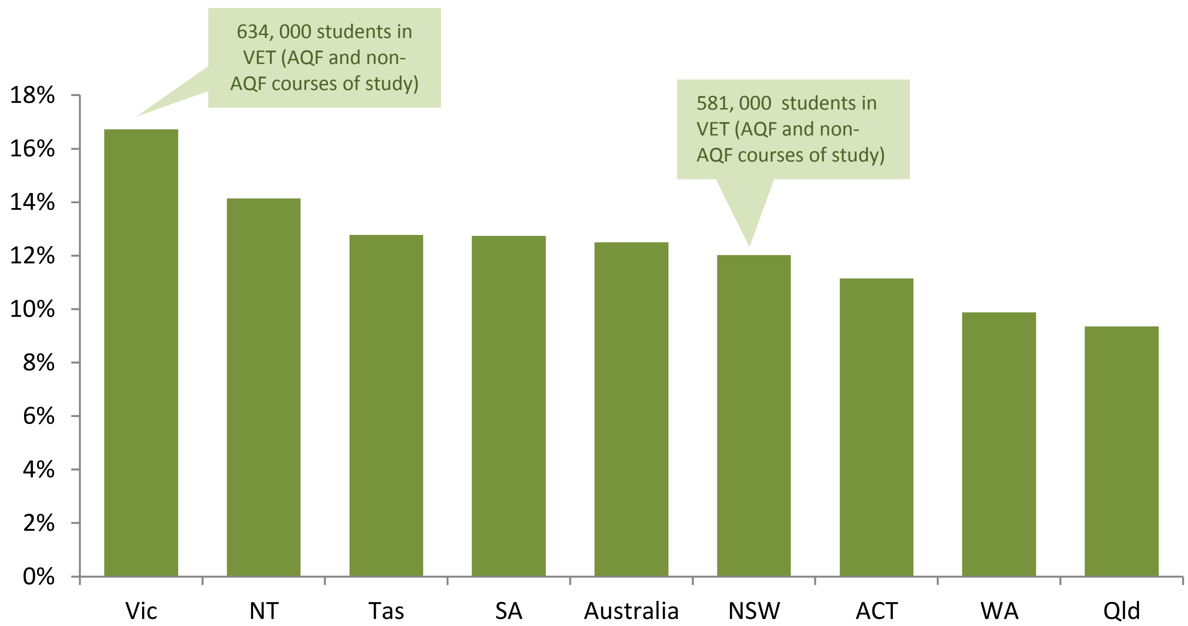
Context

With budgeted expenditure of $2.3 billion in 2013/14, the DEECD has specific responsibility for the government-subsidised Vocational Training market in Victoria to support industry in the provision of a highly skilled and capable workforce. The Victorian system does this through the *Victorian Training Guarantee*, which provides an unlimited number of government subsidised training places to people who meet the eligibility criteria. In July 2012, further reforms to the system refocused training subsidies away from over-supplied courses or those with little connection to job prospects and productivity towards courses of greatest economic benefit and future jobs growth.

2012 Outcomes (full year)

Victoria's vocational education and training system performs well compared to other Australian jurisdictions. According to data published by the National Centre for Vocational Education Research (NCVER), in 2012 Victoria had the highest overall participation rate in VET of 15 to 64 year olds, higher than the national average and all other states and territories. In addition the numbers of students in the Victorian vocational system was higher than New South Wales (NSW), a state with a larger population, by about 53,000 students. In Australian Qualification Framework (AQF) Level 1 and above courses of study Victoria had about 100,000 more students than in NSW.

Participation in VET by 15 to 64 year olds in 2012, Government funded and public provider fee for service based on 2012 NCVER data and ABS population estimates



The Victorian training market has seen significant growth over the last five years. Between 2008 and 2012 there was a 76 per cent increase in government funded enrolments. Since the introduction of *Refocusing Vocational Training in Victoria (RVT)* reforms there has been a shift to a greater number of enrolments in courses in "in shortage" skill areas. In 2012, enrolments for 'in shortage' occupations increased by 18 per cent to over 150,000 enrolments and training in specialised qualifications increased by 11 per cent to over 80,000 enrolments.

In 2012 there were 134,300 apprentices and trainees in government subsidised training. This was a 6 per cent increase compared to 2011.

The 2012 year experienced unprecedented growth in government subsidised training; this growth was influenced by changes to subsidy arrangements that came into effect in July of that year. Quarter 2 would normally represent about 60 per cent of reported year to date activity; the 2012 Q2 results represented 68 per cent of reported enrolments in that year.

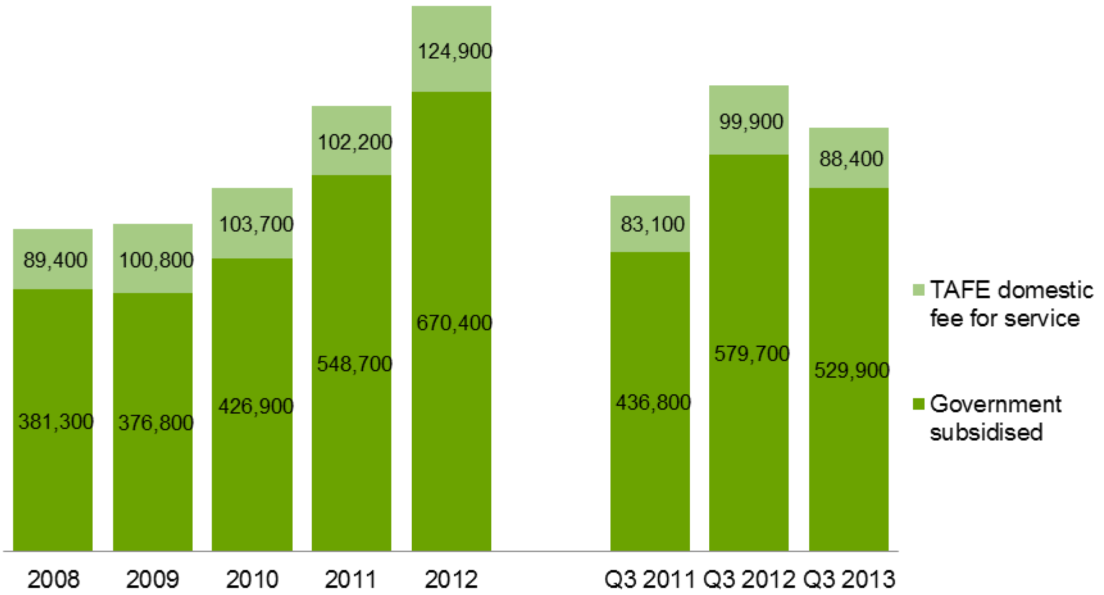
As the market response to new approach to Government arrangements in 2012 somewhat distort year on year comparisons some caution should be used in making comparisons between quarters, for this reason the report includes comparisons of Q3 2013 with both Q3 2012 and Q3 2011.

Q3 2013 Overview

Noting the issues associated with the unusually high level of reported delivery in 2012, there were approximately 529,900 government subsidised enrolments in Q3 2013, down 9 per cent when compared to Q3 2012, but still 21 per cent higher than Q3 2011.

There were 88,400 TAFE domestic fee for service[1] enrolments in Q3 2013. This is down by 12 per cent (11,500 enrolments) compared to Q3 2012, but up by 6 per cent (5,300) compared to the same period in 2011.

Government subsidised and TAFE Fee for service course enrolments, 2008-2012 and Q3 2011-2013



Learners facing barriers to participation

Certain population groups face barriers to participation in education, training and the workforce. Education and training can be a key mechanism to improve their employment and life opportunities. There were approximately 107,800 unemployed students in government subsidised training in Q3 2013, this was up by 48 per cent and 9 per cent compared to the same period in 2011 and 2012, respectively. The number of Indigenous students enrolled in government subsidised training was 5,200 in Q3 2013, this was up by 13 per cent compared to Q3 2011 and 1 per cent compared to Q3 2012.

---

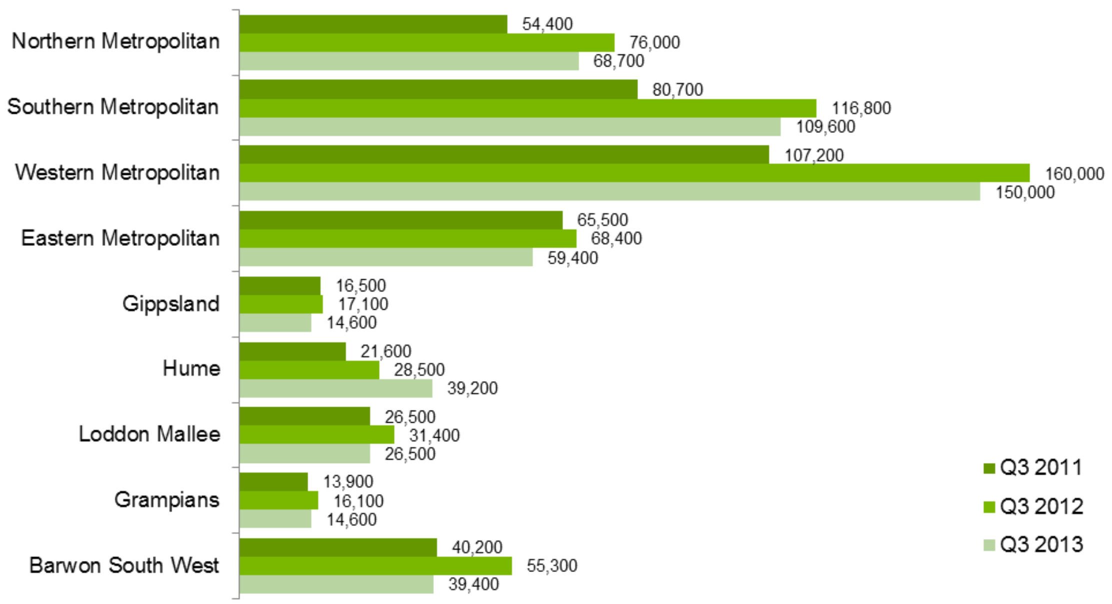
[1] TAFE fee for service figures include domestic AQF Level 1 and above. Refer to section on Reporting scope for further detail.

Government Subsidised Training Delivery by Regional Area

Delivery of government subsidised training in each of the department's four regions follows the state-wide trend that enrolments were lower in Q3 2013 compared to Q3 2012, but higher than Q3 2011, except for the North Eastern Region where government subsidised enrolments in Q3 2013 were higher than in Q3 2012. When enrolment data is further disaggregated into nine regional areas, the results show a more varied picture. Of particular note:

- Hume regional area: government subsidised enrolments in Q3 2013 were higher than the corresponding figures over the same period in 2011 and 2012. This was the only regional area with this pattern of enrolments.
- Eastern metropolitan, Gippsland and Barwon South West regional areas: government subsidised enrolments in Q3 2013 were lower than the corresponding figures in Q3 2011 and Q3 2012.

Government subsidised enrolments by regional area, Q3 2011- 2013

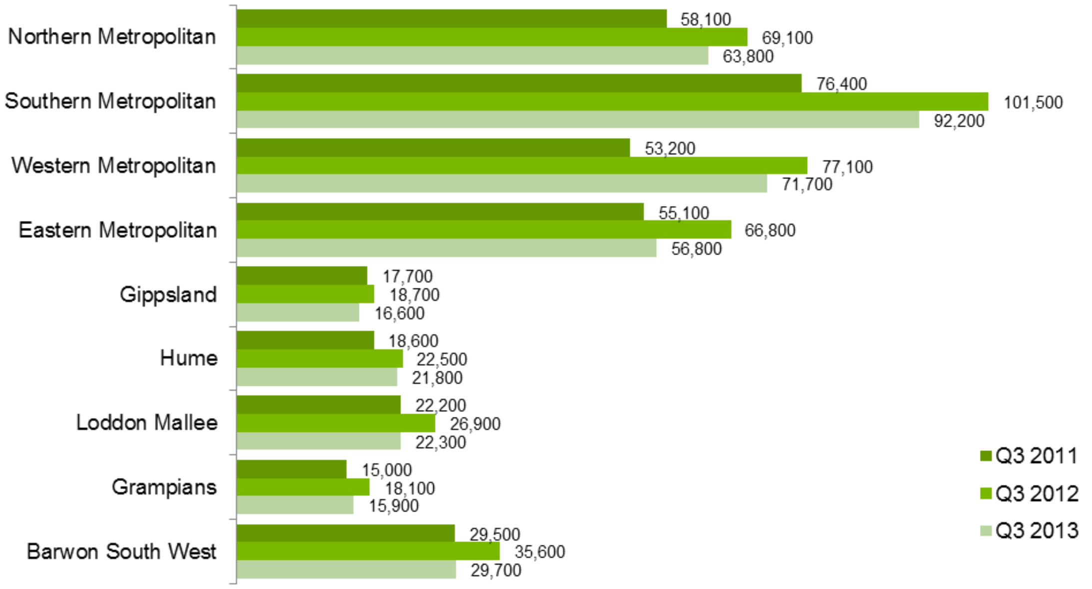


Participation in Government Subsidised Training by Regional Area

When reporting government subsidised students by the area where they live as opposed to the area they undertake the training was delivered as shown above, student numbers in each of the four department's regions follow the state-wide trend, i.e. student numbers were lower in Q3 2013 compared to Q3 2012, but higher than Q3 2011. But when student numbers are disaggregated into nine regional areas, the results show that Gippsland is the only regional area with student numbers in Q3 2013 lower than Q3 2011.

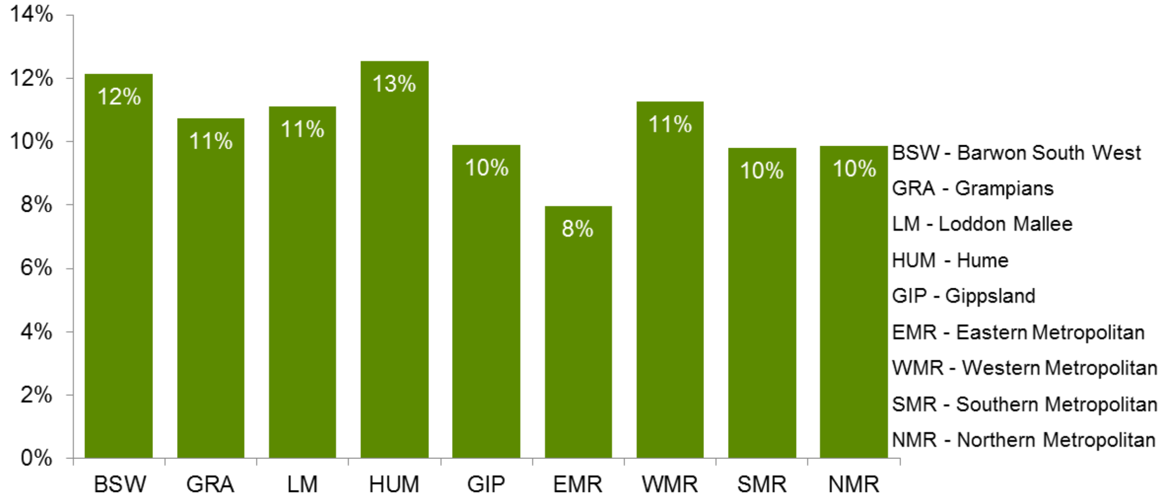
This data shows that while the Eastern metropolitan and Barwon south western areas had lower levels of training activity by the delivery location, the number of local residents who accessed government subsidised training actually increased between Q3 2011 and Q3 2013 in these areas.

Students undertaking government subsidised training by regional area of residence of student, Q3 2011-2013



The estimated participation rate[2] of students aged 15-64 in government subsidised training shows that in Q3 2013, the Hume regional area had the highest participation rate, followed by Barwon South West. The lowest participation rate in government subsidised training was in the Eastern Metropolitan regional area.

Estimated participation rate[2] of students aged 15-64 in government subsidised training by regional area, Q3 2013



---

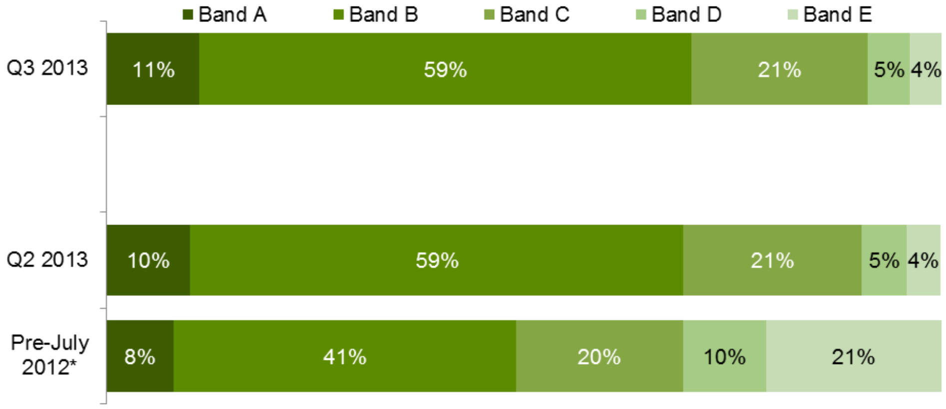
[2] The 2012 estimated resident population published by the Australian Bureau of Statistics (Cat 3235.0) were used to calculate the participation rate for each regional area in Q3 2013, as the 2013 population data are not available until 2014.

Alignment of Government Investment in Training to Industry Skills Needs

Under *RVT* the Government subsidises for training have been set to strengthen public investment in training in specialised skills, training to address skills in shortage and training related to areas of employment opportunity. The reforms also assessed the extent to which government investment is required to stimulate delivery of, and participation in, this training to meet industry needs. Overall, the highest subsidy levels have been allocated to courses where contribution to the economy is assessed as high, and where government subsidy is seen as essential in enabling delivery and participation in training.

There has been a marked shift in course commencement patterns since the RVT reforms were introduced in July 2012. Data from Q3 2013 show that about 70 per cent of all government subsidised course commencements were within subsidy bands A and B, which attract the highest level of subsidy. Course commencements within subsidy bands D and E were 9 per cent in Q3 2013.

Government subsidised commencing course enrolments: proportion of commencing enrolments by subsidy band, Pre-July 2012, Q2 2013 and Q3 2013**



*Pre-July 2012 refers to January to June 2012. ** Due to rounding the sum may not add up to 100 per cent.

It has been fifteen months of market operation under the new market settings announced in 2012. There is early evidence that the introduction of subsidy bands, which saw twenty per cent of Government funded courses either retaining or attracting higher subsidy levels than before and reductions in areas that were experiencing unprecedented growth, has resulted in an adjustment to training demand and with it, a rebalancing of Government investment in 2013. Such adjustments are broadly aligned with key labour market requirements.

In Q3 2013 there were 39,800 government subsidised apprenticeship enrolments, which represents a 5 per cent decline on Q3 2012 and 7% on Q3 2011. In Q3 2013 there were 48,500 government subsidised enrolments in traineeships which was down on Q3 2012 by 39 per cent and 23 per cent on Q3 2011.

- Demand for courses that experienced historically high levels of enrolments in 2012 are adjusting to levels more consistent with labour market requirements. In particular the dampening in traineeship enrolments is attributable to a number of factors including Commonwealth government incentives[3], State Government subsidy levels and correction to high levels of enrolments in some Traineeship courses which had unprecedented high level of enrolments in 2012.

- Decline in apprenticeship training in Victoria is broadly consistent with national trends. While the level of Government subsidy levels for Apprenticeship training has been maintained or increased, subdued business conditions impacting on the construction industry in particular, has impacted on demand for apprentices.

The Q3 2013 results show substantial growth continuing for government subsidised Foundation courses. There were 136,200 government subsidised enrolments in Foundation courses in Q3 2013, this was up by 36 per cent on Q3 2012 and 209 per cent in Q3 2011.

---

[3] The NCVER publication Apprentices & Trainees, Early trend estimates March Quarter 2013, noted that at a national level "The substantial growth in non-trade commencements up to the June quarter 2012 and the subsequent decline in the September quarter is predominately due to changes to Commonwealth incentive payments for existing workers, namely the removal of the commencement incentive payment for those apprenticeships and traineeships not on the National Skills Needs List. Under the changes, training needed to have commenced prior to 1 July 2012 to attract the old subsidy rate".

The Policy Context of Vocational Training in Victoria

Reforms to Vocational Training

The introduction of the *Victorian Training Guarantee* (VTG) in 2008 resulted in significant growth in government subsidised training activity; however this was not necessarily always in areas of industry and economic need. In response, the Victorian Government released the *Refocusing Vocational Training (RVT) in Victoria* reform package in May 2012. The individual entitlement to a subsidised training place was retained and strengthened to ensure that businesses and students continued to be able to choose what and where they studied. The reform package also made sure that the cost of access remained sustainable and subsidies focused on areas of greatest public value. The public value of each course being assessed on the basis of its value to the economy in terms of jobs or productivity and the extent to which an incentive is needed to stimulate delivery of training by providers and participation by enough students to meet industry needs.

The movement of training uptake in response to subsidy bands introduced in July 2012 is further supported by Government reforms designed to provide Vocational Education and Training (VET) customers with better information about employment options and related training requirements and providing training providers, industry groups and regional stakeholders with timely information about industry skill requirements and training market responses. The impact of these reforms in particular will deepen as VET customers, RTOs and stakeholders of the training market continue to respond to the market signals that underpin the RVT policy settings.

Strengthening of Contract Management and Market Monitoring

The reform package has led to stronger contract management. Providers seeking to offer government-subsidised training have to meet tough contract standards and there is now a framework which sets out expectations of training providers' behaviour and contract compliance in a single document. The Victorian Registration and Qualifications Authority undertakes inspection and enforcement of standards and has strong regulatory powers.

The Market Monitoring Unit (MMU) was established under RVT to monitor market trends in government subsidised training in Victoria. The Unit is monitoring the efficiency, effectiveness and integrity of the Government's subsidised training market.

The MMU has been monitoring the levels of and changes in training activity, and the levels of prices charged for training, both at an aggregate level and for particular market segments. In terms of prices, the MMU's analysis indicates that there has been a spread of fee rates in 2013, as would be expected given that providers are able to set fees at a level that they believe reflects the cost and quality of their training. However, a particular concern arising through this analysis has been the prevalence of low fee rates, particularly when they occur in areas of high growth, with the MMU having further investigated these areas to determine if subsidy levels are appropriate.

New Opportunities for Industry Leadership

A new Industry Participation Model has been implemented, which enables direct engagement with industry to ensure the training market is aligned with changes in industry need. The Industry Participation Model is specifically designed to strengthen the role of industry in shaping training market products, services and outcomes. The Department provides industry bodies and employers with channels and tools to communicate their needs and levels of satisfaction to RTOs, peers, potential VET students and Government.

The *Victorian Skills Gateway* website provides high quality accessible information so potential students, employers and industry groups can make informed decisions about their training choices. The website includes advice about courses, training providers, possible employment opportunities, and government assistance with the cost of training.

The Department provides the following opportunities to speak directly to Government about what is and isn't working in the training system and shape sustainable solutions.

- Industry Roundtables – Monthly industry roundtables with the Minister to discuss the needs of specific industries and or regions.
- Industry Skills Consultative Committee (ISCC) – 12 senior members of industry, co-chaired by the Minister and an industry member. The ISCC meets 3 – 4 times a year to identify and address systemic issues hampering the responsiveness of the VET system.
- Issues based ISCC taskforces – the ISCC will auspice issues based taskforces to provide recommendations to Government on appropriate solutions for systemic issues
- DEECD Industry Skills Portfolio Teams focus on annual industry/sector consultations.

- Regional Market Facilitation Managers – ten located across metropolitan and non-metropolitan Victoria, talking directly to employers and VET stakeholders in the region to address their training issues and gather intelligence about training needs and system barriers.
- Industry in Transition and Specialist Training Initiative – funds projects that improve training market responsiveness and outcomes.

Modernising TAFE

In addition to a focus on improving outcomes for students and industry, RVT in Victoria recognised that a modern vocational training system requires a network of well-functioning and modern TAFE institutes delivering in their areas of strength alongside other providers. As part of the RVT in Victoria reforms, the Government established an independent TAFE Reform Panel, to advise on ways to foster a strong, sustainable TAFE sector in an open and competitive training market. The TAFE Reform Panel's final report: *A strong and sustainable Victorian TAFE sector* provides findings and 19 recommendations relating specifically to the state's 14 TAFE institutes and four dual-sector universities. The Government has responded to these recommendations in *Next Steps for RVT in Victoria – Supporting a Modern Workforce*.

To strengthen Victorian TAFEs and encourage innovation in training delivery, the Government is:

- Providing $200 million for business transformation;
- Modernising constitutions and commercial objectives;
- Giving TAFEs greater control of assets;
- Reducing regulatory burden;
- Allowing TAFEs own control over work place relations;
- Removing the restrictions on TAFE being registered as Group Training Organisations;
- Reclassifying TAFE dual-sector.

Notes about the data

This Report includes key metrics, such as training delivery by funding source, qualification level, age of learners, learners facing barriers to participation and regional activity. An analysis of the responsiveness of training delivery to specific occupational needs and industry are also provided.

The main source of vocational training statistics in this publication is the training activity database referred to as Skills Victoria Training System (SVTS). All government subsidised providers are required to submit their data using SVTS at least once a month in accordance with the Australian Vocational Education & Training Management Information Statistical Standard (AVETMISS). For TAFE Institutes, there is an additional regulatory requirement that they also submit their fee for service data.

For comparative purpose, this report includes most recent historical data on training activity over the same period, i.e. Quarter 3, in 2011 and 2012. Full year data between 2008 and 2012 are included to show longer term trends.

Data included in the report are a snapshot in time and based on data as reported to Higher Education and Skills Group (HESG) in the Department by training providers. Caution should be exercised when comparing current year data against figures over the same period in previous years. This is due to the way training providers upload their VET activity data which is not necessarily undertaken in a uniform manner while the training year is still in progress. In addition, adjustments are required to be made to VET activity data by providers after the end of a reporting period due to students withdrawing from modules or entire courses. In some limited cases some providers may not have fully submitted their data by end of third quarter which could marginally impact on the overall state result. Therefore, owing to the preliminary nature of VET data while the year is underway, figures reported for the end of third quarter in 2013 should be treated as being indicative only.

In some limited cases training activity data can be impacted by system issues, for example some TAFE institutes have informed the Department that they have been unable to report all their enrolments for the previous reporting period due to a backlog arising from the implementation of a new student management system. It is therefore important to note that the Quarter 3 2013 data may be an undercount of the actual enrolments. It is anticipated that these enrolments will be included in the full year report for 2013 to be published in early 2014.

Due to an unusually high spike in government subsidised training activity that occurred in 2012, just prior to changes to subsidy arrangements that came into effect in July of that year, this report includes comparisons of Q3 2013 with Q3 2011 and Q3 2012. This follows a similar approach used in the Q2 2013 report, to avoid any potentially misleading comparisons of quarterly training activity data for 2013 with just 2012.

The Q3 2013 data were extracted from SVTS as at 17 October 2013. Annual data included in this report may differ from data released by the National Centre for Vocational Education and Research (NCVER) due to use of different definitional rules and data being revised slightly prior to submission to NCVER.

Annual data included in this report may differ to those in previous publications as the DEECD is continuously updating classifications to improve data quality and consistency across years. For example the apportionment of enrolments between the apprentice/trainee categories is marginally different to what was reported previously, this is a result of a correction to the classification of some courses.

Data shown in the tables are rounded to the nearest 100 when the figures are greater than 1,000; to the nearest 50 when they are between 100 and 1,000; and to the nearest 10 when they are less than 100. The percentage changes between Q3 2011 & Q3 2013, and Q3 2012 & Q3 2013 are calculated based on the unrounded data.

Reporting scope

This report includes government subsidised activities in all sectors at all qualification levels, and domestic fee for service activities in the TAFE sector at Australian Qualification Framework (Certificate I and above).

Fee for service activities below Certificate I in the domestic TAFE sector are not included, such as short courses. Fee for service activities that took place in the private RTO and Adult Community Education sectors are also outside the scope.

Since 2012, the scope of reporting of government subsidised training changed. ZC - Corrections delivery contracted directly with TAFE Institutes and ZP - Corrections funding through private prisons have been allocated to fee for service funding. Prior to 2012, these funded enrolments were allocated to government subsidised training.

Vocational Training Summary

Vocational Training by Funding Type

This section provides an overview of training activity measured in terms of course enrolments, student contact hours and student numbers.

Key Points

The Q3 2013 data shows that:

- There were 529,900 government subsidised course enrolments, 160.3 million government subsidised student contact hours and 396,900 government subsidised students.
- TAFE domestic fee for service activity at Australian Qualification Framework (AQF) Level 1 and above recorded 88,400 enrolments, 16.7 million student contact hours and 74,900 students.

Table 1.1.1: Enrolments in vocational training by funding type, 2008–2012

	2008	2009	2010	2011	2012	% change 2008-2012
Government subsidised	381,300	376,800	426,900	548,700	670,400	76%
TAFE domestic fee for service*	89,400	100,800	103,700	102,200	124,900	40%
Total	**470,700**	**477,600**	**530,600**	**650,900**	**795,300**	**69%**

* Fee for Service figures are TAFE on-shore domestic AQF Level 1 and above.

Table 1.1.2: Enrolments in vocational training by funding type, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Government subsidised	436,800	579,700	529,900	21%	-9%
TAFE domestic fee for service*	83,100	99,900	88,400	6%	-12%
Total	**520,000**	**679,600**	**618,400**	**19%**	**-9%**

*Fee for Service figures are TAFE on-shore domestic AQF Level 1 and above.

Figure 1.1: Enrolments in vocational training by funding type, 2008–2012, Q3 2011, Q3 2012 and Q3 2013

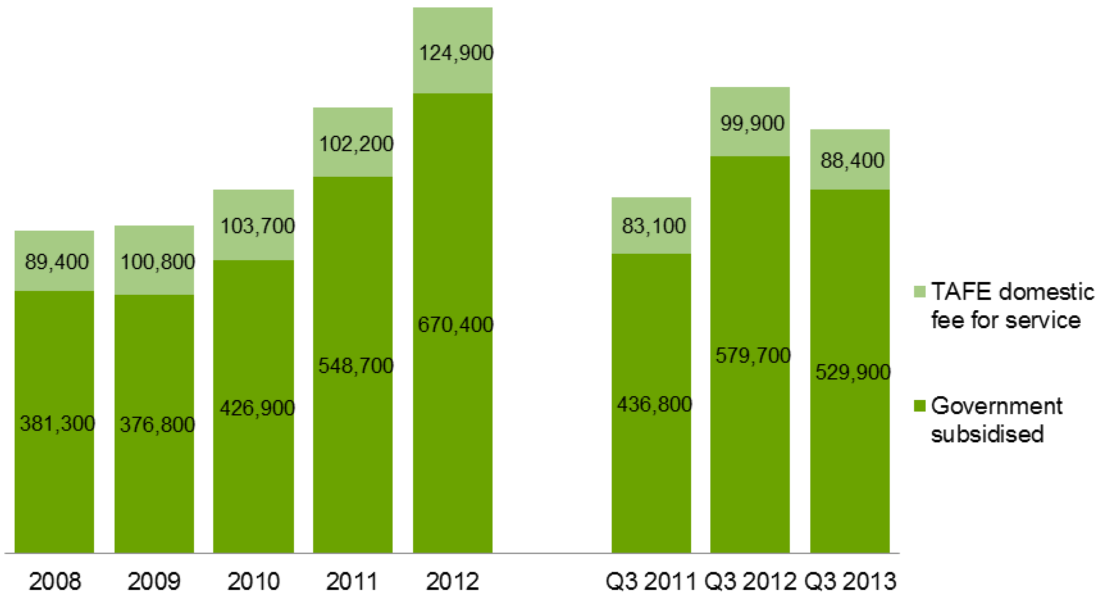


Table 1.2.1: Student contact hours[4] (millions) by funding type, 2008–2012

	2008	2009	2010	2011	2012	% change 2008-2012
Government subsidised	87.4	95.6	112.4	146.9	188.8	116%
TAFE domestic fee for service*	17.1	20.4	19.4	18.5	21.9	28%
Total	**104.5**	**116.0**	**131.8**	**165.5**	**210.7**	**102%**

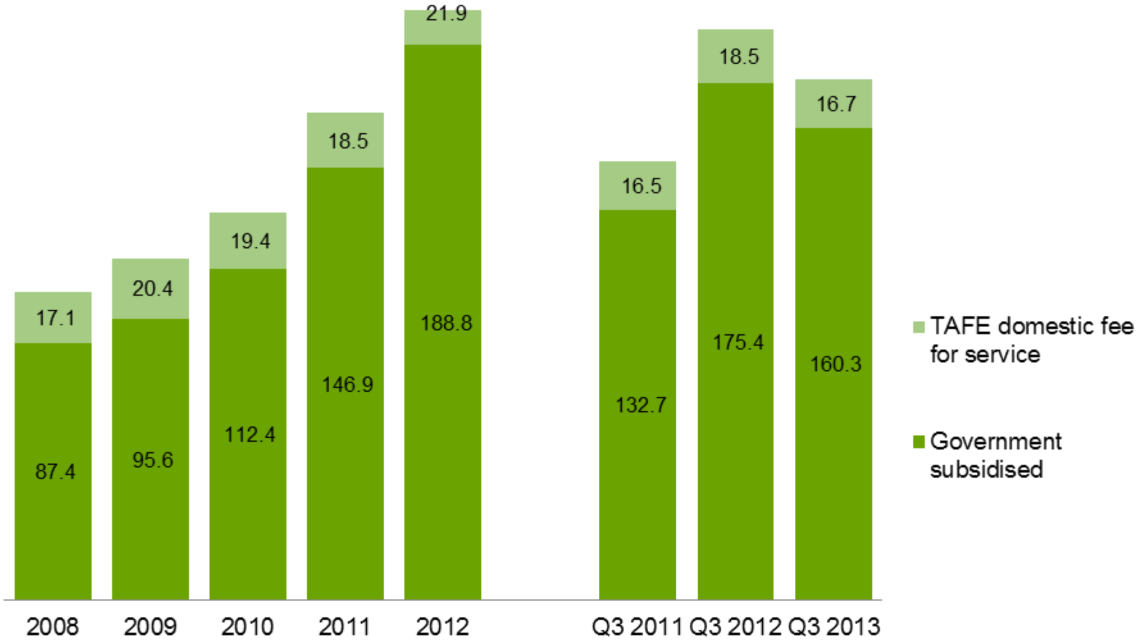
*Fee for Service figures are TAFE on-shore domestic AQF Level 1 and above.

Table 1.2.2: Student contact hours (millions) by funding type, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Government subsidised	132.7	175.4	160.3	21%	-9%
TAFE domestic fee for service*	16.5	18.5	16.7	1%	-10%
Total	**149.2**	**194.0**	**177.0**	**19%**	**-9%**

*Fee for Service figures are TAFE on-shore domestic AQF Level 1 and above.

Figure 1.2: student contact hours (millions) by funding type, 2008–2012, Q3 2011, Q3 2012 and Q3 2013



[4] Note that a course enrolment indicates an enrolment by a student in specified course at a registered training organisation. Training hours on the other hand measures the hours taken to deliver training. Total student hours is not an indicator of training provider revenue.

Table 1.3.1: Number of students by funding type, 2008–2012

	2008	2009	2010	2011	2012	% change 2008-2012
Government subsidised	294,700	299,600	339,200	430,300	509,800	73%
TAFE domestic fee for service*	80,400	93,100	96,000	94,200	105,200	31%
Total**	**366,700**	**381,300**	**422,500**	**512,900**	**603,200**	**64%**

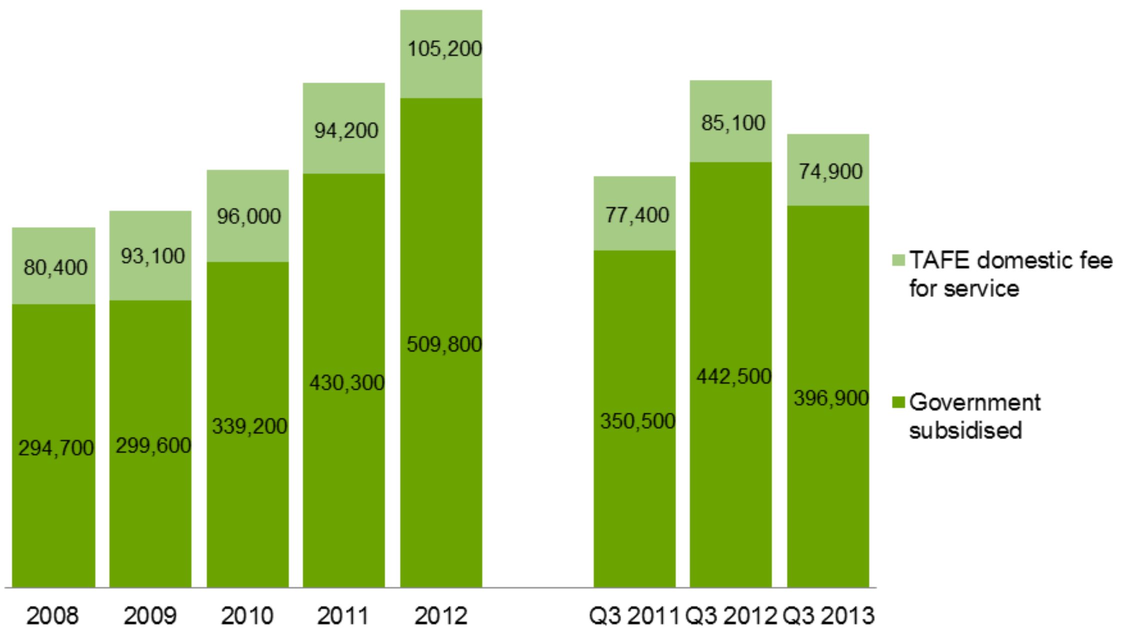
*Fee for Service figures are TAFE on-shore domestic AQF Level 1 and above.
**TAFE students whose enrolments are made up of a combination of government subsidies and self-funding have been counted in both funding categories. The total, however, has eliminated the duplicates.

Table 1.3.2: Number of students by funding type, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Government subsidised	350,500	442,500	396,900	13%	-10%
TAFE domestic fee for service*	77,400	85,100	74,900	-3%	-12%
Total**	**418,700**	**518,000**	**462,000**	**10%**	**-11%**

*Fee for Service figures are TAFE on-shore domestic AQF Level 1 and above.
**TAFE students whose enrolments are made up of a combination of government subsidies and self-funding have been counted in both funding categories. The total, however, has eliminated the duplicates.

Figure 1.3: Number of students by funding type, 2008–2012, Q3 2011, Q3 2012 and Q3 2013



Qualification Levels

Lower level qualifications such as Certificate I and II, provide literacy, numeracy, and work preparation skills to people without post-school qualifications so that they have the opportunity to go on to further study or find employment.

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 undertaken as a contract between the apprentice/trainee and an employer. While undertaking on-the-job learning, the apprentice/trainee receives complementary training through a vocational training provider.

Government Subsidised Enrolments

Key Points

- Government subsidised non-foundation course enrolments at the Certificate I to II levels were 35,200 and at the Certificate III-IV levels were 263,000 in Q3 2013.
- Of the non-foundation courses of study, enrolments in Certificate III-IV represented the largest qualification group.
- Government subsidised Foundation course enrolments at the Certificate I to II level were 110,400 and at the Certificate III-IV levels were 18,600 in Q3 2013.

Table 1.4.1: Government subsidised enrolments (non-Foundation) by qualification level, 2008–2012

Qualification level	2008	2009	2010	2011	2012	% change 2008-2012
Cert I-II	65,100	65,100	73,400	79,900	64,100	-1%
Cert III-IV	158,800	159,100	194,800	278,400	348,400	119%
Diploma & Above	55,700	63,700	71,200	90,300	94,800	70%
Module Only	50,200	40,700	37,300	30,300	30,600	-39%
Secondary, SoA and other	20,600	20,300	19,500	15,900	14,100	-32%
Total (excl foundation courses)	**350,400**	**348,900**	**396,200**	**494,900**	**552,000**	**58%**

SoA – Statement of Attainment.

Table 1.4.2: Government subsidised enrolments (non-Foundation) by qualification level, Q3 2011, Q3 2012 and Q3 2013

Qualification level	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Cert I-II	61,000	55,100	35,200	-42%	-36%
Cert III-IV	220,300	302,300	263,000	19%	-13%
Diploma & Above	78,600	90,600	63,100	-20%	-30%
Module Only	20,400	20,200	20,900	3%	4%
Secondary, SoA and other	12,500	11,700	11,600	-7%	-1%
Total (excl foundation courses)	**392,700**	**479,800**	**393,800**	**0.3%**	**-18%**

SoA – Statement of Attainment.

Table 1.5.1: Government subsidised enrolments (Foundation) by qualification level, 2008–2012

Qualification level	2008	2009	2010	2011	2012	% change 2008-2012
Cert I-II	22,100	18,500	20,400	39,500	90,600	310%
Cert III-IV	6,600	6,800	6,900	9,500	17,600	167%
Secondary, SoA and other	2,200	2,600	3,400	4,900	10,300	359%
Total	**30,900**	**27,900**	**30,700**	**53,900**	**118,500**	**283%**

SoA – Statement of Attainment.

Table 1.5.2: Government subsidised enrolments (Foundation) by qualification level, Q3 2011, Q3 2012 and Q3 2013

Qualification level	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Cert I-II	31,800	76,600	110,400	248%	44%
Cert III-IV	8,400	14,400	18,600	122%	29%
Secondary, SoA and other	4,000	8,900	7,200	78%	-20%
Total	**44,100**	**99,900**	**136,200**	**209%**	**36%**

SoA – Statement of Attainment.

TAFE Domestic Fee for Service Enrolments

Key Points

- Proportionally, enrolments in Certificate III-IV (non-Foundation) were the largest qualification group amongst TAFE domestic fee for service enrolments at Australian Qualification Framework Level 1 and above courses.

Table 1.6.1: TAFE domestic fee for service enrolments (non-Foundation) by qualification level (AQF1+), 2008–2012

Qualification level	2008	2009	2010	2011	2012	% change 2008-2012
Cert I-II	33,200	41,200	44,200	43,200	46,300	39%
Cert III-IV	38,300	41,200	40,500	40,900	52,900	38%
Diploma & Above	7,300	8,000	8,300	8,500	10,200	39%
Higher Education	750	1,000	1,300	1,400	1,600	118%
Total (excl foundation courses)	**79,500**	**91,400**	**94,300**	**94,100**	**110,900**	**39%**

Table 1.6.2: TAFE domestic fee for service enrolments (non-Foundation) by qualification level (AQF1+), Q3 2011, Q3 2012 and Q3 2013

Qualification level	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Cert I-II	35,400	36,500	31,800	-10%	-13%
Cert III-IV	32,400	41,500	33,600	4%	-19%
Diploma & Above	7,400	8,800	8,900	20%	1%
Higher Education	1,400	1,600	1,400	4%	-9%
Total (excl foundation courses)	**76,546**	**88,420**	**75,667**	**-1%**	**-14%**

Table 1.7.1: TAFE domestic fee for service enrolments (Foundation) by qualification level (AQF1+), 2008–2012

Qualification level	2008	2009	2010	2011	2012	% change 2008-2012
Cert I-II	8,100	7,200	7,300	6,300	11,500	42%
Cert III-IV	1,700	2,200	2,100	1,900	2,500	40%
Total	**9,900**	**9,400**	**9,400**	**8,100**	**13,900**	**41%**

Table 1.7.2: TAFE domestic fee for service enrolments (Foundation) by qualification level (AQF1+), Q3 2011, Q3 2012 and Q3 2013

Qualification level	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Cert I-II	5,000	9,500	10,500	111%	11%
Cert III-IV	1,600	2,100	2,200	39%	7%
Total	**6,584**	**11,526**	**12,747**	**94%**	**11%**

Government Subsidised Student Contact Hours

Key Points

- Government subsidised student contact hours at Certificate III to IV levels in Q3 2013 accounted for 93.5 million hours.

Table 1.8.1: Government subsidised student contact hours (millions) by qualification level, 2008–2012

Qualification level	2008	2009	2010	2011	2012	% change 2008-2012
Cert I-II	14.2	15.2	17.5	22.6	27.9	97%
Cert III-IV	44.9	48.8	59.1	81.7	112.8	151%
Diploma & Above	22.9	26.0	30.9	36.2	41.2	79%
Module Only	1.4	1.6	1.6	1.3	1.4	0%
Secondary, SoA and other	3.9	4.0	3.3	5.2	5.5	40%
Total	**87.4**	**95.6**	**112.4**	**146.9**	**188.8**	**116%**

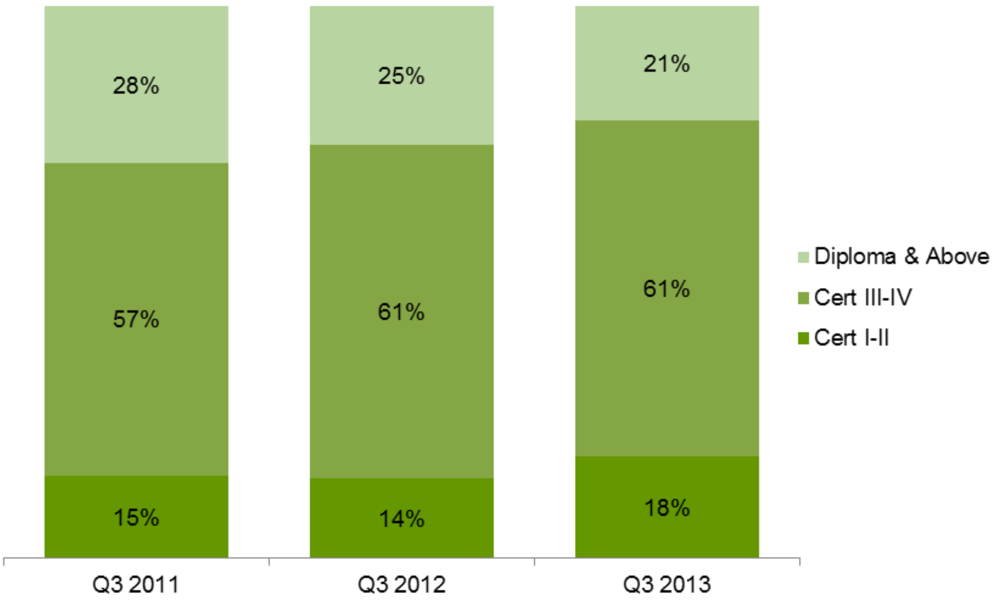
SoA: Statement of Attainment.

Table 1.8.2: Government subsidised student contact hours (millions) by qualification level, Q3 2011, Q3 2012 and Q3 2013

Qualification level	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Cert I-II	19.2	24.5	28.3	48%	16%
Cert III-IV	72.4	102.4	93.5	29%	-9%
Diploma & Above	36.4	42.3	31.7	-13%	-25%
Module Only	1.0	1.0	1.0	10%	6%
Secondary, SoA and other	3.8	5.3	5.7	51%	9%
Total	**132.7**	**175.4**	**160.3**	**21%**	**-9%**

SoA: Statement of Attainment.

Figure 1.4: Government subsidised student contact hours by qualification level (AQF1+ only), Q3 2011, Q3 2012 and Q3 2013



Age Profile

Vocational Training Delivery by Age Group

To enable the increased workforce participation levels required by the Victorian economy over the next decade, improved engagement with education and training by all age groups is required. The vocational training system is also focused on accessibility and gender equality, ensuring all Victorians have the same opportunity to succeed in their lives and maintain well-being through education and training.

Students by Age Group in Government Subsidised Training

Key Points

- The number of government subsidised students was 396,900 in Q3 2013. Students aged 15 to 24 accounted for 44 per cent of all students undertaking government subsidised training.
- Aged 15-19 is the only age cohort with student numbers in Q3 2013 which were lower than the numbers for the same age group in Q3 2011 and Q3 2012.

Table 1.9.1: Government subsidised students by age group, 2008–2012

Age group	2008	2009	2010	2011	2012	% change 2008-2012
15 to 19	74,400	76,000	88,300	108,700	120,500	62%
20 to 24	58,800	59,200	71,400	87,800	100,900	72%
25 to 44	99,700	102,400	112,600	148,500	180,200	81%
45 to 64	51,100	52,900	60,200	77,100	96,400	89%
Under 15, over 64, not stated	10,700	9,200	6,700	8,100	11,800	10%
Total	**294,700**	**299,600**	**339,200**	**430,300**	**509,800**	**73%**

Table 1.9.2: Government subsidised students by age group, Q3 2011, Q3 2012 and Q3 2013

Age group	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
15 to 19	90,300	106,100	87,700	-3%	-17%
20 to 24	75,300	90,900	83,200	11%	-8%
25 to 44	119,200	155,100	143,600	20%	-7%
45 to 64	60,200	81,800	73,700	22%	-10%
Under 15, over 64, not stated	5,600	8,600	8,700	56%	1%
Total	**350,500**	**442,500**	**396,900**	**13%**	**-10%**

Students by Age Group in TAFE Domestic Fee for Service

Key Points

- The number of students enrolled in TAFE domestic fee for service at AQF Level 1 and above was 74,900 in Q3 2013. Thirty seven per cent of students were aged between 15 and 24 years.
- Similar to the trend in government subsidised provision, aged 15-19 is the only age cohort with student numbers in Q3 2013 lower than the corresponding numbers in Q3 2011 and Q3 2012.

Table 1.10.1: TAFE domestic fee for service (AQF1+): students by age group, 2008–2012

Age group	2008	2009	2010	2011	2012	% change 2008-2012
15 to 19	22,900	26,400	28,800	28,300	28,900	26%
20 to 24	9,300	11,100	11,400	10,300	11,600	25%
25 to 44	29,700	34,800	34,500	34,100	40,600	37%
45 to 64	16,500	18,400	19,300	19,500	22,100	34%
Under 15, over 64, not stated	2,000	2,400	2,100	2,100	2,000	-3%
Total	**80,400**	**93,100**	**96,000**	**94,200**	**105,200**	**31%**

Table 1.10.2: TAFE domestic fee for service (AQF1+): students by age group, Q3 2011, Q3 2012 and Q3 2013

Age group	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
15 to 19	24,600	23,200	18,800	-24%	-19%
20 to 24	8,800	9,600	9,000	2%	-7%
25 to 44	27,400	32,800	30,700	12%	-7%
45 to 64	15,000	17,900	15,300	2%	-15%
Under 15, over 64, not stated	1,600	1,500	1,300	-24%	-18%
Total	**77,400**	**85,100**	**74,900**	**-3%**	**-12%**

Government Subsidised Regional Activity and Participation

For the purpose of providing an overview of government subsidised regional training activity, training data are presented for the four departmental regions. In addition, government subsidised training data are further disaggregated into nine small areas to provide a more granular level of detail on training delivery and participation.

South-Western departmental region comprises Barwon South West, Grampians and Western Metropolitan regional areas. North-Western departmental region comprises Loddon Mallee and Northern Metropolitan regional areas. North-Eastern departmental region comprises Hume and Eastern Metropolitan regional areas. South-Eastern departmental region comprises Gippsland and Southern Metropolitan regional areas.

Regional Delivery

This section focuses on the delivery of government subsidised training by location as defined by four departmental regions or nine regional areas. Training courses could be undertaken by students who live locally or outside the area.

Key Points

- Similar to the overall state-wide trend, government subsidised courses delivered in Q3 2013 across four departmental regions were lower compared to Q3 2012, but higher compared to Q3 2011, except the North Eastern region where courses delivered in Q3 2013 were higher than in Q3 2012.
- Further disaggregation of the delivery data into nine regional areas, they show that there were some regional variations against the overall state-wide trend:
  - Courses delivered in Hume regional area in Q3 2013 were higher than in Q3 2011 and Q3 2012;
  - Courses delivered in Gippsland, Eastern Metropolitan and Barwon South West regional areas were lowered in Q3 2013 compared to Q3 2011 and Q3 2012.
- The increase in government subsidised course delivery in Hume in Q3 2013 has occurred across all Australian Qualification Levels: Certificate I to II (up 52 per cent), Certificate III to IV (up 44 per cent) and Diploma & Above (up 0.5 per cent) compared to Q3 2012. The large increase in delivery was associated with:
  - An increase in enrolments at the Certificate IIII to IV levels. This was predominantly driven by a significant increase in Other courses of study (i.e. non-apprenticeship/traineeship and non-foundation courses) (up by 65% from 9,500 in Q3 2012 to 15,600 in Q3 2013) and a 17 per cent increase in apprenticeship courses (from 1,700 in Q3 2012 to 2,000 in Q3 2013).
  - Enrolments that have been increasing from Q3 2011, Q3 2012 to Q3 2013 are found in industry sectors, such as:
    - Construction (from 1,900 in Q3 2011 to 5,000 in Q3 2013);
    - Education and Training (from 400 in Q3 2011 to 2,300 in Q3 2013);
    - Health Care and Social Assistance (from 3,100 in Q3 2011 to 5,100 in Q3 2013);
    - Manufacturing (from 2,700 in Q3 2011 to 3,200 in Q3 2013);
    - Transport, Postal and Warehousing (from 1,600 in Q3 2011 to 2,600 in Q3 2013).
- Government subsidised courses delivered in Gippsland regional area in Q3 2013 were 12 per cent lower than Q3 2011 and 14 per cent lower than Q3 2012. Training activity were lower across almost all industry sectors, except Transport, Postal and Warehousing which increased from 250 in Q3 2011 to 1,100 in Q3 2013.
- Government subsidised courses delivered in Eastern Metropolitan regional area in Q3 2013 were 9 per cent and 13 per cent lower compared to Q3 2011 and Q3 2012, respectively. The deliveries were lower across all industry sectors, except Manufacturing which increased to 3,000 in Q3 2013 from 2,100 in Q3 2011.
- Government subsidised courses delivered in Barwon South West regional area in Q3 2013 were 2 per cent and 29 per cent lower compared to Q3 2011 and Q3 2012, respectively. The deliveries were lower across most industry sectors, except Other Services (increased from 1,400 in Q3 2011 to 1,900 in Q3 2013) and Information Media and Telecommunications (increased from 200 in Q3 2011 to 500 in Q3 2013).

Table 1.11.1: Government subsidised enrolments by departmental region, 2008–2012

Delivery Location	2008	2009	2010	2011	2012	% change 2008-2012
South-Western	119,600	115,800	139,400	202,900	267,800	124%
North-Western	70,500	80,300	84,700	101,500	124,400	77%
North-Eastern	84,700	78,200	84,800	100,900	110,400	30%
South-Eastern	90,300	90,000	104,300	128,100	157,100	74%
All regions total	**364,400**	**363,900**	**412,600**	**532,200**	**656,800**	**80%**
Other*	17,400	13,400	15,100	17,600	15,000	-13%
Total VET	**381,300**	**376,800**	**426,900**	**548,700**	**670,400**	**76%**

*Other: online and workplace delivery.

Table 1.11.2: Government subsidised enrolments by departmental region, Q3 2011, Q3 2012 and Q3 2013

Delivery Location	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
South-Western	161,300	231,400	203,900	26%	-12%
North-Western	81,000	107,400	95,200	18%	-11%
North-Eastern	87,200	96,900	98,500	13%	2%
South-Eastern	97,300	133,900	124,200	28%	-7%
All Regions Total	**425,900**	**567,400**	**519,900**	**22%**	**-8%**
Other	12,100	13,400	11,100	-8%	-17%
Total VET	**436,800**	**579,700**	**529,900**	**21%**	**-9%**

*Other: online and workplace delivery.

Table 1.12.1: Government subsidised enrolments by regional area, 2008–2012

Delivery Location	2008	2009	2010	2011	2012	% change 2008-2012
Barwon South West	28,800	31,800	35,800	50,100	62,500	117%
Grampians	14,600	16,200	15,000	17,200	18,900	29%
Loddon Mallee	23,600	27,900	28,300	32,800	37,100	57%
Hume	29,100	26,000	24,700	27,300	34,400	18%
Gippsland	26,700	22,400	22,500	20,500	19,700	-26%
Eastern Metropolitan	55,500	52,200	60,100	73,600	76,000	37%
Western Metropolitan	76,300	67,900	88,600	135,800	186,400	144%
Southern Metropolitan	63,600	67,700	81,800	107,600	137,400	116%
Northern Metropolitan	46,900	52,400	56,400	68,700	87,300	86%
Total Regions total	**364,400**	**363,900**	**412,600**	**532,200**	**656,800**	**80%**

Table 1.12.2: Government subsidised enrolments by regional area, Q3 2011, Q3 2012 and Q3 2013

Delivery Location	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Barwon South West	40,200	55,300	39,400	-2%	-29%
Grampians	13,900	16,100	14,600	5%	-9%
Loddon Mallee	26,500	31,400	26,500	0%	-16%
Hume	21,600	28,500	39,200	81%	38%
Gippsland	16,500	17,100	14,600	-12%	-14%
Eastern Metropolitan	65,500	68,400	59,400	-9%	-13%
Western Metropolitan	107,200	160,000	150,000	40%	-6%
Southern Metropolitan	80,700	116,800	109,600	36%	-6%
Northern Metropolitan	54,400	76,000	68,700	26%	-10%
All Regions Total	**425,900**	**567,400**	**519,900**	**22%**	**-8%**

Regional Participation

This section presents data on students undertaking government subsidised training by the area where they live in. Areas are defined as four departmental regions or nine regional areas. Students may undertake their training locally or travel to locations outside their region.

Key Points

- Similar to the overall state-wide trend, the numbers of students who participated in government subsidised training from four departmental regions in Q3 2013 were lower compared to Q3 2012, but higher compared to Q3 2011.
- When data was further disaggregated into nine regional areas, they show that there were some regional variations against the overall state-wide trend:
  - The number of students undertaking government subsidised training who lived in Gippsland regional area in Q3 2013 was lower compared to Q3 2011 and Q3 2012. The decline in student numbers in Q3 2013 was across all age groups.
  - The numbers of government subsidised students from Barwon South West and Loddon Mallee regional areas in Q3 2013 were lower compared to Q3 2012, but similar to Q3 2011.
- In terms of the participation rate of students aged 15-64 in government subsidised vocational education and training in Q3 2013, Hume regional area had the highest estimated participation rate, followed by Barwon South West regional area. The lowest participation rate was in Eastern Metropolitan regional area.

Table 1.13.1: Government subsidised students by residential location - departmental region, 2008–2012

Residential location	2008	2009	2010	2011	2012	% change 2008-2012
South-Western	75,700	100,900	114,200	153,900	199,200	163%
North-Western	69,700	67,700	75,800	97,600	111,100	59%
North-Eastern	65,500	64,800	71,600	89,000	101,700	55%
South-Eastern	78,900	80,000	92,000	115,800	137,300	74%
All Regions Total	**289,800**	**293,400**	**331,900**	**424,500**	**502,400**	**73%**
Other*	4,900	6,200	7,300	5,800	7,400	51%
Total students	**294,700**	**299,600**	**339,200**	**430,300**	**509,800**	**73%**

*Other includes not stated, unknown, interstate or overseas.

Table 1.13.2: Government subsidised students by residential location - departmental region, Q3 2011, Q3 2012 and Q3 2013

Residential location	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
South-Western	120,200	172,600	152,800	27%	-11%
North-Western	80,300	96,000	86,100	7%	-10%
North-Eastern	73,700	89,300	78,700	7%	-12%
South-Eastern	94,100	120,200	108,800	16%	-9%
All Regions Total	**345,800**	**436,400**	**390,900**	**13%**	**-10%**
Other*	4,800	6,100	6,000	26%	-2%
Total students	**350,500**	**442,500**	**396,900**	**13%**	**-10%**

*Other includes not stated, unknown, interstate or overseas.

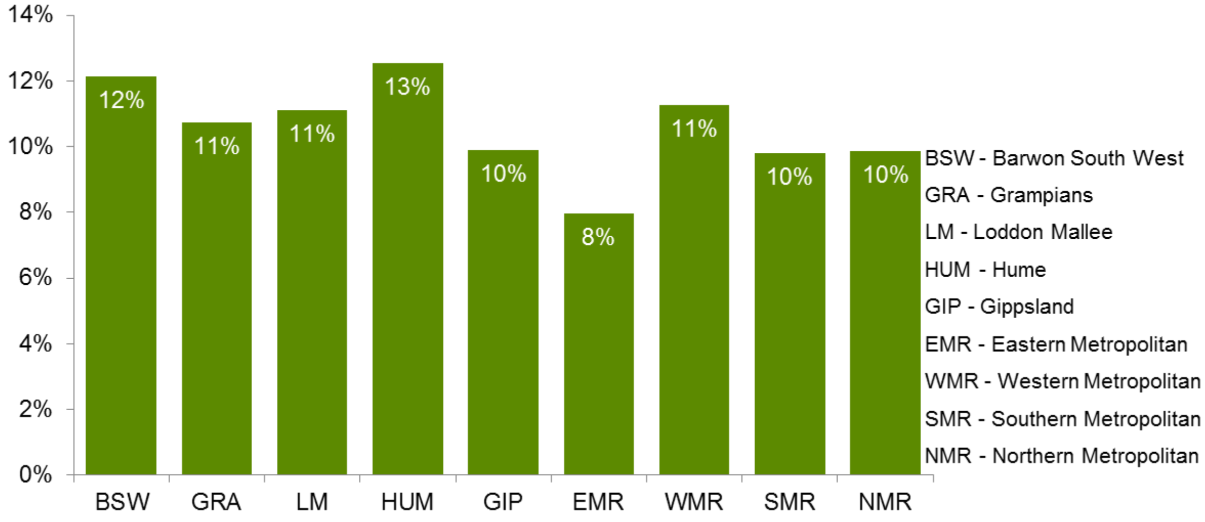
Table 1.14.1: Government subsidised students by residential area – regional area, 2008–2012

Residential location	2008	2009	2010	2011	2012	% change 2008-2012
Barwon South West	24,500	26,300	29,000	36,100	41,300	68%
Grampians	13,900	14,400	15,400	18,400	21,400	53%
Loddon Mallee	20,500	21,000	21,900	27,400	31,500	53%
Hume	21,300	19,900	20,000	23,200	26,500	24%
Gippsland	21,900	19,100	20,700	21,500	21,200	-3%
Eastern Metropolitan	44,300	44,900	51,600	65,800	75,200	70%
Western Metropolitan	37,200	40,300	48,200	67,500	89,700	141%
Southern Metropolitan	57,000	60,900	71,400	94,300	116,100	104%
Northern Metropolitan	49,100	46,600	53,900	70,300	79,600	62%
All Regions Total	**289,800**	**293,400**	**331,900**	**424,500**	**502,400**	**73%**

Table 1.14.2: Government subsidised students by residential area – regional area, Q3 2011, Q3 2012 and Q3 2013

Residential location	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Barwon South West	29,500	35,600	29,700	0%	-17%
Grampians	15,000	18,100	15,900	7%	-12%
Loddon Mallee	22,200	26,900	22,300	0%	-17%
Hume	18,600	22,500	21,800	17%	-3%
Gippsland	17,700	18,700	16,600	-6%	-11%
Eastern Metropolitan	55,100	66,800	56,800	3%	-15%
Western Metropolitan	53,200	77,100	71,700	35%	-7%
Southern Metropolitan	76,400	101,500	92,200	21%	-9%
Northern Metropolitan	58,100	69,100	63,800	10%	-8%
All Regions Total	**345,800**	**436,400**	**390,900**	**13%**	**-10%**

Figure 1.5: Estimated participation rate[5] of students aged 15-64 in government subsidised training by regional area, Q3 2013



[5] The 2012 estimated resident population published by the Australian Bureau of Statistics (Cat 3235.0) were used to calculate the participation rate for each regional area in Q3 2013, as the 2013 population data are not yet available.

Government Subsidised Delivery by Provider Type

Key Points

- The number of government subsidised enrolments in the TAFE sector (233,300) in Q3 2013 was marginally lower than that in Private RTOs sector (239,300).
- The proportional share of government subsidised delivery at AQF levels in TAFE, Private RTOs and ACE sectors suggests each sector has a different focus with various strengths and specialisation in the courses that they delivered.
- For example, the TAFE sector had a large share of government subsidised enrolments in Mining, Electricity, Gas, Water & Waste Services, Construction, Information Media & Telecommunications, and Professional, Scientific and Technical Services in Q3 2013. Private RTOs sector had a large share of delivery in Wholesale Trade, Retail Trade, Accommodation & Food Services, Transport, Postal & Warehousing, Financial & Insurance Services, and Administrative & Support Services.
- In terms of the proportional share of the delivery of government subsidised training within each the sector, Foundation Skills and LOTE course enrolments accounted for the largest area of training in both TAFE and ACE sectors (35 per cent and 51 per cent, respectively). For the Private RTOs sector, Health Care and Social Assistance had the largest share (18 per cent).
- Government subsidised enrolments at Certificate III and IV levels made up the largest share of courses in TAFE (46 per cent) and Private RTOs (67 per cent).
- TAFEs account for 60 per cent of the proportional share of the delivery of Foundation and LOTE course of study, Private RTOs account for 29 per cent and ACE 12 per cent.

Table 1.15: Government subsidised delivery by provider number*, 2008–2012, Q3 2011, Q3 2012 and Q3 2013

	2008	2009	2010	2011	2012		Q3 2011	Q3 2012	Q3 2013
ACE	342	320	316	309	298		291	286	272
PRIV	201	246	344	422	445		405	432	426
TAFE	18	18	18	18	18		18	18	18

* The above providers include those providing pre-accredited and accredited subsidised training. The number of training providers with a 2013 Service Agreement was 488 as at November 2013.

Table 1.16.1: Government subsidised enrolments by provider type, 2008–2012

	2008	2009	2010	2011	2012	% change 2008-2012
ACE	73,800	68,300	63,800	64,600	80,200	9%
PRIV	54,000	57,400	99,800	220,700	308,800	472%
TAFE	253,500	251,100	263,300	263,500	281,400	11%
Total	**381,300**	**376,800**	**426,900**	**548,700**	**670,400**	**76%**

Table 1.16.2: Government subsidised enrolments by provider type, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
ACE	47,800	62,300	57,300	20%	-8%
PRIV	157,500	255,100	239,300	52%	-6%
TAFE	231,500	262,200	233,300	1%	-11%
Total	**436,800**	**579,700**	**529,900**	**21%**	**-9%**

Figure 1.6: Proportional share of Government subsidised enrolments by provider type, Q3 2011, Q3 2012 and Q3 2013

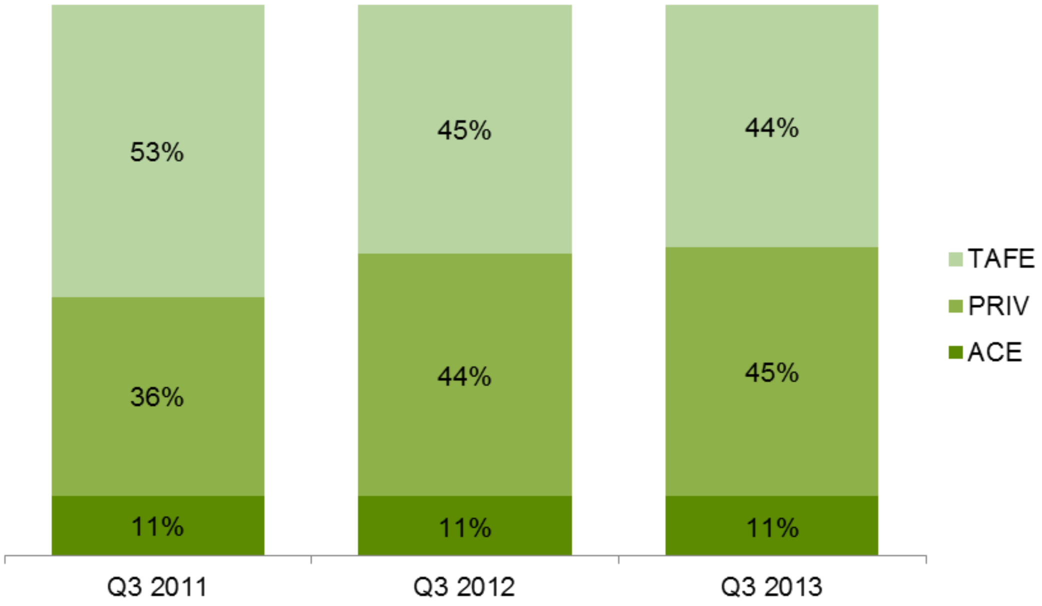


Table 1.17: Government subsidised enrolments (AQF1+), proportional share across provider types by industry, Q3 2013

	TAFE	Private RTOs	ACE	Total (number)
A: Agriculture, Forestry and Fishing	53%	45%	2%	5,300
B: Mining	79%	21%	0%	300
C: Manufacturing	38%	62%	0%	32,900
D: Electricity, Gas, Water and Waste Services	84%	16%	0%	600
E: Construction	70%	30%	0%	49,400
F: Wholesale Trade	15%	84%	1%	800
G: Retail Trade	25%	72%	3%	13,200
H: Accommodation and Food Services	25%	70%	4%	23,100
I: Transport, Postal and Warehousing	23%	77%	0%	31,200
J: Information Media and Telecommunications	81%	17%	2%	3,100
K: Financial and Insurance Services	13%	86%	0%	2,700
L: Rental, Hiring and Real Estate Services	51%	49%	0%	1,500
M: Professional, Scientific and Technical Services	95%	5%	0%	9,900
N: Administrative and Support Services	27%	70%	3%	12,200
O: Public Administration and Safety	33%	67%	0%	6,600
P: Education and Training	47%	43%	10%	10,000
Q: Health Care and Social Assistance	31%	58%	11%	72,500
R: Arts and Recreation Services	54%	42%	4%	14,100
S: Other Services	54%	44%	3%	18,100
T: Cross-industry	28%	68%	4%	52,200
U: Foundation Skills and LOTE	60%	29%	12%	130,200
Not applicable / Unknown	36%	44%	20%	300
Total (AQF1+)	**45%**	**49%**	**6%**	**490,300**

Table 1.18: Government subsidised enrolments (AQF1+), summary of selected characteristics within provider type, Q3 2013

TAFE	Private RTOs	ACE
Proportional share of enrolments by qualification - all course levels		
• 46% of total TAFE enrolments were in Certificate III-IV, followed by • Certificate I-II (34%), • Diploma and above (15%), and • Secondary Education, SoA[3] and Other (5%) All TAFEs had enrolments of the above course levels.	• 67% of total private RTO enrolments were in Certificate III-IV: available at 402 RTOs, followed by • Certificate I-II (21%): available at 200 RTOs, • Diploma and above (11%): available at 249 RTOs and • Module Only, Secondar Education and SoA (0.5%): available at 13 RTOs.	• 35% of total enrolments in ACE sector were in Module Only: available at 221 providers, followed by • Certificate I-II (26%): available at 103 providers, • Certificate III-IV (22%): available at 95 providers, • Secondary Education and SoA (13%): available at 85 providers and • Diploma and above (3%) - available at 37 providers.
Proportional share of enrolments by industry[1] - AQF1 and above		
Study areas spread across all industries, with top five enrolment shares in: • Foundation Skills and LOTE (35%) • Construction (16%) • Health Care and Social Assistance (10%) • Cross-Industry[2] (7%) • Manufacturing (6%)	Study areas spread across all industries, with top five enrolment shares in: • Health Care and Social Assistance (18%) • Foundation Skills and LOTE (16%) • Cross-industry (15%) • Transport, Postal and Warehousing (10%) • Manufacturing (9%)	Study areas concentrate on certain industries, with top five enrolment shares in: • Foundation Skills and LOTE (51%) • Health Care and Social Assistance (27%) • Cross-industry (7%) • Accommodation and Food Services (3%) • Education and Training (3%)
Learner profile (students) - all course levels		
• Aged 15-19: 29% • Aged 20-24: 26% • Aged 25-44: 32% • Aged 45-64: 13% • Under 15, Over 64, Not stated: 1%	• Aged 15-19: 18% • Aged 20-24: 20% • Aged 25-44: 41% • Aged 45-64: 20% • Under 15, Over 64, Not stated: 1%	• Aged 15-19: 15% • Aged 20-24: 10% • Aged 25-44: 32% • Aged 45-64: 32% • Under 15, Over 64, Not stated: 11%
• 61% males	• 51% females	• 67% females
• 63% in employment • 22% unemployed • 13% not in the labour force	• 61% in employment • 31% unemployed • 5% not in the labour force	• 34% in employment • 33% unemployed • 28% not in the labour force
• 8% with disability	• 6% with disability	• 21% with disability
• 35% did not complete Year 12 or equivalent prior VET study	• 34% did not complete Year 12 or equivalent prior VET study	• 47% did not complete Year 12 or equivalent prior VET study

1. Industry classification is only applicable to courses at Australian Qualification Framework Level I and above.
2. Cross-industry courses like project management.
3. SoA refers to Statement of Attainment.

Adult, Community and Further Education (ACFE) Performance

Learn Local (ACE) Pre-accredited and Accredited training

Through the Adult, Community and Further Education (ACFE) Board, the Victorian Government funds 298 Learn Local adult and community education (ACE) organisations, including two adult education institutions, the Council for Adult Education (CAE) and Adult Multicultural Education Services (AMES) to deliver pre-accredited training to Victorians with limited prior educational attainment and limited access to vocational education and training. Learn Local providers support learners' personal development in the knowledge, skills and attributes necessary to participate in society and secure employment. In addition to pre-accredited program delivery, there are 117 Learn Local providers that additionally are registered training organisations (RTOs) delivering accredited provision. This chapter of the report provides a snapshot of the contribution of the Learn Local (ACE) sector to government funded vocational training in Victoria.

The Victorian Government recently launched *Learn Local: Focusing on the Future*. This strategy has been developed by the Department of Education and Early Childhood Development and the ACFE Board in consultation with Learn Local peak bodies and providers. The strategy recognises Learn Local providers' current opportunities and challenges in the context of recent training market reforms and confirms their role in providing a supportive and inclusive learning environment for people to engage in high quality training. *Learn Local: Focusing on the Future* sets out the actions that government will undertake to help the sector meet its potential, sharpen its focus and improve its sustainability and responsiveness.

The ratio between pre-accredited and accredited programs in Q3 2013 was consistent with previous years, where pre-accredited activity comprised 43 per cent of all Learn Local providers' Government funded enrolments and accredited activity was 57 per cent of Learn Local delivery to date (respectively 24,800 course enrolments and 32,500 course enrolments).

Learn Local (ACE) Pre-accredited training

Key Points

- Of the Learn Local (ACE) sector's total annual delivery to Q3 2013, the delivery of pre-accredited enrolments included an additional purchased 9,300 pre-accredited enrolments over the Q2 reported level, an increase of 38 per cent. This represents an across the board increase in purchased delivery, including increased delivery for the critical priority of improving the digital literacy of the Victorian workforce.
- The Learn Locals' pre-accredited enrolments in Q3 2013 had increased 10 per cent on Q3 2012 levels and 21 per cent on Q3 2011 levels, in line with the annual increases in ACFE Board allocated scheduled hours to Learn Local providers.
- Learn Locals' pre-accredited delivery particularly in the South Western and North Eastern regions in Q3 2013 had significant reported increases when compared to the same period in 2011 and 2012 (respectively 40 per cent and 24 per cent more pre-accredited enrolments). The increases occurred across metropolitan, regional and rural areas.
- Pre-accredited delivery by Learn Local (ACE) providers in Q3 2013 increased in all ACFE Board Priority Learner group categories. For example, there were 700 more unemployed Victorians in pre-accredited training in the period Q3 2012 to Q2 2013 (a 19 per cent increase). However, the Q3 2013 learners numbered an additional 1,300 additional unemployed learners on Q3 2011 (a 39 per cent increase). Similarly, Culturally and Linguistically Diverse (CALD) learners increased in pre-accredited programs by 5 per cent on Q3 2012 (an additional 200 learners). The increase of CALD learners in pre-accredited programs from Q3 2011 to Q3 2013 was an additional 1,300 learners (a 36 per cent increase).

Table 1.19.1: Government subsidised pre-accredited training, Learn Local (ACE) providers, 2008-2012

	2008	2009	2010	2011	2012	% change 2008-2012
Course Enrolments	45,800	38,100	36,700	31,200	34,500	-25%
Student Contact Hours(millions)	1.7	1.6	1.9	1.5	1.7	0.2%
Students	28,000	23,600	23,900	21,400	24,200	-14%

Table 1.19.2: Government subsidised pre-accredited training, Learn Local (ACE) providers, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011 – Q3 2013	% change Q3 2012 – Q3 2013
Course Enrolments	20,400	22,500	24,800	21%	10%
Student Contact Hours(millions)	1.0	1.2	1.4	31%	13%
Students	14,300	16,600	17,600	23%	6%

Table 1.20.1: Government subsidised students in pre-accredited training with Learn Local (ACE) providers by departmental region, 2008-2012

Delivery Location	2008	2009	2010	2011	2012	% change 2008-2012
South-Western	5,800	5,500	6,000	5,500	6,100	6%
North-Western	5,300	4,800	5,300	4,800	5,200	-2%
North-Eastern	6,900	5,600	5,300	4,500	5,000	-28%
South-Eastern	10,000	7,700	6,500	5,900	6,500	-35%
AEIs	60	60	800	700	1,300	2071%
Total	**28,000**	**23,600**	**23,900**	**21,400**	**24,200**	**-14%**

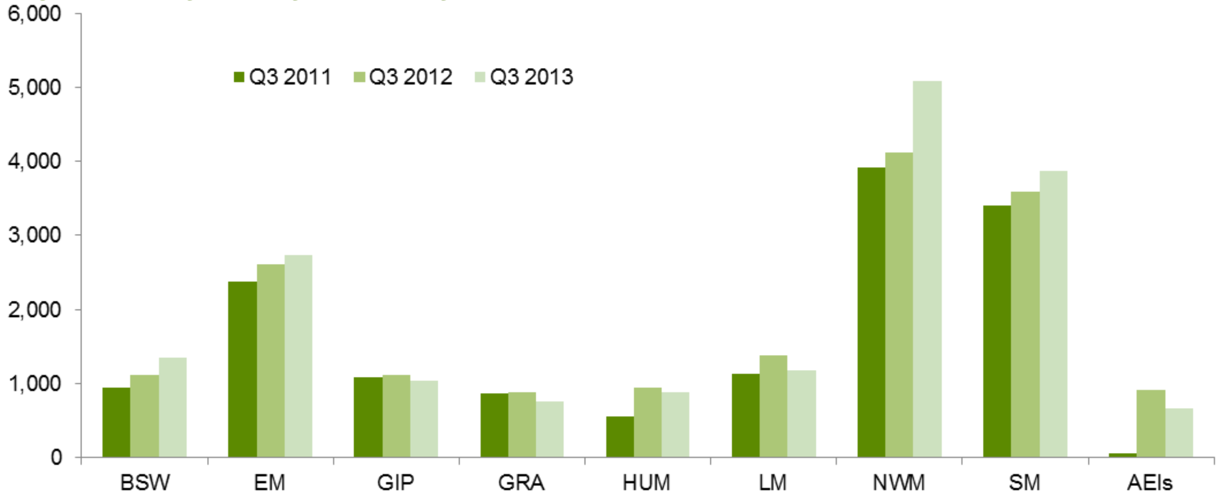
AEIs: Adult Education Institutes

Table 1.20.1: Government subsidised students in pre-accredited training with Learn Local (ACE) providers by departmental region, Q3 2011, Q3 2012 and Q3 2013

Delivery Location	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011 – Q3 2013	% change Q3 2012 – Q3 2013
South-Western	3,400	4,000	4,700	40%	19%
North-Western	3,500	3,500	3,700	5%	4%
North-Eastern	2,900	3,600	3,600	24%	2%
South-Eastern	4,500	4,700	4,900	10%	5%
AEIs	50	900	700	1171%	-27%
Total	**14,300**	**16,600**	**17,600**	**23%**	**6%**

AEIs: Adult Education Institutes

Figure 1.7: Government subsidised students in pre-accredited training with Learn Local (ACE) providers by regional area, Q3 2011, Q3 2012 and Q3 2013



BSW	Barwon South West	HUM	Hume	NWM	North Western Metropolitan
GRA	Grampians	GIP	Gippsland	SM	Southern Metropolitan
LMR	Loddon Mallee	EM	Eastern Metropolitan	AEIs	Adult Education Institutes

Table 1.21.1: Government subsidised ACFE Board Priority Learners enrolled in pre-accredited programs with Learn Local (ACE) providers, 2008-2012

	2008	2009	2010	2011	2012	% change 2008-2012
CALD (LOTE)	4,100	4,300	4,900	5,700	6,800	67%
Disability	4,600	4,200	4,900	4,800	5,600	21%
Disengaged Youth*	900	400	1,000	600	900	0%
Early school leavers	7,400	6,000	5,900	4,900	5,200	-29%
Indigenous	400	220	340	340	410	3%
Males 45 to 64	2,800	2,500	2,700	2,400	2,700	-6%
Unemployed	5,400	5,200	5,700	5,300	6,300	16%
Vulnerable workers	5,300	4,400	5,100	4,900	5,700	7%

Note: ACFE Board Priority Learner categories are not mutually exclusive. Detail on these categories is available at: www.education.vic.gov.au/Documents/about/research/acfepublications/hardtoreachlearn.pdf

Table 1.21.2: Government subsidised ACFE Board Priority Learners enrolled in pre-accredited programs with Learn Local (ACE) providers, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011 – Q3 2013	% change Q3 2012 – Q3 2013
CALD (LOTE)	3,600	4,700	4,900	36%	5%
Disability	3,500	4,000	4,500	30%	12%
Disengaged Youth	300	500	600	105%	12%
Early school leavers	3,300	3,500	3,900	16%	10%
Indigenous	250	290	260	4%	-10%
Males 45 to 64	1,600	1,800	1,900	15%	2%
Unemployed	3,400	4,000	4,700	39%	19%
Vulnerable workers	3,300	3,900	3,900	17%	0%

Note: ACFE Board Priority Learner categories are not mutually exclusive. Detail on these categories is available at: www.education.vic.gov.au/Documents/about/research/acfepublications/hardtoreachlearn.pdf

Learn Local (ACE) Accredited training

Key Points

- Learn Local (ACE) providers' accredited course enrolments declined by 7,300 enrolments over Q3 2012 to Q3 2013, a reduction of 18 per cent. However, from Q3 2011 to Q3 2013 there was an increase in accredited enrolments by 5,200 or 19 per cent.
- Across Departmental regions only the North Western region showed increases in the number accredited course enrolments delivered in that area between Q3 2012 and Q3 2013. In comparison to Q3 2011, all Departmental regions, except Northern Eastern region, showed increases. Across the smaller regional areas there were increases from Q3 2012 to Q2 2013, ranging from the high for Loddon Mallee with a 122 per cent increase and 11% for Gippsland. Between Q3 2012 and Q3 2013 the regional areas of Barwon south western, Eastern metropolitan, Gippsland, Grampians and Hume all experience some degree of decline. While the other areas of Loddon Mallee, North west metropolitan and Southern metropolitan all experienced increases in the delivery of accredited enrolments between Q3 2012 to Q3 2013.
- The Adult Education Institutes reported 300 fewer accredited enrolments in Q3 2013 on same period in the preceding year (a decrease of 8 per cent). This still represents a four per cent increase in accredited delivery (100 enrolments) against Q3 2011.
- Learn Local (ACE) providers' reported accredited enrolments for all ACFE Board Priority Learner group categories in Q3 2013 for the most part decreased on Q3 2012 levels. The Early School Leaver priority group reported a single decrease of 1,700 (22 per cent) enrolled accredited learners in the twelve months of Q3 2012 to Q3 2013. This contrasts to the 4 per cent growth in Early School Leavers between Q3 2011 and Q3 2013 (an additional 200 learners). The increased enrolments across all ACFE Board priority groups between Q3 2011 and Q3 2013 represented a significant uptake of these learner types into Learn Local (ACE) settings. There were 2,100 additional unemployed Victorians in accredited programs over Q3 2011 to Q3 2013 (a 28 per cent increase). Similarly, 1,600 more vulnerable workers[6] participated in accredited program in Q3 2013 than for the same period in 2011 (a 34 per cent increase); and 1,800 more Culturally and Linguistically Diverse learners in Q3 2013 than in Q3 2011 (a 32 per cent increase).

Table 1.22.1: Government subsidised accredited training, Learn Local (ACE) providers, 2008-2012

	2008	2009	2010	2011	2012	% change 2008-2012
Course Enrolments	27,900	30,200	27,100	33,300	45,800	64%
Student Contact Hours(millions)	5.4	6.6	6.7	8.5	11.9	120%
Students	24,000	25,700	23,700	27,500	36,300	51%

Table 1.22.2: Government subsidised accredited training, Learn Local (ACE) providers, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011 - Q3 2013	% change Q3 2012 – Q3 2013
Course Enrolments	27,300	39,800	32,500	19%	-18%
Student Contact Hours(millions)	7.4	11.2	9.1	23%	-18%
Students	23,000	31,800	26,200	14%	-17%

[6] Vulnerable workers tend to be in low-paid jobs, are often under-employed, and face job insecurity and limited job opportunities. They might not be able to access entitlements such as superannuation, sick leave, maternity leave and have little if any access to training and development. For some, their vulnerability stems from low skills or poor qualifications.

www.education.vic.gov.au/Documents/about/research/acfepublications/hardtoreachlearn.pdf

Table 1.23.1: Government subsidised students in accredited training with Learn Local (ACE) providers by departmental region, 2008-2012

Delivery Location	2008	2009	2010	2011	2012	% change 2008-2012
South-Western	5,300	6,200	5,600	8,700	14,500	173%
North-Western	4,800	5,200	4,900	5,600	7,000	46%
North-Eastern	5,700	5,600	4,600	4,500	5,000	-12%
South-Eastern	4,100	4,700	5,300	5,300	5,800	41%
AEIs	4,100	4,000	3,300	3,400	4,000	-2%
Total	**24,000**	**25,700**	**23,700**	**27,500**	**36,300**	**51%**

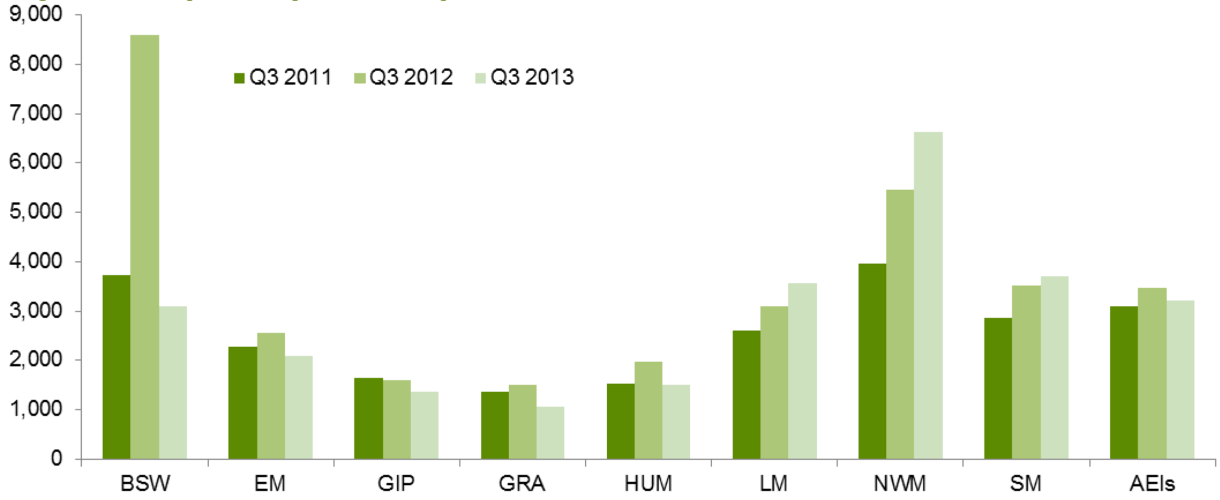
AEIs: Adult Education Institutes

Table 1.23.2: Government subsidised students in accredited training with Learn Local (ACE) providers by departmental region, Q3 2011, Q3 2012 and Q3 2013

Delivery Location	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011 – Q3 2013	% change Q3 2012 – Q3 2013
South-Western	6,800	12,900	7,600	12%	-41%
North-Western	4,900	5,700	6,700	39%	17%
North-Eastern	3,800	4,500	3,600	-5%	-20%
South-Eastern	4,500	5,100	5,100	12%	-1%
AEIs	3,100	3,500	3,200	4%	-8%
Total	**23,000**	**31,800**	**26,200**	**14%**	**-17%**

AEIs: Adult Education Institutes

Figure 1.7: Government subsidised students in accredited training with Learn Local (ACE) providers by regional area, Q3 2011, Q3 2012 and Q3 2013



BSW	Barwon South West	HUM	Hume	NWM	North Western Metropolitan
GRA	Grampians	GIP	Gippsland	SM	Southern Metropolitan
LMR	Loddon Mallee	EM	Eastern Metropolitan	AEIs	Adult Education Institutes

Table 1.24.1: Government subsidised ACFE Board Priority Learners enrolled in accredited programs with Learn Local (ACE) providers, 2008-2012

	2008	2009	2010	2011	2012	% change 2008-2012
CALD (LOTE)	6,000	6,300	5,600	6,700	9,000	49%
Disability	3,500	3,500	3,500	4,600	6,000	72%
Disengaged Youth	1,500	2,000	1,700	2,600	3,700	142%
Early school leavers	6,000	6,400	5,600	7,100	9,100	53%
Indigenous	310	340	340	460	570	85%
Males 45 to 64	1,600	1,800	1,700	2,100	2,600	60%
Unemployed	6,100	7,300	6,900	9,400	13,700	125%
Vulnerable workers	4,700	5,100	4,800	5,800	7,300	53%

Note: ACFE Board Priority Learner categories are not mutually exclusive. Detail on these categories is available at: www.education.vic.gov.au/Documents/about/research/acfepublications/hardtoreachlearn.pdf

Table 1.24.2: Government subsidised ACFE Board Priority Learners enrolled in accredited programs with Learn Local (ACE) providers, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011 - Q3 2013	% change Q2 2012 - Q2 2013
CALD (LOTE)	5,700	7,600	7,500	32%	-3%
Disability	3,900	5,400	4,900	23%	-9%
Disengaged Youth	2,100	3,300	2,800	34%	-13%
Early school leavers	6,000	7,900	6,200	4%	-22%
Indigenous	380	470	490	28%	4%
Males 45 to 64	1,700	2,100	1,900	14%	-12%
Unemployed	7,700	11,700	9,800	28%	-16%
Vulnerable workers	4,800	6,300	6,400	34%	1%

Note: ACFE Board Priority Learner categories are not mutually exclusive. Detail on these categories is available at: www.education.vic.gov.au/Documents/about/research/acfepublications/hardtoreachlearn.pdf

Learners Facing Barriers to Participation

Vocational Training Delivery to Learner Cohorts Facing Barriers

Young people and adult learners who may be members of more than one equity group, can have complex and multiple learning needs, and may have contact with a suite of government services and programs. There is a significant evidence base that demonstrates the value and importance of education and training to these population cohorts. However, higher needs learners may face a combination of barriers to effective engagement in education and training including low levels of previous educational achievement, low aspirations, and poor access to training and broader barriers such as poverty, homelessness and poor health.

Vocational training has continued to be a critical enabler in opening up pathways for higher needs and disadvantaged learners through the provision of tailored, individualised services, often in partnership with other service providers.

Table 2.1.1: Students undertaking Government subsidised training by selected learner cohort*, 2008 – 2012

	2008	2009	2010	2011	2012	% change 2008-2012
Indigenous	4,400	4,300	4,800	5,600	6,200	42%
Students with a disability	23,900	23,600	27,200	34,100	40,300	68%
CALD	58,100	62,100	70,600	97,300	126,400	117%
Unemployed	41,800	50,200	62,500	89,300	118,500	184%
Aged 15-19 without year 12, not at school and enrolled in Cert II or above	23,100	22,600	26,300	28,900	29,500	28%
Aged 20-64 not holding a Cert III or above	125,700	131,800	149,600	214,000	266,200	112%

*The above cohorts of students are not mutually exclusive.

Table 2.1.2: Students undertaking Government subsidised training by selected learner cohort*, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Indigenous	4,600	5,200	5,200	13%	1%
Students with a disability	28,800	34,200	33,500	16%	-2%
CALD	77,600	107,700	106,200	37%	-1%
Unemployed	72,600	98,500	107,800	48%	9%
Aged 15-19 without year 12, not at school and enrolled in Cert II or above	25,100	26,000	20,900	-17%	-20%
Aged 20-64 not holding a Cert III or above	174,450	229,950	212,100	22%	-8%

*The above cohorts of students are not mutually exclusive.

Indigenous Students

Enrolments

Key Points

- There were 5,200 Indigenous students enrolled in 6,900 government subsidised courses in Q3 2013.
- Proportionally, just over half of courses in Australian Qualification Framework Level 1 plus (51 per cent) undertaken by Indigenous students in Q3 2013 were in Certificate III to IV levels.
- Of those enrolments in industry-specific qualifications (4,400 enrolments) which exclude foundation skills and short courses in Q3 2013, 37 per cent were in courses related to specialised or in shortage occupations.

Table 2.2.1: Indigenous students: Government subsidised enrolments by qualification level, 2008 – 2012

Qualification level	2008	2009	2010	2011	2012	% change 2008-2012
Cert I-II	3,200	2,500	2,800	3,200	2,900	-10%
Cert III-IV	2,000	2,200	2,300	3,100	3,600	77%
Diploma & Above	350	400	450	550	600	68%
Module Only	850	400	400	400	500	-42%
Secondary, SoA and other	550	700	650	350	600	4%
Total	**7,000**	**6,200**	**6,600**	**7,600**	**8,200**	**16%**

SoA: Statement of Attainment.

Table 2.2.2: Indigenous students: Government subsidised enrolments by qualification level, Q3 2011, Q3 2012 and Q3 2013

Qualification level	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Cert I-II	2,500	2,300	2,600	4%	9%
Cert III-IV	2,500	3,100	3,200	27%	2%
Diploma & Above	450	600	500	2%	-16%
Module Only	350	350	200	-43%	-44%
Secondary, SoA and other	300	500	550	78%	11%
Total	**6,000**	**6,800**	**6,900**	**14%**	**1%**

SoA: Statement of Attainment.

Students with a Disability

Enrolments

Key Points

- There were 33,500 students with a disability enrolled in 47,700 government subsidised courses in Q3 2013.
- Forty three per cent of AQF course enrolments undertaken by students with disability were in Certificate III and above levels.
- Of those enrolments in industry-specific qualifications (23,000 enrolments) which exclude foundation skills and short courses in Q3 2013, 36 per cent were in courses related to specialised or in shortage occupations.

Table 2.3.1: Students with a disability: government subsidised enrolments by qualification level, 2008 – 2012

Qualification level	2008	2009	2010	2011	2012	% change 2008-2012
Cert I-II	13,300	11,200	12,400	16,300	20,000	50%
Cert III-IV	8,600	9,000	11,000	16,500	21,200	145%
Diploma & Above	3,300	3,600	4,000	4,900	5,000	50%
Module Only	8,300	8,400	8,300	7,200	7,700	-8%
Secondary, SoA and other	2,800	2,500	2,800	3,200	3,800	39%
Total	**36,300**	**34,700**	**38,400**	**48,000**	**57,600**	**59%**

SoA: Statement of Attainment.

Table 2.3.2: Students with a disability: government subsidised enrolments by qualification level, Q3 2011, Q3 2012 and Q3 2013

Qualification level	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Cert I-II	13,300	16,800	17,800	34%	6%
Cert III-IV	13,700	18,100	16,800	22%	-7%
Diploma & Above	4,600	4,800	3,600	-21%	-25%
Module Only	5,100	5,100	6,000	18%	16%
Secondary, SoA and other	2,500	3,000	3,500	38%	15%
Total	**39,200**	**48,000**	**47,700**	**22%**	**-1%**

SoA: Statement of Attainment.

Students with a Culturally and Linguistically Diverse (CALD) Background

Enrolments

Key Points

- There were 106,200 students from a CALD background enrolled in 143,300 government subsidised courses in Q3 2013. More than half (56 per cent) of course enrolments at AQF Level 1 and above were in Certificate III to IV levels.
- Enrolments in Diploma and above courses undertaken by students from a CALD background in Q3 2013 were lower than the corresponding figures in Q3 2011 and Q3 2012.
- Of those enrolments in industry-specific qualifications (89,200 enrolments) which exclude foundation skills and short courses in Q2 2013, 45 per cent were in courses related to specialised or in shortage occupations.

Table 2.4.1: Students from a CALD background: government subsidised enrolments by qualification level, 2008 – 2012

Qualification level	2008	2009	2010	2011	2012	% change 2008-2012
Cert I-II	19,800	20,100	20,400	28,500	41,600	110%
Cert III-IV	30,000	30,700	38,500	62,000	88,900	196%
Diploma & Above	13,400	15,700	17,300	22,400	23,200	73%
Module Only	13,000	11,600	12,100	11,700	10,700	-17%
Secondary, SoA and other	5,000	5,400	5,400	6,200	8,400	67%
Total	**81,100**	**83,500**	**93,800**	**130,700**	**172,800**	**113%**

SoA: Statement of Attainment.

Table 2.4.2: Students from a CALD background: government subsidised enrolments by qualification level, Q3 2011, Q3 2012 and Q3 2013

Qualification level	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Cert I-II	22,200	34,900	41,500	87%	19%
Cert III-IV	47,600	75,000	72,600	53%	-3%
Diploma & Above	19,600	22,100	16,600	-15%	-25%
Module Only	7,900	7,300	8,000	1%	9%
Secondary, SoA and other	4,700	7,000	4,700	2%	-33%
Total	**101,900**	**146,300**	**143,300**	**41%**	**-2%**

SoA: Statement of Attainment.

Unemployed Students

Enrolments

Key Points

- The number of government subsidised course enrolments undertaken by unemployed students in Q3 2013 was 148,100 which were undertaken by 107,800 unemployed students. About one in two AQF courses undertaken by unemployed students was in Certificate III to IV levels.
- Enrolments in Diploma and above courses undertaken by unemployed students in Q3 2013 were lower than the corresponding figures in Q3 2011 and Q3 2012.
- Of those enrolments in industry-specific qualifications (87,600 enrolments) which exclude foundation skills and short courses in Q3 2013, 38 per cent were in courses related to specialised or in shortage occupations.

Table 2.5.1: Unemployed students: government subsidised enrolments by qualification level, 2008 – 2012

Qualification level	2008	2009	2010	2011	2012	% change 2008-2012
Cert I-II	18,800	21,600	25,700	37,000	54,100	188%
Cert III-IV	17,400	21,200	30,200	54,500	77,200	344%
Diploma & Above	9,100	10,700	13,200	16,600	15,700	72%
Module Only	13,000	11,700	10,600	8,300	7,900	-39%
Secondary, SoA and other	5,300	6,000	6,300	6,500	8,000	52%
Total	**63,600**	**71,200**	**86,000**	**123,000**	**162,900**	**156%**

SoA: Statement of Attainment.

Table 2.5.2: Unemployed students: government subsidised enrolments by qualification level, Q3 2011, Q3 2012 and Q3 2013

Qualification level	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Cert I-II	29,300	43,600	56,900	94%	30%
Cert III-IV	43,100	65,600	67,300	56%	2%
Diploma & Above	15,300	15,100	12,200	-20%	-19%
Module Only	5,500	4,900	5,700	4%	16%
Secondary, SoA and other	5,000	6,700	6,000	20%	-11%
Total	**98,300**	**136,000**	**148,100**	**51%**	**9%**

SoA: Statement of Attainment.

Young People (Aged 15 to 19) Without Year 12 or Equivalent and Not at School

Enrolments

Key Points

- The total number of government subsidised enrolments at Certificate II and above of young people without a Year 12 or equivalent and not in school was 24,800 Q3 2013. This figure is lower than the corresponding figures in Q3 2011 and Q3 2012.
- Of those enrolments in industry-specific qualifications (20,800 enrolments) which exclude foundation skills courses in Q3 2013, 42 per cent were in courses related to specialised or in shortage occupations.

Table 2.6.1: Youth transition: government subsidised enrolments Cert II and above by students aged 15 to 19 who did not complete Year 12 or equivalent and not at school, 2008 – 2012

	2008	2009	2010	2011	2012	% change 2008-2012
Cert II	8,300	8,600	10,900	12,700	12,000	44%
Cert III-IV	16,500	15,800	18,400	20,400	22,100	34%
Diploma & Above	650	800	850	1,100	900	45%
Total	**25,500**	**25,200**	**30,100**	**34,100**	**35,000**	**37%**

Table 2.6.2: Youth transition: government subsidised enrolments Cert II and above by students aged 15 to 19 who did not complete Year 12 or equivalent and not at school, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q1 2012-Q1 2013
Cert II	10,700	10,700	8,400	-21%	-22%
Cert III-IV	17,500	19,300	15,800	-9%	-18%
Diploma & Above	1,600	900	550	-65%	-40%
Total	**29,700**	**31,000**	**24,800**	**-17%**	**-20%**

Students with Low Prior Qualifications

Enrolments

Key Points

- In Q2 2013, there were 212,100 students who were aged 20-64 and not holding a Certificate III or above qualification enrolled in 278,500 government subsidised courses.
- Of enrolments in industry-specific qualifications (201,100 enrolments) which exclude foundation skills and short courses in Q2 2013, 41 per cent were in courses related to specialised or in shortage occupations.

Table 2.7.1: Government subsidised enrolments by students aged 20-64 not holding a Cert III or above, 2008 – 2012

	2008	2009	2010	2011	2012	% change 2008-2012
Course Enrolments	164,100	166,200	185,400	271,800	345,700	111%
Up-Skilling	92,500	100,200	118,600	190,600	251,500	172%

Up-skilling refers to studying at a higher level than their current qualification.

Table 2.7.2: Government subsidised enrolments by students aged 20-64 not holding a Cert III or above, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Course Enrolments	216,300	296,800	278,500	29%	-6%
Up-Skilling	155,600	220,100	193,900	25%	-12%

Up-skilling refers to studying at a higher level than their current qualification.

Foundation Level Training

An efficient and effective training market is vital to provide better outcomes for students and employers, as well as the wider Victorian community. It is particularly important to make sure school leavers and adults without solid literacy and numeracy skills are given the opportunity to acquire them. These skills will greatly improve their chances of employment, provide opportunities for further education and broader social participation.

The latest OECD study on adult literacy and numeracy (Program for the International Assessment of Adult Competencies) suggests that there is a significant proportion of the adult population with very low skills in literacy and numeracy, likely to be of a level to limit their effective participation in the economy: about 14% (or 518,000) of Victorians aged 15-64 had low level of skills (proficiency level 1 or below) in literacy and 22% (or 818,600) had low level of skills in numeracy. These individuals would benefit from foundation type courses. A recent study undertaken by the Australian Industry Group *Getting it Right: Foundation Skills for the Workforce* found that employers continue to be concerned about the low levels of workplace literacy and numeracy, with 93 per cent of employers identifying some impact on their business.

Key Points

- Enrolments in government subsidised foundation skills courses were 136,200 in Q3 2013. This figure is higher compared to the corresponding figures over the same period in 2011 and 2012.
- In terms of students, there were 111,000 government subsidised students enrolled in these courses in Q3 2013. Nearly half (49 per cent) of these students were aged between 15 and 24 years.
- The top three foundation skills course enrolments in Q3 2013 were Certificate I in Vocational Preparation, the Certificate II in General Education for Adults and the Certificate I in General Education for Adults. Enrolments in these courses accounted for 63 per cent of all government subsidised foundation course enrolments.

Figure 2.1: Government subsidised enrolments in foundation skills courses, 2008 – 2012, Q3 2011, Q3 2012 and Q3 2013

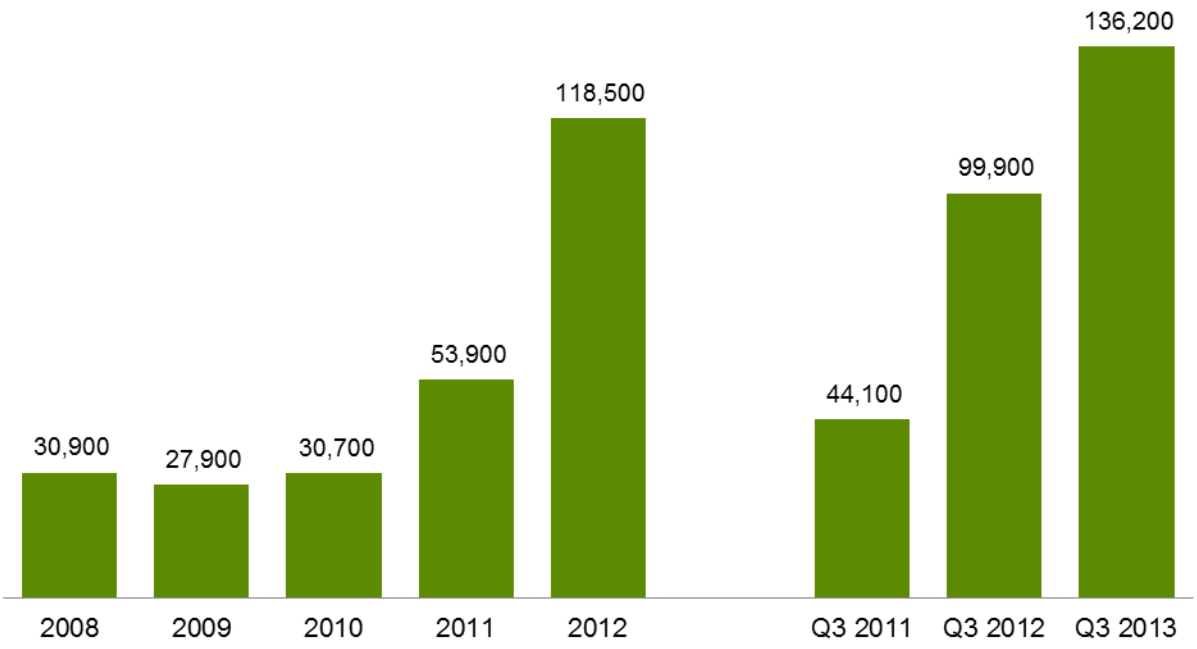


Table 2.8.1: Government subsidised student contact hours in foundation skills courses, 2008-2012

	2008	2009	2010	2011	2012	% change 2008-2012
Student contact hours	6.8	7.6	7.1	11.0	19.2	180%

Table 2.8.2: Government subsidised student contact hours in foundation skills courses, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
Student contact hours	9.7	16.4	24.7	154%	50%

Table 2.9.1: Government subsidised students in foundation skills courses by age group, 2008-2012

	2008	2009	2010	2011	2012	% change 2008-2012
15 to 19	5,100	5,200	6,600	11,200	27,900	451%
20 to 24	2,700	2,500	3,100	6,000	18,800	602%
25 to 44	11,200	9,700	10,300	16,400	31,400	179%
45 to 64	5,300	4,800	5,100	8,700	16,600	214%
Under 15, over 64, not stated	900	900	700	1,200	3,400	269%
Total	**25,200**	**23,200**	**25,700**	**43,500**	**98,100**	**289%**

Table 2.9.2: Government subsidised students in foundation skills courses by age group, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
15 to 19	9,200	23,500	31,500	243%	34%
20 to 24	4,800	16,100	22,700	376%	41%
25 to 44	13,100	26,200	36,000	174%	38%
45 to 64	6,900	13,900	18,000	160%	29%
Under 15, over 64, not stated	750	2,400	2,800	274%	16%
Total	**34,800**	**82,200**	**111,000**	**219%**	**35%**

Table 2.10: Top 13 government subsidised foundation skills course enrolments, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013	As a % of Q3 2013 total
Certificate I in Vocational Preparation	3,700	20,900	40,300	993%	93%	30%
Certificate II in General Education for Adults	9,200	21,600	24,500	168%	13%	18%
Certificate I in General Education for Adults	7,400	12,700	20,900	182%	65%	15%
Certificate III in General Education for Adults	2,400	7,400	10,300	332%	40%	8%
Certificate I in General Education for Adults (Introductory)	2,100	9,200	8,700	314%	-5%	6%
Certificate I in ESL (Access)	1,400	1,800	4,300	211%	140%	3%
Certificate II in ESL (Access)	1,300	2,000	3,700	176%	81%	3%
Course In Initial General Education For Adults	1,100	3,700	3,400	217%	-8%	2%
VCAL - Victorian Certificate of Applied Learning (Foundation)	1,500	1,500	2,500	65%	65%	2%
Certificate I in Work Education	2,400	1,900	2,400	3%	28%	2%
Certificate III in ESL (Access)	1,000	1,300	1,900	94%	55%	1%
Certificate I in Transition Education	1,000	2,000	1,800	82%	-10%	1%
Certificate II in Spoken and Written English	1,400	2,100	1,600	12%	-24%	1%

Alignment of Training to Industry Skills Needs

Introduction

Since the implementation of the RVT policy there have been shifts towards training delivered in areas that better meet the training requirements of the Victorian economy. The training market has been dynamic and responsive in seeking to align with these areas of need.

The trends towards more training in areas of specialised skills and in shortage occupations since 2008 has continued in 2013, as well as a shift towards courses that support sectors with significant projected employment growth.

There has been a reduction in courses that experienced unprecedented high levels of enrolments in 2012 that were not aligned with the employment trends of related industries. Challenges remain as government seeks to support apprenticeships in a climate of business contraction in trade related industries as well as managing growth in training areas that are not aligned with industry or student needs such as foundation skills for individuals who already have highly developed literacy, numeracy and workplace skills and RPL in unlicensed occupations.

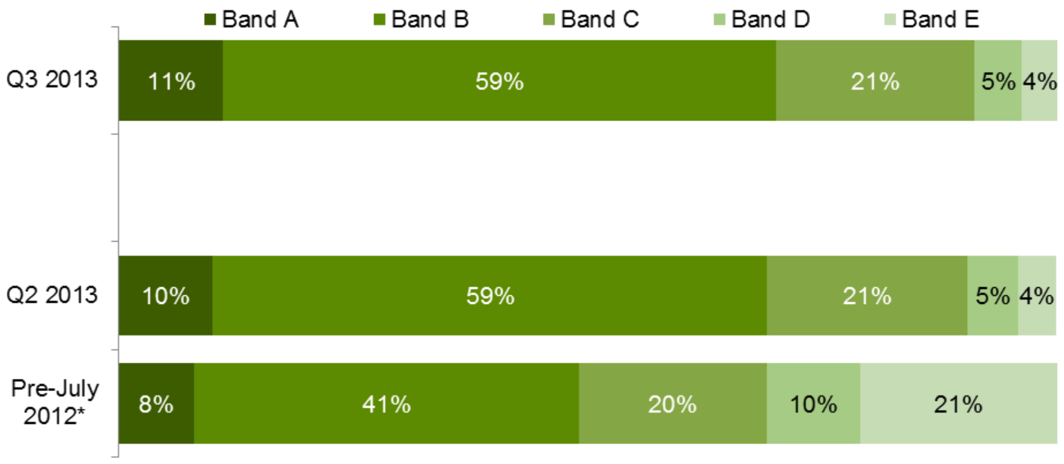
Under the new subsidy bands, weightings have been refined to apply at the course level to strengthen Government investment in training for specialised skills, training to address skills in shortage, training related to areas of growing employment opportunity and sectors delivering essential services. The reforms also assessed the extent to which government investment is required to stimulate delivery of, and participation in, this training to meet industry needs.

Overall, the highest subsidy levels have been provided to courses where contribution to the economy is assessed as high, and where government subsidy is seen as essential in enabling delivery and participation in training.

Key Points

- Data from Q3 2013 show that about 70 per cent of all government subsidised commencing enrolments were within subsidy bands A and B. Courses such as the Certificate III in Electrotechnology Electrician, Certificate III in Carpentry, Certificate III in Aged Care and the course in Initial General Education for Adults are represented in these funding bands.
- Courses with less vocational outcome, or labour market requirement (Band D & E) represented 9 per cent of all government subsidised commencements in Q3 2013.

Figure 3.1: Government subsidised commencing course enrolments: proportion of commencing enrolments by subsidy band, Pre-July 2012, Q2 2013 and Q3 2013**



*Pre-July 2012 refers to January to June 2012. ** Due to rounding the sum may not add up to 100 per cent.

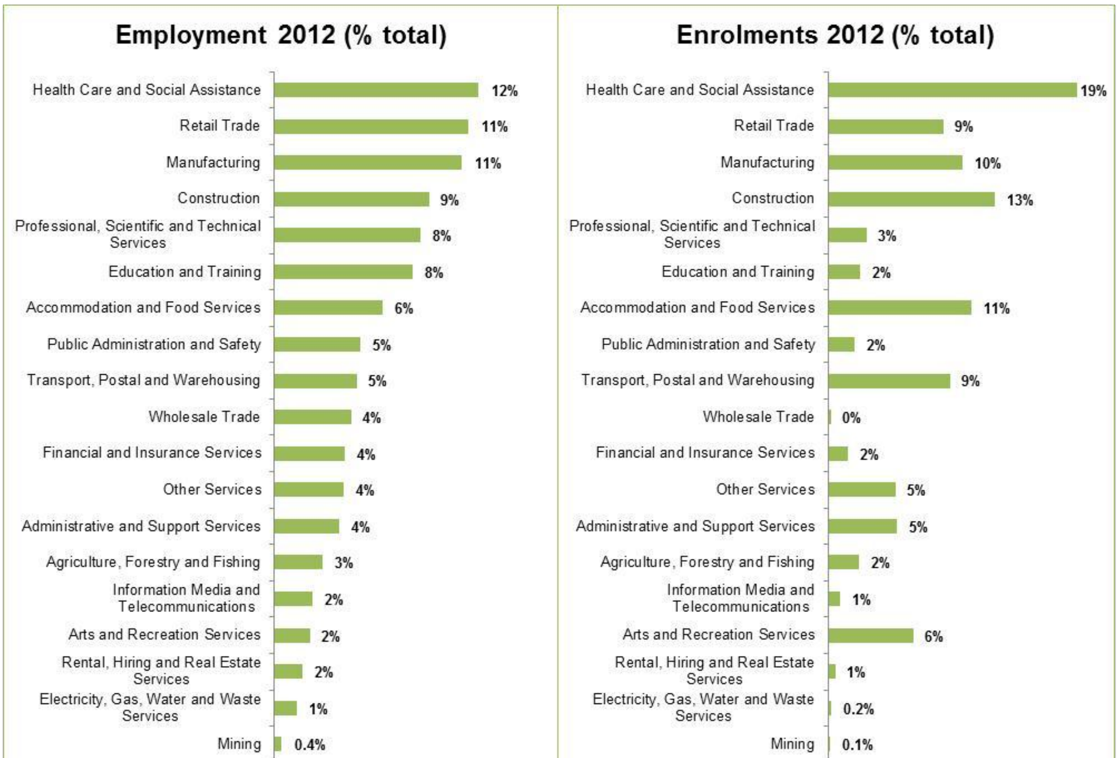
Subsidy bands were introduced in 2012 and apply specifically to qualifications in 2012 and onward. In order to allow comparison with previous years, superseded courses have been assigned a subsidy band for analysis purposes only based on the bands of the current course to which they most closely align.

Training Activity by Industry

Victorian reforms in vocational training enhance the alignment between vocational training and the needs of industry. For students this provides the opportunity for improved career and education pathways and employment outcomes following completion of training. Analysis of vocational training data has shown a high correlation between share of employment and share of training delivery in Victoria's largest industries (also refer to figure below for a comparison between employment and enrolment by industry):

- Forty nine per cent of training was delivered in the five highest employing Victorian industry sectors, which account for 50 per cent of all Victorian jobs – Health Care and Social Assistance, Retail Trade, Manufacturing, Construction and Professional, Scientific and Technical Services. In Q3 2013, these five industries continue to make up nearly half of all industry-specific[7] enrolments.
- Health Care and Social Assistance, forecast to remain Victoria's largest industry employer through to 2017[8], saw the highest enrolment growth for industry-specific training in 2012 (16,200 additional enrolments in 2012 when compared with 2011). In Q3 2013, training in courses related to Health Care and Social Assistance continued to grow with 72,500 enrolments (7 per cent growth between Q3 2012 and Q3 2013).
- There were around 359,800 enrolments in all industry-specific training, including 52,200 enrolments in Cross-industry training, which encompasses a broad range of skills applicable to all Victorian industries.

3.2: Industry share of Victorian employment and vocational training 2012



Source: Monash CoPS

The following table shows training in government subsidised qualifications, sorted highest to lowest by 2012 enrolments (excludes foundation training). Rank by industry share of Victorian employment and equivalent 2008 ranks are also displayed.

---

[7] Includes all accredited vocational qualifications at Certificate I and above, but excludes generic training such as foundation skills, education pathways and low-level LOTE courses.

[8] DEECD subscribes to the Monash CoPS Economic Forecasts Model which provides employment and output forecasts down to the 3-digit ANZSIC level, occupational forecasts down to the 4-digit ANZSCO as well as high level aggregation forecasts of hours worked, and ASCED qualifications attained. This report utilises the COPS five year forecast to 2017 for analysis in the VET Industry Profiles.

Table 3.1: Industry-specific training and employment: 2012 vs. 2008[9]

ANZSIC Industry	2012 Enrolments		Training Rank		Employment rank	
	Number	Share	2012	2008	2012	2008
Health Care and Social Assistance	77,600	18.7%	1	2	1	3
Construction	52,000	12.5%	2	1	4	4
Accommodation and Food Services	44,600	10.8%	3	4	7	7
Manufacturing	41,800	10.1%	4	3	3	1
Transport, Postal and Warehousing	38,000	9.2%	5	10	9	9
Retail Trade	36,000	8.7%	6	5	2	2
Arts and Recreation Services	26,700	6.4%	7	7	16	16
Administrative and Support Services	21,600	5.2%	8	6	13	13
Other Services	21,000	5.1%	9	9	12	11
Professional, Scientific and Technical Services	12,000	2.9%	10	8	5	5
Education and Training	10,100	2.4%	11	12	6	6
Agriculture, Forestry and Fishing	9,800	2.4%	12	11	14	14
Public Administration and Safety	8,400	2.0%	13	13	8	10
Financial and Insurance Services	6,300	1.5%	14	15	11	12
Information Media and Telecommunications	3,900	0.9%	15	14	15	15
Rental, Hiring and Real Estate Services	2,300	0.6%	16	17	17	17
Electricity, Gas, Water and Waste Services	950	0.2%	17	16	18	18
Wholesale Trade	900	0.2%	18	18	10	8
Mining	550	0.1%	19	19	19	19
Industry-specific training	**414,400**	**100.0%**	-	-	-	-
Cross-industry training *	91,000	-	-	-	-	-
Total industry training	**505,300**	-	-	-	-	-

[9] Cross-industry training (e.g. business administration, recordkeeping, computing) has been removed from the industry-specific analysis as this training develops business skills which are transferable across many industry sectors.

Subsidy bands analysis per industry

The table below shows the top 5 highest enrolments by industries for each subsidy band.

Table 3.2: Industry-specific training by funding band, Q3 2013

Industry by funding band	Q3 2013 enrolments	% enrolments Q3 2013
Band A		
Construction	36,800	61%
Manufacturing	11,300	19%
Other Services	7,800	13%
Accommodation and Food Services	3,200	5%
Agriculture, Forestry and Fishing	500	1%
Other industries	*1,130*	*2%*
Total (Band A)	**60,730**	**100%**
Band B		
Health Care and Social Assistance	32,900	27%
Transport, Postal and Warehousing	26,100	22%
Manufacturing	17,300	14%
Construction	9,600	8%
Accommodation and Food Services	9,300	8%
Other industries	*25,300*	*21%*
Total (Band B)	**120,500**	**100%**
Band C		
Health Care and Social Assistance	37,700	34%
Cross-industry	27,900	25%
Education and Training	6,900	6%
Administrative and Support Services	4,800	4%
Accommodation and Food Services	4,200	4%
Other industries	*28,300*	26%
Total (Band C)	**109,800**	**100%**
Band D		
Cross-industry	11,700	35%
Administrative and Support Services	4,400	13%
Retail Trade	3,600	11%
Public Administration and Safety	2,600	8%
Professional, Scientific and Technical Services	2,400	7%
Other industries	*9,100*	27%
Total (Band D)	**33,800**	**100%**
Band E		
Cross-industry	11,700	34%
Retail Trade	6,000	17%
Arts and Recreation Services	5,700	16%
Accommodation and Food Services	5,700	16%
Manufacturing	3,900	11%
Other industries	*1,900*	*5%*
Total (Band E)	**34,900**	**100%**

Key Points

- Over half of delivery in Band A (apprenticeships and non-apprenticeships) is in the Construction industry.
- The largest block of delivery in Band B is for Health Care and Social Assistance (29 per cent) and Transport, Postal and Warehousing (23 per cent).

Training Activity by Occupation

In the third quarter of 2013, the 5 highest numbers of enrolments within Bands A and B were in courses related to the following occupations:

- Aged or Disabled Carer (14,700 enrolments in Q3 2013)
- Purchasing and Supply Logistics Clerks (12,200 enrolments in Q3 2013)
- Truck Driver (General) (7,800 enrolments in Q3 2013)
- Engineering Production Worker (6,400 enrolments in Q3 2013)
- Enrolled and Mothercraft Nurses (6,900 enrolments in Q3 2013)

Employment trends within these occupations are outlined in the table below and show employment numbers in 2011-12, average annual employment needs[10] over the next 5 years as well as patterns of forecast employment growth to 2016-17. Employment trends indicate growth in three of the five occupational groups related to highest number of courses in Bands A and B. Engineering Production Workers are forecast to see dampened demand over the next five years. These workers predominantly work in the Manufacturing industry, a critical industry for the Victorian economy undergoing significant industrial transition, and therefore remain a critical area for public investment in vocational training.

Table 3.3: Employment trends in selected occupations (Band A & B), 2011-12 to 2016-17

Occupation	2011 - 12 Employment Total	Average Annual Employment Needs	Forecast Employment Growth
Aged and Disabled Carers	36,400	2,300	↑
Purchasing and Supply Logistics Clerks	23,300	1,300	↑
Truck Drivers	40,300	1,900	↑
Engineering Production Systems Workers	5,400	20	↓
Enrolled and Mothercraft Nurses	4,600	340	↓

Source: Monash Centre for Policy Studies (2012) Employment Forecasting Model.

The 5 highest number of enrolments within Band D and E in Q3 2013 were in courses related to the following occupations:

- General Clerk (5,900 enrolments in Q3 2013)
- Office Manager (5,700 enrolments in Q3 2013)
- Sales Assistant (General) (4,800 enrolments in Q3 2013)
- Waiter (4,200 enrolments in Q3 2013)
- Factory Process Workers (other) (3,200 enrolments in Q3 2013)

[10] Monash Centre for Policy Studies (2012) Employment Forecasting Model.

Average annual employment needs are average replacement demand and employment growth levels from 2011-12 through to 2016-17.

As above, Table 3.4 shows employment trends for occupations related to top 5 highest numbers of enrolments within Band D and E. Characteristic of these occupations in the Victorian labour market are jobs that have high levels of turnover and mixed employment prospects. Office Managers, for example are likely to remain fairly stable through to 2016-17, while Sales Assistants and Factory Process Workers are forecast to decline. General Clerks and Waiters are forecast to see employment growth, however present less of a requirement for vocational training investment made by government to support meeting this labour market need.

Table 3.4: Employment trends in selected occupations (Band D & E), 2011-12 to 2016-17

Occupation	2011-12 Employment Total	Average annual employment needs	Forecast employment growth to 2016-17
Office Manager	33,000	1,150	⇨
Sales Assistant (General)	135,900	6,000	⇩
General Clerk	45,100	2,000	⇧
Waiter	30,500	2,500	⇧
Factory Process Workers (other)	3,800	100	⇩

Source: Monash Centre for Policy Studies (2012) Employment Forecasting Model.

Apprenticeships

Since July 2012 courses such as Apprenticeships, attract government subsidy at the highest level in recognition of current and projected future industry skill needs. However, even though Apprenticeships receive the highest level of subsidy, due to external factors there has been a dampening of enrolments in Q3 2013 compared to same periods in 2011 and 2012. In Victoria just over half (54 per cent) of all Apprentice enrolments in Q3 2013 were in the Construction industry, this sector has been facing some challenging business conditions over recent years. Apprentice numbers are highly correlated with business conditions and this close relationship is demonstrated in the chart on the following page which shows similar trends between apprenticeship commencements[11] and new dwelling commencements[12], especially in the last few years.

Recent data released by the National Centre for Vocational Education Research (NCVER) show that Victoria is not the only jurisdiction that has experienced reductions in apprentices and trainees in-training in traditional trades. States such as NSW and Queensland are also having similar trends. This is likely reflective of difficult business conditions for this industry being faced across Australia.

[11] Commencements data is sourced from DEECD's DELTA system which is used to manage and monitor training contracts. This data is used for this purpose only as the Training Market Quarterly Report is based on VET training activity data.

[12] Australian Bureau of Statistics, Building Activity, Australia, 8752.0 Table 34: Number of Dwelling Unit Commencements by Sector, States and Territories. The latest available data was Quarter 2 2013.

Figure 3.3: Number of apprenticeship commencements and new dwelling units commenced all sectors Quarter 1 2000 to Quarter 3 2013

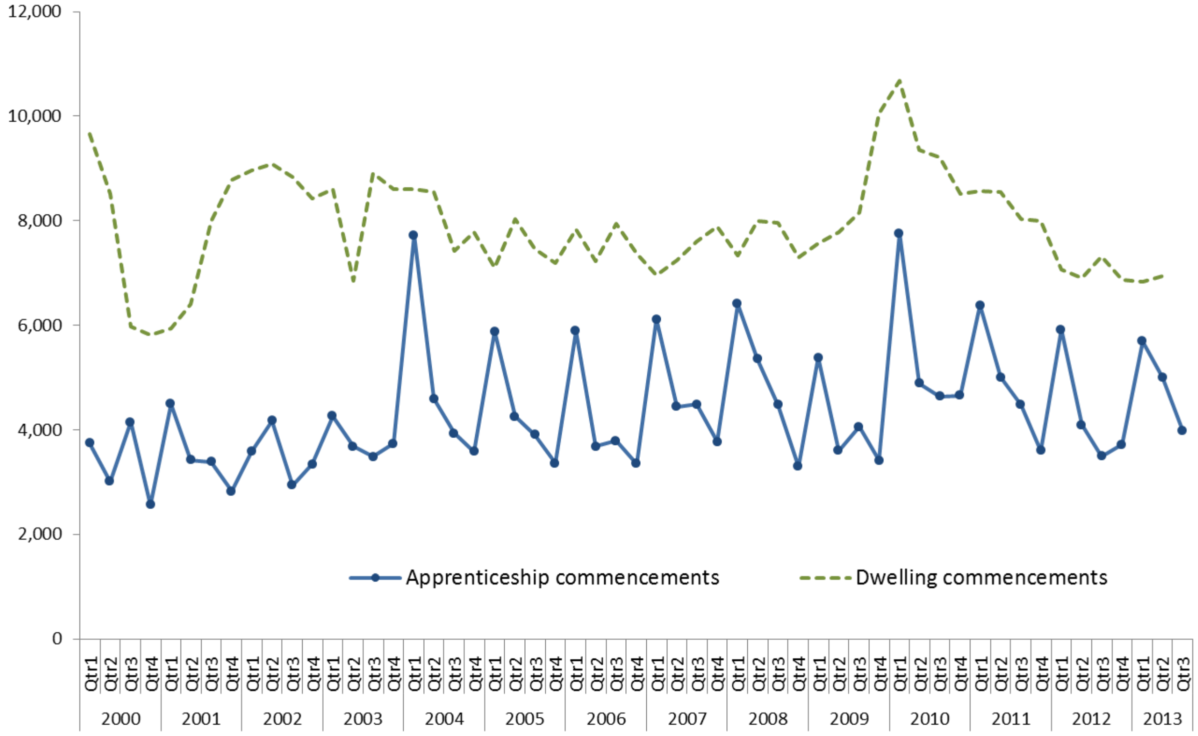
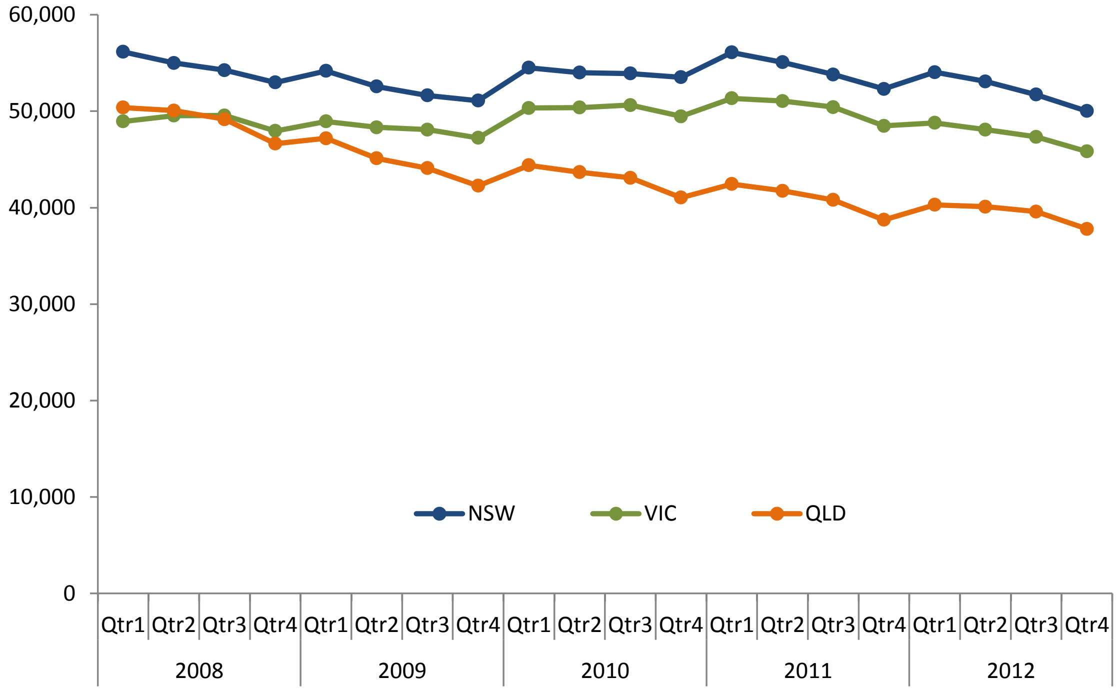


Figure 3.4: Number of Apprentices and trainees in-training in traditional trades, Vic, New South Wales and Queensland, Quarter 1 2008 – Quarter 4 2012 (NCVER)



Source: Apprentices and Trainees December 2012, VOCSTATS NCVER

Table 3.5.1: Government subsidised enrolments by apprentices by age, 2008–2012

	2008	2009	2010	2011	2012	% change 2008-2012
15 to 19	19,100	18,400	19,400	19,300	17,300	-9%
20 to 24	16,300	16,500	18,100	18,500	18,800	15%
25 to 44	5,900	6,300	7,100	7,800	8,100	36%
45 to 64	500	500	600	650	850	70%
Under 15, over 64, not stated	50	30	20	20	10	-80%
Total	**41,900**	**41,600**	**45,300**	**46,300**	**45,000**	**8%**

Table 3.5.2: Government subsidised enrolments by apprentices by age, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
15 to 19	17,500	15,900	13,700	-22%	-13%
20 to 24	17,500	17,900	17,300	-1%	-3%
25 to 44	7,200	7,300	7,800	8%	6%
45 to 64	650	650	1,000	61%	52%
Under 15, over 64, not stated	30	10	20	-43%	113%
Total	**42,900**	**41,800**	**39,800**	**-7%**	**-5%**

Table 3.6: Government subsidised enrolments by apprentices by industry, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
A: Agriculture, Forestry and Fishing	40	40	80	126%	84%
C: Manufacturing	6,300	6,200	6,200	-1%	1%
D: Electricity, Gas, Water and Waste Services	250	250	200	-20%	-17%
E: Construction	24,300	23,200	21,700	-11%	-7%
F: Wholesale Trade	100	90	40	-62%	-51%
G: Retail Trade	1,800	1,900	1,800	1%	-4%
H: Accommodation and Food Services	2,400	2,400	2,500	4%	5%
M: Professional, Scientific and Technical Services	150	150	200	47%	55%
N: Administrative and Support Services	500	450	250	-51%	-46%
O: Public Administration and Safety	90	100	100	5%	-8%
Q: Health Care and Social Assistance	100	80	70	-34%	-17%
R: Arts and Recreation Services	600	600	550	-6%	-7%
S: Other Services	6,200	6,300	6,000	-3%	-4%
Total	**42,900**	**41,800**	**39,800**	**-7%**	**-5%**

Traineeships

While there has been a decline in enrolments in Traineeships in Q3 2013, the decline has come from those courses that now attract the lowest levels of government subsidy, i.e. Band D and E. This is demonstrated on the figure on the next page which shows that the vast majority of the decline has come from courses that are deemed to have less vocational outcome or labour market requirement and hence attract the lowest subsidy levels (i.e. Band D and E). Courses in this group include Certificate II in Retail, Certificate III in Retail, Certificate III in Hospitality, Certificate III in Process Manufacturing, and Certificate III in Customer Contact. While the overall traineeship enrolments in Q3 2013 was lower compared to Q3 2011, when examined by subsidy band not only can it be seen where the decline has come from but it shows that there actually has been some growth in traineeships attracting subsidy at Band B, reflecting industry need for graduates from these courses. Other factors which may have impacted on the overall dampening of demand for traineeship courses has been changes to Commonwealth government incentives[13].

Figure 3.4: Government subsidised traineeship enrolments by funding band, Q3 2011, Q3 2012 and Q3 2013

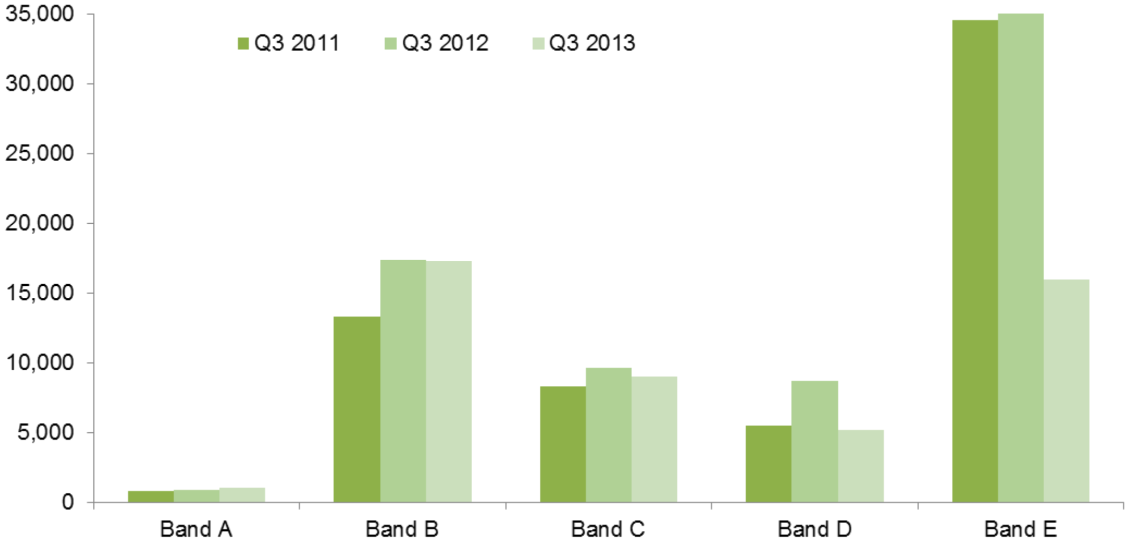


Table 3.7.1: Government subsidised enrolments by trainees by age, 2008–2012

	2008	2009	2010	2011	2012	% change 2008-2012
15 to 19	21,300	20,800	22,700	26,100	25,500	20%
20 to 24	12,900	11,000	12,500	15,300	15,500	20%
25 to 44	14,500	12,400	14,800	24,600	29,600	104%
45 to 64	4,800	4,600	6,500	13,600	18,000	276%
Under 15, over 64, not stated	600	450	300	600	700	10%
Total	**54,000**	**49,200**	**56,900**	**80,200**	**89,300**	**65%**

[13] The NCVER publication Apprentices & Trainees, Early trend estimates March Quarter 2013, noted that at a national level "The substantial growth in non-trade commencements up to the June quarter 2012 and the subsequent decline in the September quarter is predominately due to changes to Commonwealth incentive payments for existing workers, namely the removal of the commencement incentive payment for those apprenticeships and traineeships not on the National Skills Needs List. Under the changes, training needed to have commenced prior to 1 July 2012 to attract the old subsidy rate."

Table 3.7.2: Government subsidised enrolments by trainees by age, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
15 to 19	20,800	22,400	12,100	-42%	-46%
20 to 24	12,900	14,200	8,500	-34%	-40%
25 to 44	18,700	26,600	16,700	-10%	-37%
45 to 64	10,000	16,200	10,800	8%	-33%
Under 15, over 64, not stated	250	500	350	35%	-23%
Total	**62,600**	**79,900**	**48,500**	**-23%**	**-39%**

Table 3.8.1: Government subsidised enrolments by trainees by qualification level, 2008–2012

	2008	2009	2010	2011	2012	% change 2008-2012
Cert I-II	10,200	11,100	11,700	8,900	4,200	-59%
Cert III-IV	42,600	36,800	42,500	62,900	72,100	69%
Diploma & Above	1,100	1,300	2,700	8,400	13,000	1128%

Table 3.8.2: Government subsidised enrolments by trainees by qualification level, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q2 2010-Q3 2013	% change Q3 2011-Q3 2013
Cert I-II	7,900	3,900	2,100	-73%	-45%
Cert III-IV	48,400	64,000	40,100	-17%	-37%
Diploma & Above	6,300	12,100	6,300	0%	-48%

Table 3.9: Government subsidised enrolments by trainees by industry, Q3 2011, Q3 2012 and Q3 2013

	Q3 2011	Q3 2012	Q3 2013	% change Q3 2011-Q3 2013	% change Q3 2012-Q3 2013
A: Agriculture, Forestry and Fishing	1,400	1,800	1,900	37%	1%
B: Mining	10	30	70	825%	174%
C: Manufacturing	7,400	12,800	9,300	27%	-27%
D: Electricity, Gas, Water and Waste Services	150	250	150	10%	-39%
E: Construction	500	750	850	70%	10%
F: Wholesale Trade	300	500	300	-8%	-41%
G: Retail Trade	14,200	16,300	6,400	-55%	-61%
H: Accommodation and Food Services	8,300	9,600	4,500	-45%	-53%
I: Transport, Postal and Warehousing	3,900	5,400	4,900	24%	-9%
J: Information Media and Telecommunications	150	150	200	51%	60%
K: Financial and Insurance Services	400	500	450	15%	-8%
L: Rental, Hiring and Real Estate Services	250	350	250	-8%	-37%
M: Professional, Scientific and Technical Services	250	300	250	-14%	-27%
N: Administrative and Support Services	5,700	6,000	3,300	-43%	-46%
O: Public Administration and Safety	40	80	200	376%	121%
P: Education and Training	400	400	1,000	146%	156%
Q: Health Care and Social Assistance	6,500	6,900	5,800	-10%	-15%
R: Arts and Recreation Services	2,300	2,300	950	-59%	-60%
S: Other Services	500	400	250	-49%	-39%
T: Cross-industry	10,100	15,000	7,400	-26%	-51%
Total	**62,600**	**79,900**	**48,500**	**-23%**	**-39%**

Training in Specialised and In-Shortage Related Occupations

Vocational training delivery that is meeting the skill requirements of industry is a core focus of the Refocusing VET reforms. In particular, training related to occupations identified as specialised or experiencing skill shortages that[14] enhance the productive capacity of the Victorian economy are a high priority for government investment.

'Specialised occupations'[15] are defined as occupations that have a long lead-time for training, high economic value and a significant match between training and employment.

'Skill shortages'[16] exist when employers are unable to fill or have considerable difficulty filling vacancies for an occupation, or significant specialised skill needs within that occupation, at current levels of remuneration and conditions of employment, and in reasonably accessible locations.

Note: all data in this section is for government subsidised training by onshore domestic students in accredited AQF qualifications excluding foundation skills, education pathways and low-level LOTE courses.

Key Points

Trends in the third quarter of 2013 indicate a refocusing of the training market towards a higher proportion of training delivery against most critical occupations:

- 148,100 enrolments in qualifications related to specialised or in shortage occupations in Q3 2013.
- At Q3 2013 41 per cent of training was for occupations which are either specialised or in shortage. At the same point a year ago (Q3 2012) this figure was 32 per cent.
- There is a marked difference between critical 'Specialised or Skill Shortage' occupations (5 per cent growth year on year) compared to 'Non Specialised or Skill Shortage' training (31 per cent decrease).
- TAFE providers continue to deliver half of training in qualifications related to specialised or in shortage occupations, followed by private RTOs (45 per cent).
- The largest rise in specialised and skill shortage enrolments compared to Q3 2012 have been in qualifications under Band A.

[14] To ensure the most robust alignment with vocational outcomes in the government funded training sector this section is limited to:

- government subsidised training to onshore domestic students
- training in accredited AQF qualifications at Certificate I and above i.e. short courses, non-award courses and non-accredited training is excluded
- excludes courses which cannot be classified directly[14] to an employment outcome in a particular occupation, such as training in generic foundation skills such as literacy and numeracy

[15] Australian Workforce and Productivity Agency (2012) specialised occupation list.

[16] HESG (2012) Skills Shortage list. Skill shortage definition from DEEWR Skills Shortage List

Figure 3.5: Government subsidised training delivery by responsiveness category

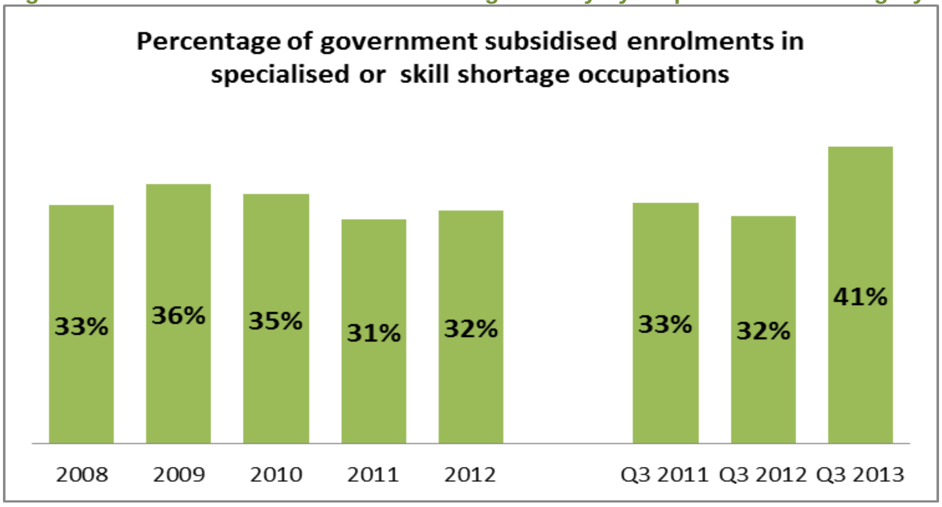


Figure 3.6: Government subsidised enrolments in specialised or skill shortage occupations per training provider type, Q3 2011, Q3 2012 and Q3 2013

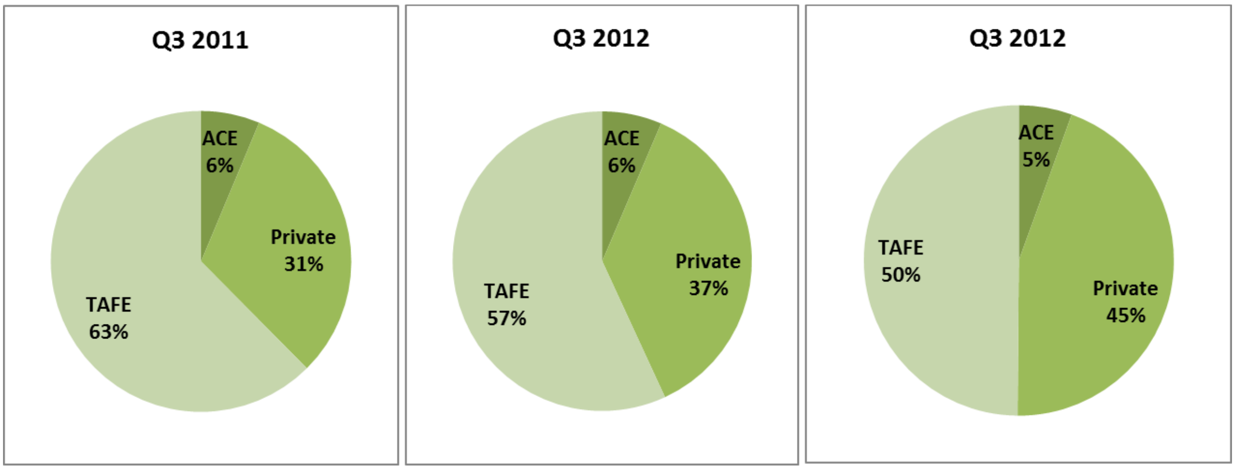


Table 3.10.1: Government subsidised training delivery for qualifications related to either specialised or skill shortage occupations, 2008 - 2012

Either Specialised or Skill Shortage Qualifications						
	2008	2009	2010	2011	2012	% 2008 - 2012
Enrolments	91,400	102,600	116,500	137,300	163,100	78%
Hours (millions)	28.4	33.6	38.9	44.3	54.9	93%

Table 3.10.2: Government subsidised training delivery for qualifications related to either specialised or in shortage occupations, Q32011, Q32012 and Q32013

Either Specialised or Skill Shortage Qualifications					
	Q3 2011	Q3 2012	Q3 2013	% Q3 2011 - Q3 2013	% Q3 2012 - Q3 2013
Enrolments	118,600	140,900	148,100	25%	5%
Hours (millions)	42.7	51.8	57.2	34%	10%

Table 3.11.1: Government subsidised training delivery for qualifications not related to specialised or skill shortage occupations, 2008 - 2012

Not Specialised/Skill shortage Qualifications						
	2008	2009	2010	2011	2012	% 2008 - 2012
Enrolments	184,700	182,500	220,300	305,500	342,300	85%
Hours (millions)	46.8	49.1	61.4	85.9	109.3	134%

Table 3.11.2: Government subsidised training delivery for qualifications related to either specialised or skill shortage occupations, Q32011, Q32012 and Q32013

Not Specialised/ Skill Shortage Qualifications					
	Q3 2011	Q3 2012	Q3 2013	% Q3 2011 - Q3 2013	% Q3 2012 - Q3 2013
Enrolments	236,300	305,200	211,700	-10%	-31%
Hours (millions)	76.2	102.3	73.4	-4%	-28%

Table 3.12.1: Government subsidised training delivery for qualifications related to specialised occupations, 2008 - 2012

Qualifications Related to Specialised Occupations						
	2008	2009	2010	2011	2012	% 2008 – 2012
Enrolments	57,000	59,300	64,900	72,300	80,300	41%
Hours (millions)	16.6	19.6	21.1	21.8	25.9	56%

Table 3.12.2: Government subsidised training delivery for qualifications related to specialised occupations, Q32011, Q32012 and Q32013

Qualifications Related to Specialised Occupations					
	Q3 2011	Q3 2012	Q3 2013	% Q3 2011 - Q3 2013	% Q3 2012 - Q3 2013
Enrolments	63,300	69,900	75,400	19%	8%
Hours (millions)	21.1	23.5	28.1	33%	20%

Table 3.13.1: Government subsidised training delivery for qualifications related to skill shortage occupations, 2008 - 2012

Qualifications Related to Skill Shortage Occupations						
	2008	2009	2010	2011	2012	% 2008 – 2012
Enrolments	84,200	95,900	108,900	129,400	152,400	81%
Hours (millions)	26.7	31.7	36.9	42.1	50.9	90%

Table 3.13.2: Government subsidised training delivery for qualifications related to skill shortage occupations, Q32011, Q32012 and Q32013

Qualifications Related to Skill Shortage Occupations					
	Q3 2011	Q3 2012	Q3 2013	% Q3 2011 - Q3 2013	% Q3 2012 - Q3 2013
Enrolments	112,600	131,900	140,100	24%	6%
Hours (millions)	40.6	48.7	53.7	32%	10%

Table 3.14: Top 10 enrolling specialised or in shortage occupations, 2011, 2012, Q3 2012 and Q3 2013

Occupation	2011	2012	Q3 2012	Q3 2013	% change Q3 2012 - Q3 2013
Child Carers	19,700	25,600	21,900	23,700	8%
Aged and Disabled Carers	13,000	16,900	13,800	16,500	20%
Welfare Support Workers	7,500	9,300	8,400	10,000	19%
Truck Drivers	7,500	10,700	7,500	9,700	29%
Carpenters and Joiners	9,100	8,000	7,400	7,200	-3%
Electricians	7,700	7,800	7,300	7,100	-3%
Enrolled and Mothercraft Nurses	6,400	7,200	6,800	7,000	3%
Motor Mechanics	5,200	6,600	5,400	6,900	28%
Plumbers	7,100	7,200	6,800	6,600	-3%
Architectural, Building and Surveying Technicians	3,100	5,000	4,300	4,800	12%
All other occupations	50,800	58,500	51,400	48,600	-5%

The following table highlights industry enrolments in qualifications related to either specialised or in shortage occupations

Table 3.15: Industry enrolments in qualifications related to either specialised or in shortage occupations

Industry	Enrolments (Total industry specific qualifications)						Enrolments (Specialised OR In Shortage)					
	Share Q3 2013	Q3 2011	Q3 2012	Q3 2013	% Q3 2011 - Q3 2013	% Q3 2012 - Q3 2013	Share Q3 2013	Q3 2011	Q3 2012	Q3 2013	% Q3 2011 - Q3 2013	% Q3 2012 - Q3 2013
Accommodation and Food Services	6%	28,300	39,500	23,100	-18%	-42%	5%	6,600	10,700	7,800	-20%	-27%
Administrative and Support Services	3%	15,200	19,900	12,200	-20%	-39%	-	-	-	-	9%	-
Agriculture, Forestry and Fishing	1%	7,100	8,400	5,300	-25%	-37%	0%	700	700	600	-14%	-14%
Arts and Recreation Services	4%	22,700	25,600	14,100	-38%	-45%	1%	400	500	1,100	175%	120%
Construction	14%	41,800	44,300	49,400	18%	12%	25%	30,300	32,100	36,300	20%	13%
Cross-industry e.g. project managers	15%	62,000	84,000	52,200	-16%	-38%	1%	3,500	3,200	2,000	-43%	-38%
Education and Training	3%	8,800	8,800	10,000	14%	14%	2%	5,000	5,000	3,200	-36%	-36%
Electricity, Gas, Water and Waste Services	0%	900	900	600	-33%	-33%	0%	700	700	500	-29%	-29%
Financial and Insurance Services	1%	4,000	5,900	2,700	-33%	-54%	0%	700	800	200	-71%	-75%
Health Care and Social Assistance	20%	52,800	67,600	72,500	37%	7%	44%	47,500	61,000	65,300	37%	7%
Information Media and Telecommunications	1%	3,500	3,800	3,100	-11%	-18%	0%	500	500	400	-20%	-20%
Manufacturing	9%	26,200	35,300	32,900	26%	-7%	6%	8,000	8,300	8,700	9%	5%
Mining	0%	200	400	300	50%	-25%	-	-	-	-	-	-
Other Services	5%	17,300	18,300	18,100	5%	-1%	4%	4,100	4,800	6,000	46%	25%
Professional, Scientific and Technical Services	3%	12,000	11,800	9,900	-18%	-16%	2%	3,000	3,000	2,700	-10%	-10%
Public Administration and Safety	2%	5,300	6,700	6,600	25%	-1%	0%	300	400	300	0%	-25%
Rental, Hiring and Real Estate Services	0%	1,300	2,100	1,500	15%	-29%	-	-	-	-	-	-
Retail Trade	4%	25,500	32,500	13,200	175%	-59%	1%	1,200	1,500	2,000	67%	33%
Transport, Postal and Warehousing	9%	19,300	29,300	31,200	20%	6%	7%	6,200	7,800	11,000	77%	41%
Wholesale Trade	0%	600	800	800	-43%	0%	-	-	-	-	-	-
Total	100%	355,000	446,100	359,800	-36%	-19%	100%	118,600	140,900	148,100	25%	5.1%